

General information on the Code of Banking Practice

ING  DIRECT

Spend your life well

Contents

About this booklet	1
Opening a new account with ING DIRECT	1
Please read our Product Disclosure Statement or Terms and Conditions booklet	1
Completing the Application Form	1
Tax File Numbers	2
Giving a guarantee	2
Joint Accounts and your liability	3
Our right to combine accounts	4
Cheques	4
Clearing a cheque	4
Crossing a cheque	4
"Account Payee Only"	4
Deleting the words "or bearer"	4
Stopping a cheque	5
How to reduce the risk of unauthorised alterations to a cheque	6
Cheques returned unpaid or dishonoured	6
Bank cheques	7
Your right to privacy and confidentiality	8
Resolving disputes	9
The Banking and Financial Services Ombudsman	10
Financial difficulties	10

About this booklet

ING DIRECT has prepared this booklet to help its customers with their personal banking. We advise that you read this information before applying to open an account with ING DIRECT or purchase one of our products or services.

In the booklet we cover some aspects of our products and procedures, and some parts of the Code of Banking Practice. It is not a complete statement of the relevant law or practice, so please do not hesitate to ask an ING DIRECT Customer Care Specialist for further information.

If you do not understand any of the information or documentation that we give you then we strongly advise that you seek legal advice. ING DIRECT looks forward to being of service.

Opening a new account with ING DIRECT

Please read our Product Disclosure Statement (PDS) or Terms and Conditions (T&Cs) booklet

Before opening an account with ING DIRECT you should read the PDS or T&Cs booklet appropriate to the product. The PDS or T&Cs booklet provides information on:

- How your ING DIRECT account operates
- Interest rates
- Any applicable fees and charges.

If you need further help then please do not hesitate to contact us on **1800 133 464**.

We reserve the right to vary our PDS or T&Cs booklet and will inform you in writing.

If our interest rate changes, we will tell you about the change by advertisement in a local or national newspaper circulating in your area.

Completing the Application Form

When you apply to open an account with us we ask you to complete and sign appropriate documentation.

This will include an Application Form in which we ask you to provide us with information such as important personal details, instructions about who can operate your account and details of your external bank account.

Tax File Numbers

When you open a Savings Maximiser or Term Deposit you can choose to provide your Tax File Number or record your Exemption Code under the quotation rules. If you do not provide a Tax File Number or Exemption Code details then we are required by the Federal Government to withhold an amount for tax from any interest earned on your deposits. This amount will be calculated at the highest marginal tax rate plus the Medicare levy. Your Tax File Number is confidential and will be preserved and recorded for all your accounts in accordance with the privacy laws.

Giving a guarantee

You should be aware that giving a guarantee involves significant financial risk – it isn't just a formality or something you feel you should do to help out a friend, relative or a business partner.

In essence, you are giving us a legally enforceable promise that the person we are lending to (the borrower) will comply with all the terms and conditions of the loan. If they don't, then we can look to you to make good the amount that you have agreed to guarantee.

As the financial implications of giving a guarantee can be very serious if things go wrong, we strongly recommend that you obtain independent legal and financial advice before you agree to guarantee the obligations of someone else.

Before we accept a guarantee from you we're required under the Code of Banking Practice to give you a range of information to help you make an informed decision. For instance, we're required to give you a prominent notice that:

- you should seek independent legal advice on the effect of the guarantee
- you can refuse to enter into the Guarantee;
- there are financial risks involved for you;
- you have a right to limit your liability in certain circumstances; and
- you can request information about the transaction or facility to be guaranteed by you.

Also, depending on what capacity you propose to act as guarantor, we'll give you further information whether you ask for it or not.

There are a range of rights of obligations relating to guarantees that can't be set out in detail in this brochure. Please contact your legal and financial adviser if you want further information before you agree to give a guarantee (and, again, we strongly recommend that you do so).

Joint Accounts and your liability

If you hold a joint account with another person, you will each be liable for any amount due to us, unless ING DIRECT's PDS or T&Cs booklet states otherwise.

Because your liability is both joint and several we can also ask both of you to repay the whole of the amount owing.

Our PDS or T&Cs booklet also tells you how funds may be withdrawn from a joint account. Usually, any joint account holder can access the account and also instruct ING DIRECT to close the account.

If you want to change who has access to your account and who can give ING DIRECT instructions, you should call one of our Customer Care Specialists who will provide you with any documentation you need to sign.

Our right to combine accounts

We reserve the right to combine the balances of two or more of your accounts, even if the accounts are in joint names.

We may need to take this action if one of your accounts is overdrawn or is in debit, and another account is in credit. This means the credit balance in one account can be used to repay ING DIRECT the debit balance in another account.

Please note that you cannot treat your accounts as combined unless ING DIRECT has agreed to such an arrangement.

We are not obliged to combine your account balance, but if we decide to proceed then we will inform you immediately. Please note that we do not have to let you know in advance.

If ING DIRECT combines your accounts, we will comply with any applicable requirements of the Code of Operation for Department of Human Services and Department of Veterans' Affairs Direct Credit Payments.

Cheques

A personal cheque is a written instruction to a bank to pay a sum of money. You may be able to pay cheques into your ING DIRECT account (please see the PDS or T&Cs booklet for your account).

ING DIRECT does not currently offer a cheque facility, but our policy may change in the future. You may find it useful to understand the following information about cheques and how, and when, cheques are cleared.

Clearing a cheque

It usually takes up to three working days to clear a cheque deposited in your ING DIRECT account, after which time funds may be drawn. You may be able to reduce this time by contacting a Customer Care Specialist and requesting a faster clearance.

We will advise you if a cheque you have deposited is subsequently dishonoured. If this occurs and if the amount of a cheque has already been credited to your account we will also reduce the balance of your account by that amount.

Crossing a cheque

When you 'cross' a cheque you rule two parallel lines on its face. Or, you may rule two parallel lines with the words 'not negotiable' written between them. If a cheque has been crossed, ING DIRECT must pay it into an account with a bank, building society or credit union.

This may help protect you against fraud if a person obtains your cheque

dishonestly as they will not be able to “cash” the cheque. However, simply by writing ‘not negotiable’ does not stop the person holding the cheque from transferring it to another person.

They can do this by endorsing (signing) the back. They can also pay the cheque into their own account. What ‘not negotiable’ means is that the ultimate holder of the cheque who presents it for payment into their account gets no better title to the money than the person who transferred (endorsed) it to them. It is really a form of warning that is saying: “If you hold a ‘not negotiable’ cheque, be careful because it could be stolen or fraudulent, and if so you may not be able to claim under it”.

“Account Payee Only”

This tells ING DIRECT that the proceeds of that cheque must be credited only to the account of the named person or to some other account with the knowledge or consent of that person.

Using the words “account payee only” does not prevent the transfer of the cheque to another party.

Deleting the words “or bearer”

Cheques are usually printed with the words “or bearer” on them. This means the holder of the cheque may bank it. If these words have been deleted then the cheque becomes an order cheque, in which case it must be paid only to the named person on the cheque or a person to whom the cheque has been endorsed.

Stopping a cheque

You may put a “stop” (countermand) on a cheque if:

- Your order to stop is clear and unambiguous; and
- The order reaches the bank before the cheque is presented for payment.

It is therefore advisable that you order the ‘stop’ immediately, preferably in writing. You must also provide important details such as the cheque number, its date of issue, the amount, and the person to whom it is drawn.

How to reduce the risk of unauthorised alterations to a cheque

When you write out a cheque you should take every precaution against fraud or forgery. Keep your cheque book in a safe place.

Tell your financial institution immediately you become aware that a cheque(s) has been lost, stolen, or used without your consent.

Always

- Always complete details clearly to make it difficult for someone to alter
- Always write the amount in words as close as possible to the left-hand side
- Always write the amount of the cheque in words as well as in figures
- Always write the amount in figures as close as possible to the dollar sign.

Always

- Never leave extended gaps between the words or figures
- Never write on a cheque in pencil or ink that can be erased
- Never sign a cheque before it is used or filled out.

Cheques returned unpaid or dishonoured

A cheque may be returned either unpaid or dishonoured if:

- The drawer of the cheque doesn't have enough money in their account, or their overdraft facility is not sufficient to cover the cheque
- There is some irregularity with the cheque, e.g. the cheque may not have been signed, or it was more than 15 months old when presented, or it was post-dated (i.e. bears a date in the future)
- It has been materially altered, eg. the amount originally stated has been changed and has not been initialled by the person drawing the cheque
- The paying bank has been instructed to stop payment on the cheque, or it has received notice of the mental incapacity, bankruptcy, or death of the drawer.

If a cheque that is presented for payment is dishonoured, a dishonour fee may be charged by the bank on which the cheque was drawn to cover administration costs.

Bank cheques

A 'bank cheque' is a cheque paid by a bank itself rather than from a customer's account.

They are an alternative way of making payment when a personal cheque would not be accepted. The laws of Australia treat bank cheques largely in the same way as they do personal cheques.

In most circumstances, a bank will only dishonour or stop payment of a bank cheque if:

- It is a forgery or is unauthorised
- It has been materially altered
- It has been reported as lost or stolen
- A court has made an order to restrain payment
- The bank does not receive payment for the cheque.

Your right to privacy and confidentiality

At ING DIRECT we recognise that privacy and security of personal information is important to our Clients. We respect the confidentiality and security of your personal information and we are committed to protecting it at all times.

Any information you may provide will be kept confidential except that we may disclose the information in certain circumstances including the following:

We may disclose information	Under these circumstances
If we are compelled to by law	Example: Giving information about you to government departments such as the Australian Taxation Office, or to the courts under subpoena.
If it is in the public interest	Example: Where a crime, fraud or misdeed has been committed, or is contemplated or suspected.
If it is in ING DIRECT's interest	Example: Where ING DIRECT is a party to a legal action and disclosure is made to a court of law.
If you agree	Example: Where you expressly consent (eg. to one of ING DIRECT's representatives in a telephone conversation) or you are taken, at law, to consent (eg. your actions indicate your agreement).
If we are permitted by the Commonwealth Privacy Act	<p>The Act applies strict rules about when we are permitted to disclose information about you. Example: We can disclose information about you, your credit and your credit worthiness in specific circumstances, including:</p> <ul style="list-style-type: none"> ■ If you agree to the disclosure ■ When we are asked by a credit reporting body ■ In some cases, to your guarantor ■ To a person or body who settles disputes between a bank and its customer.

If you would like further information regarding privacy, you can review the ING DIRECT Privacy Policy online at www.ingdirect.com.au or request a copy by either calling or writing to us.

Resolving disputes

We believe that our customers are entitled to efficient, honest and fair treatment in their dealings with us, especially if something goes wrong.

We want to know straight away if we can improve our service and welcome your feedback as we genuinely want to resolve any problems you may have. If we haven't met your expectations, please let us know.

Our complaints handling process is based on the following principles:

- **Acceptance** - we recognise that we may not have met the expectations of our customers and will accept all complaints.
- **Ownership** - whoever receives a complaint is responsible for resolving it. If we need to pass it to someone else, we will inform you.
- **Collection of information** - we will confirm the details of your complaint and clarify if we are unsure.
- **Treatment** - we will ensure that you and your complaint are treated fairly.
- **Information** - we will keep you informed of the progress of your complaint at all times.
- **Commitment** - we will follow through on what we commit to doing.
- **Timeliness** - if we can't resolve your complaint straight away, then we will strive to resolve it within five working days. Of course, some complaints may take more time to investigate, and we will keep you informed at all times of our progress.

- **Resolution** - we aim to achieve a mutually acceptable resolution to all complaints.

What to do if you have a complaint

You can contact us in several ways with your complaint:

You can call us on 133 464 or +61 2 9028 4077 (if you are overseas).

If you want to put your concerns in writing, please write to us at:

ING DIRECT - Complaints Resolution
GPO Box 4094
Sydney NSW 2001

Details of your complaint

In order to resolve your complaint, it is important that you give us as much information as possible.

When you contact us, please provide as much of the following information as you can:

1. **Account information** - your account name and number
2. **Contact details** - your phone number or other preferred method of contact. If you wish to be called only during certain hours, please let us know.
3. **Complaint information** - what your complaint is about and when it happened.
4. **Resolution** - how you would like your complaint to be resolved.

Once we receive this information, we will be able to investigate your complaint and work towards a resolution.

Escalating a complaint

In the event that we are unable to resolve your complaint at the first point of contact, you may request that it be escalated for further review. We may also need to escalate a complaint that is complex or requires a more detailed investigation.

We have a formal process for managing escalated complaints. Once escalated, we will keep you informed of its progress, and may also contact you to collect further information to assist in our investigation.

Dispute resolution

Banking Services

In the unlikely event that your complaint cannot be resolved directly with ING DIRECT you can seek assistance from the Financial Ombudsman Service (FOS). FOS provides a free and independent dispute resolution service.

To contact FOS:

- Call 1300 780 808;
- Visit www.fos.org.au;
- Fax 03 9613 6399; or
- Write to:
Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001

Superannuation Services

If, after review or a period of 90 days has passed, we cannot assist you and you would like to take the matter further, you may contact the Superannuation Complaints Tribunal (SCT). The SCT is

an independent body established by the Government to help account holders in super funds resolve complaints.

To contact the SCT:

- Call 1300 884 114;
- Visit www.sct.gov.au;
- Fax 03 8635 5588
- Write to:
Superannuation Complaints Tribunal
Locked Bag 3060
Melbourne VIC 3001

If you are in financial difficulty

At ING DIRECT we understand that you may experience difficulties coping with your financial commitments due to unforeseen circumstances.

As home loans can get a little complicated we have a specialised Hardship team to provide the support and guidance you need during this period. Our Hardship team will try to help you find a suitable solution to manage your home loan repayments whilst you get back on your feet.

Our Hardship Specialists are available on 1300 349 166 Monday to Friday 8.45am to 5.00pm (EST) or email us at collections.hardship@ingdirect.com.au and we'll get back to you.

At your service.

Visit ingdirect.com.au

Call 133 464

24 hours a day, 7 days a week

Mail us at
ING DIRECT
Reply Paid 4094
Sydney NSW 2001
(no stamp required)