

DRAFTS

PRODUCT DISCLOSURE STATEMENT



Travelex

worldwide
money

DRAFTS

PRODUCT DISCLOSURE STATEMENT

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1. Purpose

This Product Disclosure Statement (PDS) is a legal document containing information in respect to, and terms and conditions applicable to, Drafts issued or arranged for issue by Travelex Limited ("Travelex") ABN 36 004 179 953. Travelex is providing you with this PDS so that you receive important information about Drafts including their benefits, risks, costs and applicable terms and conditions.

The information in this PDS will assist you to:

- Decide if the product meets your needs
- Compare the product with similar products that you may be considering.

The PDS should be read in full before you make a decision to acquire the product and then kept for future reference. All information provided in this PDS is general and does not take into account your individual objectives, financial situation or specific needs. Before dealing in Drafts you should consider whether it is appropriate having regard to your own objectives, financial situations and needs. This PDS does not constitute financial advice or a financial recommendation.

Information in this PDS is subject to change from time to time and may be updated as described in this PDS.

2. Issuer

Travelex Limited is the Issuer or may arrange for the issue of this financial product.

This PDS was prepared by Travelex Limited
ABN 36 004 179 953
AFSL Number 222444

Further information about Travelex and the Travelex group of companies can be found at www.travelex.com.au

3. General product information

A Draft is similar to a personal cheque which can be used to make a payment. A Travelex Draft allows you to make a payment to your nominated payee in a foreign currency. A Travelex USD and NZD Currency Draft is an international Travelex issued cheque made out to your nominated Payee in the mentioned specified single foreign currency. All other international currency drafts are issued by our various Correspondent banks.

4. Significant product features

Travelex Drafts are international currency cheques issued by Travelex Limited or a correspondent bank to a specified Payee.

Payment by Travelex against a Draft is made following presentation of the Draft by the Payee's bank and a period of clearance. This is known as payment on a Collection basis and means that there is a delay between the date the Payee physically receives the Draft and the date the Payee receives value for the Draft. The clearance time may vary by country but would not ordinarily be any less than 1 day.

Drafts are available in a wide range of foreign currencies. For the range of currencies available please consult our nearest Travelex store, registered sales agent or contact Travelex General Enquiries on 1300 727 113.

Where can I purchase them?

You can purchase a Travelex Draft through your nearest Travelex store or registered sales agent.

What happens if a Draft is lost or stolen?

In the event your Draft is lost or stolen you must immediately notify the registered sales agent or the Travelex store from which you purchased your Draft. Upon notification and verification by us that your Draft has not been presented for payment we will issue a Stop Payment on the Draft(s) and will either issue you with a new Draft or pay to you the face value of the Draft. Note: there is a fee associated with stopping and re-issuing a new Draft – please refer to Section 7 of this PDS, Fees and Charges.

5. Benefits of Drafts

Some of the benefits associated with Travelex Drafts are set out below:

- Drafts may be enclosed with letters or invoices and forwarded direct to the Payee.
- In the event that the Draft is lost or stolen, and after a stop payment has been confirmed by us, we will refund the money or issue a new Draft to you.
- A Draft provides an economical method of transferring funds to a specific company or persons overseas.
- A Draft provides security of payment as it is a non-negotiable instrument and can only be credited to the Payee's bank account unless the Payee has endorsed the Draft.
- Drafts may be purchased in a variety of foreign currencies. The currencies available are subject to change.

6. Significant risks associated with Drafts

The significant risks associated with a Draft are

- If you notify us of a lost or stolen Draft after it has been presented for payment, we will be unable to Stop Payment on the Draft and will not reissue the Draft or refund any amount to you (refer to the 'Terms & Conditions' section for further information).
- When you purchase a Draft in a foreign currency the exchange rate is set at the time of purchase. This means that the Payee of the Draft will not obtain any benefit if there is a favourable movement in the exchange rate between the time when you purchase a Draft and the time when the Draft is presented for payment by the Payee.
- The clearance time between the date of purchase and the date the Payee receives value for the Draft may represent an opportunity cost to you and/or the Payee.
- As a counterparty to your NZD and USD Drafts you are relying upon Travelex to be able to perform its obligations to you in issuing and releasing the funds of the named Currency Drafts to the Payee. As a result you have counterparty risk; you are

relying on Travelex's financial ability to fulfil its obligations to you. To aid in your assessment of this risk a copy of Travelex's latest audited financial statements is available upon request. You may request a copy of our financial statements by emailing enquiry@travelex.com.au.

7. Fees & charges

The below mentioned fees may apply to Drafts issued by or arranged for issuance by Travelex.

DRAFT FEE SCHEDULE	
	Fees
Draft Issuance fee / commission	up to AUD 25.00
Cancellation of a Draft	up to AUD 35.00
Requesting an investigation on a Draft	up to AUD 100.00
Re-issue/re-purchase of a Draft	up to AUD 25.00

Please request the actual fee from your nearest Travelex store or place of purchase.

8. Taxation

While we do not envisage any direct taxation implications for you in respect to the purchase of a Draft as they are currently exempt from Goods and Services Tax (GST) taxation law is complex and its application will depend on a person's individual circumstances. For further information we suggest you obtain independent advice from your tax advisor or accountant.

9. Dispute resolution

You should address any complaint relating to the product to your nearest Travelex store or registered sales agent or directly by contacting Travelex General Enquiries on 1300 727 113. If they are unable to resolve the complaint, the matter will be automatically escalated to the relevant business unit manager. If a resolution is not reached within a reasonable time period, the matter will be further escalated to the Travelex Compliance Manager who

will refer the matter to senior management for resolution. All complaints are logged at each stage of the process. If you have any enquiries about our dispute resolution process, please contact the Compliance Manager by calling 1300 727 113 or email us at customerservices@travelex.com.au.

If you are dissatisfied with the resolution of a complaint you have lodged with Travelex you may refer your complaint to:

Financial Ombudsman Service

GPO Box 3

Melbourne VIC 3001

Toll free number: 1300 780 808

www.fos.org.au

Email: info@fos.org.au

10. Privacy statement

To provide an effective service to our customers we may collect personal information about you. Information is only collected where it is required to complete foreign exchange or related transactions for you or to promote and market our products and services to you and to inform you of our special offers, promotions or competitions including by way of direct mail and telemarketing (unless you tell us otherwise) or for us to comply with laws and regulatory requirements. If you do not provide us with the information asked for we may not be able to provide the services you have requested.

In some instances we may contract with external companies for the provision of products and services to you. These companies may include or be associated with money transfer services (including international funds transfers), insurance, information technology services and records management. Only information about you that is pertinent to the supply of these products or services is provided and strict security and confidentiality requirements are adhered to. In collecting and managing personal information, we comply with the National Privacy Principles ('NPPs') of the Privacy Act. In the instance where personal information is disclosed to an external company operating in a foreign country, we will ensure that the information will be protected by a law or a contract which upholds privacy principles similar to the NPPs.

We take reasonable steps to protect the information we collect and you have the right to access that information.

For more details, you should ask for a copy of our Privacy Statement or visit our web site at www.travelex.com.au.

If you would like further information about the way that Travelex manages the handling of personal information, please contact our privacy officer:

- Email: privacy@travelex.com.au
- Mail: Attention Privacy Officer, Level 12, 1 Margaret Street, Sydney NSW 2000
- Call: 1800 036 739

11. Customer terms & conditions for Drafts

IMPORTANT: Please read the following terms carefully as they set out circumstances in which payments may be delayed or denied in connection with the financial products described in this PDS.

- 11.1 Purchase by you of a Draft will be at Your sole discretion and will be transacted at the buying rate for the currency of the Draft determined by Travelex and notified to you as applicable on the day and at the time of the requested transaction, plus the issuance fee/commission.
- 11.2 Subject to clause 11.3, if a Draft is lost, stolen or destroyed, you will indemnify us and agree to hold us free and harmless from all liability with respect to the lost, stolen or destroyed Draft.
- 11.3 If following immediate notice from you to us that a Draft has been lost, stolen or destroyed, we are satisfied that the Draft has not been presented for payment then we will stop payment on the Draft and issue a replacement Draft for the same value or refund the amount of the Draft.

12. Key terms

In this PDS, unless the context otherwise requires:

Collection means we will not pay you until the Draft has been cleared for payment into our nominated account.

Correspondent Bank means any bank(s) which performs services for Travelex in connection with telegraphic transfers or Drafts provided by Travelex to you in accordance with this PDS.

Customer means the person undertaking the relevant transaction or purchasing the product or service.

Face Value means in respect of a Draft the amount and currency specified by the issuer or registered sales agent on that Draft as payable to the holder on presentation for payment.

Issuer in relation to the financial product has a meaning given by section 761E of the Corporations Act 2001 (Cth).

Payee means the person to whom money is to be, or has been, paid.

PDS means this Product Disclosure Statement as required by Pt 7.9 Div 2 of the Corporations Act 2001 (Cth).

Stop Payment means an acknowledgement by us to you that we will not pay the Face Value of a particular Draft on presentation.

'We/we, Our/our, Us/us' means Travelex Limited ABN 36 004 179 953 or authorised representative as the case may be.

'You/you, Your/your' means a Customer.

13. Updates relating to this PDS

The information in this PDS is subject to change. Travelex will issue a supplementary or replacement PDS where new information arises that is materially adverse to the information in this PDS. Where new information arises that is not materially adverse to the information in this PDS Travelex will post such information on its website at www.travelex.com.au. You may request a paper copy of this information free of charge from your Travelex representative or by contacting Travelex General Enquiries on 1300 727 113.

14. Contact details

If you have any questions or need more information, please contact the Travelex General Enquiries on 1300 727 113, or visit your nearest Travelex Foreign Exchange store or refer to our website at www.travelex.com.au.

You may also contact us by email at customerservices@travelex.com.au or by writing to the following address:

New South Wales

Level 12, 1 Margaret Street
Sydney NSW 2000

Tel: +61 (0)2 8585 7000

Fax: +61 (0)2 8244 7199

Victoria

Level 8, 565 Bourke Street
OCBC House
Melbourne VIC 3000

Tel: +61 (0)3 9282 0200

Fax: +61 (0)3 9654 1282

Western Australia

Level 19, St Martins Tower
44 St Georges Terrace
Perth WA 6000

Tel: +61 (0)8 9481 0909

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