

# Export Documentary Credits.

## Terms and Conditions.



The terms and conditions set out in this document apply if, on the Customer's instructions, Bank of Melbourne – A Division of Westpac Banking Corporation ABN 33 007 457 141 AFSL 233714 ACL 233714 (the “**Bank**”) agrees to negotiate and/or confirm an Export Documentary Credit (the “**Credit**”).

### 1. ICC Rules.

These terms and conditions are subject to the International Chamber of Commerce Uniform Customs and Practice for Documentary Credits and International Chamber of Commerce Uniform Rules for Bank-to-Bank Reimbursements under Documentary Credits, in each case, current at the time of issuance.

### 2. Negotiation.

- 2.1 The Instructions lodged by the Customer must be accompanied by documents and drafts if applicable for presentation under Credit.
- 2.2 If the Bank issues a discrepancy notice to the Customer noting certain discrepancies in or concerning the documents and drafts presented for negotiation (a “**Discrepancy Notice**”) and the Customer provides instructions to the Bank to negotiate the Customer's draft or claim under the Credit notwithstanding the discrepancies, the Customer agrees that if the draft should be dishonoured or the Bank's claim under the Credit not be honoured, the Customer shall repay the Bank on demand:
  - (a) the amount of the draft or the amount of the claim in each case;
  - (b) interest on that amount at the Bank's current lending rate from time to time for that currency, calculated from the date the draft or claim was negotiated until the date of repayment. The Customer can contact the Bank to find out the applicable rate; and
  - (c) all charges incurred by the Bank.

The Customer indemnifies the Bank on demand against all damages, direct losses, reasonable costs and expenses whatsoever which the Bank may incur or be liable for as a result of negotiating the draft or claim as a result of the irregularities with the underlying Credit (except to the extent caused by the Bank's negligence, fraud or wilful misconduct).

### 3. Confirmation.

If the Customer requests to have the Bank confirm the Credit, the Bank will, if it accepts that request, notify the Customer of the basis on which the Bank accepts that request, including any additional terms and conditions.

### 4. Crediting proceeds.

- 4.1 As indicated in the lodgement instruction, the Customer either makes an application to the Bank to:
  - (a) negotiate and credit proceeds immediately to account(s) specified; or
  - (b) negotiate and credit proceeds to account(s) specified when payment is received from the Reimbursing Bank (which must be acceptable to the Bank).
- 4.2 (**Exchange Rates**) If the Bank accepts an application to negotiate and credit proceeds in a currency other than Australian Dollars (AUD), then the Bank will credit the proceeds in AUD, converted on the basis of the Bank's ruling buying rate of exchange at the time the Bank is required to make the payment in that currency or at a rate pre-arranged between the Bank and the Customer by way of a forward exchange contract.
- 4.3 (**Interest**) If the Bank accepts an application to negotiate and credit proceeds immediately, the Customer must pay interest:
  - (a) upfront;
  - (b) on the amount credited;
  - (c) from (and including) the day on which the amount is credited to (but excluding) the day on which the amount is received by the Bank from the reimbursing Bank; and
  - (d) at the current rate applicable to such advances.

The applicable interest rate may be set out in a separate agreement the Customer has with the Bank (e.g. a Business Finance Agreement). The Customer can also contact the Bank to find out the applicable rate.

## **5. Sanctions/Anti-Money Laundering and Counter-Terrorism Financing Obligations.**

Please be advised that in order for the Bank to meet its regulatory and compliance obligations relating to anti-money laundering, counter financing of terrorism and economic and trade sanctions, the Bank will be increasing the levels of control and monitoring it performs.

The Customer should be aware that:

- transactions may be delayed, blocked or refused where the Bank has reasonable grounds to believe that they breach Australian or international law or sanctions, or where the Bank needs to obtain further information to assist its compliance process;
- where transactions are delayed, blocked, frozen or refused, the Bank and its correspondents are not liable for any loss the Customer suffers (including consequential loss);
- the Customer must not initiate or conduct a transaction that may be in breach of Australian or international law or sanctions.

The Customer should also be aware that:

- the Bank may from time to time require additional information from the Customer to assist the Bank in its compliance process;
- where legally obliged to do so, the Bank will disclose the information gathered to regulatory and/or law enforcement agencies, other banks, other members of the Westpac Group, service providers or to other third parties.

The Customer provides the Bank with the following undertakings and indemnify the Bank against any losses arising from any breach by the Customer of such undertakings:

1. the Customer will not initiate, engage in or effect a transaction that may be in breach of Australian law or sanctions (or the law or sanctions of any other country); and
2. any activity underlying any transaction does not breach any Australian law or sanctions (or the law or sanctions of any other country).

## **6. Banking Code of Practice.**

The Bank has adopted the Banking Code of Practice, issued by the Australian Banking Association (**Banking Code**). The Banking Code sets out the standards of practice and service for Australian banks to follow when dealing with certain customers.

If the Bank provides the Customer with a “banking service” and the Customer are an “individual” or a “small business” or their “guarantor” (each term as defined in the Banking Code), the relevant provisions of the Banking Code will apply in addition to, and will prevail to the extent of any inconsistency with, these terms and conditions.

The Customer can obtain a copy of the Banking Code from our website. Information on current standard fees and charges and interest rates is available on request.

## **7. Tax Reporting Obligations.**

The Bank is required under domestic and international laws to collect and report financial and account information relating to individuals and organisations who are, or may be, foreign tax residents. The Bank may ask the Customer whether the Customer or any shareholder, beneficiary, settlor or controlling person are a foreign tax resident from time to time, such as when the Customer opens an account with the Bank, or if the Customer's circumstances change. If the Customer does not provide this information to the Bank, including information about the foreign tax identification number for all countries you or any shareholder, beneficiary, settlor or controlling person are a foreign tax resident of, the Bank may be required to limit the services the Bank provides to the Customer. This could include not opening your Product, or limiting functions or services of your Product, or closing it.

Unless the Customer tells the Bank otherwise, by completing any application for products covered under this form, the Customer certifies that the Customer, any shareholder, named beneficiary, settlor or controlling person is not a foreign tax resident. The Customer must tell the Bank if the Customer, or any shareholder, named beneficiary, settlor or controlling person is, or becomes, a foreign tax resident (unless an exemption applies, such as for shareholders of listed companies). Where there are no named beneficiaries (e.g. for beneficiaries identified only

as a class) the Customer must tell the Bank if a beneficiary is a foreign tax resident immediately when any decision is made to identify such beneficiary and, in any case, before such distribution is to be made to them. The Customer may contact the Bank to provide foreign tax residence information by calling 1300 725 863. The Bank cannot give tax advice, so please contact your independent tax advisor if the Customer needs help finding out whether any person is a foreign tax resident.

## **8. Privacy Statement.**

All personal information and credit-related information (if applicable) the Bank collects about the Customer is collected, used and disclosed by the Bank in accordance with our Privacy Statement which is available at [bankofmelbourne.com.au/privacy/privacy-statement](https://bankofmelbourne.com.au/privacy/privacy-statement) or by calling us on 13 22 66.

Our Privacy Statement also provides information about how the Customer can access and correct their personal information, and make a complaint. The Customer does not have to provide the Bank with any personal information or credit information (if applicable) but, if the Customer doesn't, the Bank may not be able to process an application or a request for a product or service.

Where individuals engage with the Bank in relation to products and services for our business, corporate or institutional customers (for example, as representative, administrator, director, corporate officer, signatory, beneficiary or shareholder of one of our customers) our Privacy Statement will be relevant to those individuals where the Bank collects and handles their personal information. For example, where the Bank collects their personal information to verify their identity or collects their signature as a signatory on a corporate account.

## **9. Privacy Obligations.**

To the extent that it applies to the Customer, the Customer must comply with the *Privacy Act 1988* (Cth) in relation to any personal information the Customer provides to the Bank in connection with this Agreement, and if the Customer engages in activities in a jurisdiction other than Australia, the Customer must comply also with the applicable privacy laws in that jurisdiction.

## **10. External Service Providers.**

The Bank may subcontract any of our rights and obligations to another person in Australia or overseas.

The Bank may disclose or share any information the Customer provides to the Bank with any such person. With respect to any personal information, details of the countries where the overseas recipients are likely to be located is contained in our Privacy Statement which is available at [bankofmelbourne.com.au/privacy/privacy-statement](https://bankofmelbourne.com.au/privacy/privacy-statement) (as updated from time to time).

## **Accessibility support**

Visit [Bank of Melbourne Accessibility](#) for further information on our accessible products and services for people with disability, who are neurodivergent or where English is a second language.

*Bank of Melbourne acknowledges the Traditional Owners as the custodians of this land, recognising their connection to land, waters and community. We pay our respects to Australia's First Peoples, and to their Elders, past and present.*