Flexi Forward Contract

Product Disclosure Statement

Issued by Westpac Banking Corporation (offered through its St.George division) Australian Financial Services Licence 233714 ABN 33 007 457 141

Dated: 28 June 2019

Table of Contents

Important Information

A Product Disclosure Statement (**PDS**) is an information document. Its purpose is to provide you with enough information so that you can decide if the product will meet your needs. A PDS is also a tool for comparing the features of other products you may be considering. If you have any questions about this product, please contact us on any of the numbers listed at the back of this PDS.

This PDS relates Flexi Forward Contracts (**FFCs**) issued by Westpac Banking Corporation and offered through its St.George division **("St.George, we, us, our")**. A FFC is a sophisticated financial product requiring a good understanding of the way foreign exchange contracts and markets work. You should read and consider all sections of this PDS carefully before making a decision about the suitability of this product for you. You may also wish to obtain independent expert advice.

If you decide to enter into a FFC, you should keep a copy of this PDS and any associated documentation. You should also promptly tell us if at any time you experience any financial difficulty.

The meaning of some terms in this PDS (indicated by using a capital letter at the beginning of the term) is included in the Glossary on page 13.

The information set out in this PDS is general in nature. It has been prepared without taking into account your objectives, financial situation or needs. Because of this, you should consider its appropriateness having regard to your objectives, financial situation and needs. By providing this PDS, St. George does not intend to provide financial advice or any financial recommendations.

Information relating to FFCs that is not materially adverse may change from time to time.

The information in this PDS may be updated and made available to you on our website at www.stgeorge.com.au. We will provide you with a paper copy of any updated information posted on our website on request without charge. If there is a change to information relating to FFCs that is materially adverse, we will (depending on the nature of the change or event) notify you within three months of the change or event and will issue a replacement or supplementary PDS where required.

This PDS, and any invitation to apply for a FFC that this PDS relates to, is intended for retail clients in Australia only. Distribution of it in jurisdictions outside Australia may be restricted by law and persons who come into possession of it, who are not in Australia, should seek advice. If you are in Australia and have received it electronically, we will give you a paper copy on request, without charge. To obtain a copy, refer to the contact details listed at the back of this PDS.

Flexi Forward Contract (FFC) Summary

Issuer	**Westpac Banking Corporation (offered through its St.George division)** **AFSL 233714 ABN 33 007 457 141.**
Purpose	A FFC is a foreign exchange product designed to assist you in reducing your foreign exchange risk. It may help you to manage a currency risk you are exposed to.
Suitability	A FFC may be suitable if you have a good understanding of foreign exchange markets and have a genuine commercial need to manage currency risk associated with a particular Currency Pair. It should not be used for trading or speculative purposes.
Costs	There are no up-front out of pocket costs with a FFC. A Contract Margin is agreed up-front and applied at maturity. See the section titled "What are the costs?" on page 6 for more information.
Key Benefits	**Protection** – A FFC provides you with protection against unfavourable exchange rate movements. **Coverage** – FFCs are available for a wide range of currencies. Please contact us to confirm your desired currency is covered. Our contact details are set out on the back page. **Participation in favourable exchange rate movements** – Potential to participate in favourable exchange rate movements that may occur **Flexibility** – Key variables including the Contract Rate and the Maturity Date can be tailored to meet your particular needs. See the section titled "Key Benefits" on page 6 for more information.
Key Risks	**Opportunity loss** – The Contract Margin will always be applied at maturity. The rate achieved with a FFC may not be as favourable as the rate you could have achieved with a forward foreign exchange contract or if you had not entered into any contract at all. **Variation / Early termination** – You can vary or terminate a FFC early but there may be a cost if you do so. **No cooling off period** – There is no cooling off period. **Counterparty and operational risk** – St. George has performance obligations under a FFC. You need to form a judgment of our ability to meet those obligations. **Currency restrictions** – Some currencies may be subject to legal and regulatory obligations. **Use of agent and correspondent banks** – St. George may use agents and correspondent banks to deliver some currencies (other than Australian dollars). See the section titled "Key Risks" on page 6 and the section titled "Can I terminate a FFC before maturity?" on page 5 for more information.
Term	1 week to 2 years (longer terms may be available on request)
Minimum Transaction Amount	The minimum transaction amount is AUD 25,000 or the foreign currency equivalent.
How to Apply	Contact your existing St. George representative. Alternatively, you can contact us at the details listed at the back of this PDS.

Flexi Forward Contract (FFC)

What is a FFC?

A FFC is an agreement with St. George that provides protection against unfavourable exchange rate movements while providing you with an ability to participate in any favourable exchange rate movements that may occur. The rate at which you exchange your currency is dependent on the Market Foreign Exchange Rate prevailing at the Cut-Off Time and the pre-agreed Contract Rate and Contract Margin.

A FFC may be useful in managing the currency risk associated with exporting or importing goods denominated in foreign currency, investing or borrowing overseas, repatriating profits, converting foreign currency denominated dividends, or settling other foreign currency contractual arrangements.

How do FFCs work?

When you enter into a FFC, you nominate the two currencies to be exchanged. These currencies are known as the Currency Pair and must be acceptable to St. George.

You will also nominate a Contract Rate. St. George will then determine a Contract Margin based on the Contract Rate you nominate. The Contract Rate and Contract Margin are used to determine the exchange rate at which you exchange your currency at maturity.

On the Maturity Date the possible outcomes under a FFC are:

- if the Market Foreign Exchange Rate at the Cut-off Time is the same as or less favourable to you than the Contract Rate, the Currency Pair must be exchanged with St. George at the Contract Rate adjusted for the Contract Margin;
- if the Market Foreign Exchange Rate at the Cut-off Time is more favourable to you than the Contract Rate, the Currency Pair must be exchanged with St. George at the Market Foreign Exchange Rate at that time adjusted for the Contract Margin.

How do we monitor the exchange rate?

We will monitor the relevant foreign exchange markets to determine your obligations as at the Cut-Off Time. We will advise you of the outcomes as soon as practicable.

The Cut-Off Time and Maturity Date will be specified in the Confirmation that outlines the commercial terms of the transaction.

Are there any St. George credit requirements before dealing?

Before entering into a FFC, St. George will assess your financial position to determine whether or not your situation satisfies our normal credit requirements. St. George will advise you of the outcome of its review as soon as possible.

If your application is successful, you will need to sign St. George's standard finance documentation. This documentation sets out the terms of the credit approval and other matters relevant to your application.

What happens at maturity?

Depending on the terms of your FFC, on the Maturity Date you may need to provide St. George with either foreign currency or Australian dollars (AUD). You can provide foreign currency either by telegraphic transfer or by transferring funds from a foreign currency account/deposit. You must provide AUD in Clear Funds. On receipt of the funds, St. George will deposit amounts owing to you into a St. George bank account (in your name), denominated in the relevant currency. Alternative arrangements can be made with St. George's agreement.

Can I terminate a FFC before maturity?

You may ask us to terminate a FFC at any time up to the Cut-Off Time. We will then provide you with a termination quote. There will be a cost or gain arising as a result of termination. If you accept the termination quote, we will terminate the FFC.

Our quote will incorporate the same variables used when pricing the original FFC. These will be adjusted for the prevailing conditions in respect of the remaining term of the FFC. We will also need to consider the cost of reversing or offsetting your original transaction. When doing this we take into account the current market rates that apply to any offsetting transactions.

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Costs, Benefits and Risks

What are the costs?

There are no up-front out of pocket costs with a FFC. Once the Contract Rate is set by you St. George will determine the Contract Margin in order to create a Zero Cost Structure. When determining that margin, St. George takes several factors into account including:

- the Contract Rate set by you;
- the size and term of the FFC;
- Global Foreign Exchange Rates;
- market volatility; and
- market interest rates of the countries of the Currency Pair.

While the transaction is structured on a zero cost basis, St. George still derives a financial benefit. St. George obtains that benefit through incorporation of the Contract Margin.

When St. George determines the exchange rate at which you will exchange your currency there will be an adjustment for the Contract Margin. This adjustment will always make your actual exchange rate less favourable than either the Contract Rate or the Market Foreign Exchange Rate, as the case may be. The inclusion of the Contract Margin is a cost to you that is embedded in the structure of this product. In effect, the Contract Margin is the cost of the product to you.

Key Benefits

Protection

FFCs provide you with protection against unfavourable foreign exchange movements between the time you enter into a FFC and the Cut-Off Time. This can assist you in managing your foreign currency exposures. On the Maturity Date, you will be protected for the Contract Amount at the Contract Rate adjusted by the Contract Margin.

Coverage

FFCs are available for a wide range of currencies. Please contact us to confirm your desired currency is covered. Our contact details are set out on the back page.

Participation in favourable exchange rate movements

A FFC provides you with the ability to participate in favourable exchange rate movements that may occur.

Flexibility

FFCs are flexible. Key variables, including the Contract Rate and Maturity Date can be tailored to meet your particular needs.

Key Risks

No cooling off period

There is no cooling off period. This means that, in most circumstances, once you enter into a FFC, you cannot terminate or vary the FFC without our consent. See “Variation / Early termination” section below.

Variation / Early termination

Terminations or variations to your FFC may result in a cost to you – see the section titled “Can I terminate a FFC before maturity?” on page 5 for more information.

Opportunity loss

The Contract Margin is always applied at maturity, making your exchange rate less favourable than either the Contract Rate or the Market Foreign Exchange Rate, as the case may be.

The rate achieved with a FFC may not be as favourable as the rate you could have achieved with a Forward Foreign Exchange Contract or if you had not entered into any contract at all.

Counterparty and operational risk

As is the case with most financial markets products we enter into, St. George has performance obligations under a FFC. If we are unable to perform our obligations under your FFC, you may be exposed to Market Foreign Exchange Rate fluctuations as if you had not entered into a FFC.

Our ability to fulfil our obligations is linked to our financial wellbeing and to the effectiveness of our internal systems, processes and procedures. The first type of risk (our financial wellbeing) is commonly referred to as **credit or counterparty risk**. The second type of risk (the effectiveness of our internal systems, processes and procedures) is commonly referred to as **operational risk**.

You must make your own assessment of our ability to meet our obligations. However, as a regulated Australian bank we are subject to prudential regulation which is intended to reduce the risk of us failing to perform our obligations.

Further information about Westpac Banking Corporation, including copies of our recent financial statements, is available on our website at www.westpac.com.au

Currency restrictions

Delivery of some currencies may be governed by, or subject to certain legal and regulatory requirements and obligations. It is your responsibility to ensure that these laws and regulations are complied with and we suggest you seek and obtain your own independent expert advice in relation to such matters.

Use of agent and correspondent banks

To deliver some currencies (other than AUD), we may use agents and correspondent banks. We will use reasonable care in the selection of such agents and correspondent banks.

If the agent or correspondent bank fails to deliver the required currency when due, we will work with the agent or correspondent bank to effect delivery. If after such action delivery cannot be made, we will promptly return your funds or make alternative arrangements with you.

To the extent allowed by law, St. George will not be liable for any direct or indirect losses, claims, actions or expenses incurred by you as a result of the failure by an agent or correspondent bank to deliver the required currency.

Documentation and Confirmation

What documentation is required?

Master dealing agreement

You will usually need to sign a master dealing agreement if you want to enter into a FFC. This will either be an agreement with us or an industry standard master dealing agreement.

We will advise you which master dealing agreement you need to sign.

The master dealing agreement governs the dealing relationship between you and us and sets out the terms and conditions that will apply to all transactions that we enter into with you that are covered by the agreement. In particular, they document the situations where those transactions can be terminated and the way the amount to be paid following termination is calculated.

You will be provided with a copy of the relevant master dealing agreement and we strongly recommend that you fully consider its terms before signing. You should obtain independent advice if you do not understand any aspect of the document.

Documentation for certain restricted currencies

Other documentation may be required for FFCs involving certain currencies. Where possible, we will attempt to inform you of any specific requirements; however you are responsible for complying with any legal or regulatory obligations. We suggest that you seek and obtain your own independent, expert advice in relation to such matters.

Email or facsimile authority and indemnity

If you would like to provide us with email or facsimile instructions in relation to FFCs, we will require you to complete an email or facsimile authority and indemnity. The purpose of the email or facsimile authority and indemnity is to protect us against the consequences of acting upon instructions which may not represent your genuine wishes, but which appear to us to be genuine.

Other documentation

You may be requested to complete additional documentation before you enter into a FFC, depending on the outcome of St. George's assessment of your creditworthiness. We will inform you if any further documentation is required at that time.

What about Confirmations?

The commercial terms of a particular FFC will be agreed at the time of dealing. This may occur over the phone or electronically. Once we reach an agreement, both you and St. George are bound by the terms of the FFC.

Shortly after entering into a FFC, St. George will send you a Confirmation outlining the commercial terms of the transaction. You will need to sign this Confirmation and return it to St. George. This Confirmation evidences the transaction entered into under your master agreement with us.

This Confirmation will include:

- the Contract Amount;
- the Contract Rate;
- the Contract Margin;
- the Cut-Off Time; and
- the Maturity Date.

It is extremely important that you check the Confirmation to make sure that it accurately records the terms of the transaction. If there is a discrepancy between your understanding and the Confirmation, you will need to raise it with your St. George representative as a matter of urgency.

Examples

The examples below are illustrative only and use rates and figures selected to demonstrate how the product works. In order to assess the merits of any FFC, you would need to use the actual rates and figures quoted to you at the time. Note that the calculations below include rounding of decimal places.

Scenario 1 – Foreign Currency Payment

You are an Australian based importer due to pay 100,000 United States dollars (USD) in six months' time for goods bought overseas. At that time, you need to convert your AUD into USD.

Assume the current Market Foreign Exchange Rate is 1.0300 and the six-month Forward Exchange Rate is 1.0150.

If I do nothing, what exchange rate risks do I face?

If you do nothing, the amount of AUD you will need in six months' time to obtain the USD you are due to pay will depend on the Market Foreign Exchange Rate applicable at that time.

If the AUD/USD exchange rate goes up, the USD will become less valuable and as a consequence, you will need less AUD when it is time to obtain the USD. Assume in this example that the AUD/USD Market Foreign Exchange Rate rises to 1.0900, then you will pay:

AUD 91,743.12
(= USD 100,000 / 1.0900)

If the AUD/USD Market Foreign Exchange Rate goes down, the opposite occurs and you will need more AUD. Assume the AUD/USD Market Foreign Exchange Rate falls to 0.9700, then you will pay:

AUD 103,092.78
(= USD 100,000 / 0.9700)

How will a FFC change this?

Assume that you are unsure about the direction of the AUD against the USD and wish to protect yourself against the AUD depreciating against the USD, but also have the potential to participate in any favourable movements in the AUD.

You enter into a FFC to buy USD 100,000 and to sell AUD in six months' time with a Contract Rate of 1.0000.

Based on this Contract Rate St. George determines the Contract Margin to be minus 0.0200 USD per AUD.

The possible outcomes on the Maturity Date are:

a) if the Market Foreign Exchange Rate is at or below the 1.0000 Contract Rate at the Cut-Off Time, you must exchange your AUD at 0.9800 [the Contract Rate (1.0000) adjusted for the Contract Margin (minus 0.0200)]. You will pay:

   AUD 102,040.82
   (= USD100, 000 / 0.9800)

b) if the Market Foreign Exchange Rate is above the 1.0000 Contract Rate at the Cut-Off Time you must exchange your AUD at the Market Foreign Exchange Rate adjusted for the Contract Margin. For example, if the Market Foreign Exchange Rate is 1.0900 you would exchange your AUD at 1.0700 [the Market Foreign Exchange Rate (1.0900) adjusted for the Contract Margin (minus 0.0200)].

   You will pay:

   AUD 93,457.94
   (= USD 100,000 / 1.0700)

How can I change the range of outcomes?

You can change the range of possible outcomes by changing the Contract Rate and as a result the corresponding Contract Margin. Once all these details are agreed the possible outcomes on the Maturity Date can be determined.

When setting the Contract Rate and agreeing to the Contract Margin you need to consider that:

- the Contract Rate, adjusted by the Contract Margin, corresponds to the maximum amount of AUD you will pay to meet your USD obligation.
- a higher Contract Rate will reduce your exposure to a falling AUD-USD exchange rate. However, it will result in a higher Contract Margin. If rates move favourably the adverse adjustment will be greater.
- a lower Contract Rate will increase your exposure to a falling AUD-USD exchange rate. However, it will result in a lower Contract Margin. If rates move favourably the adverse adjustment will be smaller.
- a longer term will result in a higher Contract Margin. However, it will mean you have protection against adverse exchange rate movements and the ability to benefit from favourable exchange rate movements over a longer period of time.
- a shorter term will result in a lower Contract Margin. However, it will mean you will have protection against adverse exchange rate movements and the ability to benefit from favourable exchange rate movements over a shorter period of time.

Scenario 2 – Foreign Currency Receipt

You are an Australian based exporter due to receive 100,000 United States dollars (USD) in six months' time for goods sold overseas. At that time, you need to convert the USD you will receive into AUD.

Assume the Market Foreign Exchange Rate is 1.0300 and the six-month Forward Exchange Rate is 1.0150.

If I do nothing, what exchange rate risks do I face?

If you do nothing, the amount of AUD you will receive in six months' time for your USD will depend on the Market Foreign Exchange Rate applicable at that time.

If the AUD/USD exchange rate goes up, the USD will become less valuable and as a consequence, you will receive less AUD when it is time to exchange the USD. Assume in this example that the AUD/USD Market Foreign Exchange Rate rises to 1.0900, then you will receive:

AUD 91,743.12
(= USD 100,000 / 1.0900)

If the AUD/USD Market Foreign Exchange Rate goes down, the opposite occurs and you will receive more AUD. Assume the AUD/USD Market Foreign Exchange Rate falls to 0.9700, then you will receive:

AUD 103,092.78
(= USD 100,000 / 0.9700)

How will a FFC change this?

Assume that you are unsure about the direction of the AUD against the USD and wish to protect yourself against the AUD rising against the USD, but also have the potential to participate in any favourable movements in the AUD.

You enter into a FFC to sell USD 100,000 and to buy AUD in six months' time with a Contract Rate of 1.0300.

Based on this Contract Rate St. George determines the Contract Margin to be plus 0.0170 USD per AUD.

The possible outcomes at the Cut-Off Time on the Maturity Date are:

a) if the Market Foreign Exchange Rate is at or above the 1.0300 Contract Rate, you must exchange your USD at 1.0470 [the Contract Rate (1.0300) adjusted for the Contract Margin (+0.0170)]. You will receive:

   AUD 95,510.98
   (= USD100, 000 / 1.0470)

b) if the Market Foreign Exchange Rate is below the 1.0300 Contract Rate, you must exchange your USD at the Market Foreign Exchange Rate adjusted for the Contract Margin. For example, if the Market Foreign Exchange Rate is 0.9700 you would exchange your USD at 0.9870 [the Market Foreign Exchange Rate (0.9700) adjusted for the Contract Margin (+0.0170)]. You will receive:

   AUD 101,317.12
   (= USD 100,000 / 0.9870)

How can I change the range of outcomes?

You can change the range of possible outcomes by changing the Contract Rate and as a result the corresponding Contract Margin. Once all these details are agreed the possible outcomes on the Maturity Date can be determined.

When setting the Contract Rate and agreeing to the Contract Margin you need to consider that:

- the Contract Rate, adjusted by the Contract Margin, corresponds to the minimum amount of AUD you will receive for your USD.
- a lower Contract Rate will reduce your exposure to a rising AUD-USD exchange rate. However, it will result in a higher Contract Margin. If rates move favourably the adverse adjustment will be greater.
- a higher Contract Rate will increase your exposure to a rising AUD-USD exchange rate. However, it will result in a lower Contract Margin. If rates move favourably the adverse adjustment will be smaller.
- a longer term will result in a higher Contract Margin. However, it will mean you have protection against adverse exchange rate movements and the ability to benefit from favourable exchange rate movements over a longer period of time.
- a shorter term will result in a lower Contract Margin. However, it will mean you will have protection against adverse exchange rate movements and the ability to benefit from favourable exchange rate movements over a shorter period of time.

General Information

What information we need from you

In order to enter into a FFC with you, we'll need some important details from you. Depending on the legal nature of your business (company, partnership etc.) you will be required to provide certain documents and information to us.

Under the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (**AML/CTF Laws**) it is a requirement that the account holder and all signatories to the account must be identified. So if you're opening an account for the first time this applies to you. It also applies to any account holder or signatory who is not an existing customer.

The identification requirements can be met by completing the St. George customer identification procedure which involves providing identity documentation to St. George. For information on documents required please contact any branch or refer to our website – www.stgeorge.com.au.

If the account holder or any of the signatories to an account are not identified in terms of the AML/CTF Laws, the account will be blocked for all withdrawals, until they are identified.

If you are an existing customer, an account signatory (or any other cardholder) identification requirements may have previously been satisfied so you don't need to provide it again, unless you are asked to do so by us.

Banking Code of Practice

We have adopted the Banking Code of Practice 2019 (Banking Code). The Banking Code sets out the standards of practice and service for Australian banks to follow when dealing with certain customers.

If you are an 'individual' or a 'small business' (each term as defined in the Banking Code), the relevant provisions of the Banking Code will apply to the banking service described in this PDS and prevail to the extent of any inconsistency with these terms and conditions.

You can obtain a copy of the Banking Code from our website or any of our branches. Please let us know if you would like to discuss whether or not the Banking Code will apply to you. Our contact details are set out on the back page.

Financial crimes monitoring

St. George is bound by laws that impose regulatory and compliance obligations, including obligations in relation to the prevention of money laundering and the financing of terrorism, which are the AML/CTF Laws. In order for St. George to meet its regulatory and compliance obligations, we perform certain control and monitoring activities.

Upon entering into any FFC with St. George, you agree and provide the following undertakings and agree to indemnify St. George against any potential loss arising from any breach by you of such undertakings that:

- you are not and will not enter into any agreement with St. George under an assumed name;
- any funds used by you to enter into an agreement with St. George have not been derived from or related to any criminal activities;
- any payments received from St. George will not be used in relation to any criminal activities;
- if we ask, you will provide us with additional information we reasonably require from you for the purposes of meeting our regulatory and compliance obligations, including the obligations under AML/CTF Laws (including information about the source of funds used to settle a FFC); and
- you and your FFC with St. George will not initiate, engage or effect a transaction that may be in breach of Australian law or sanctions (or the law or sanctions of any other country).

You should be aware that:

- we may obtain information about you or any beneficial owner of an interest in an agreement with St. George from third parties if we believe this is necessary to comply with our regulatory and compliance obligations, including AML/CTF Laws;
- transactions may be delayed, blocked, frozen or refused where we have reasonable grounds to believe that they breach Australian law or sanctions or the law or sanctions of any other country;
- where transactions are delayed, blocked, frozen or refused, St. George and other members of the Westpac Group are not liable for any loss you suffer (including consequential loss) in connection with a FFC; and
- where legally obliged to do so, we may disclose information that we hold about you to our related bodies corporate or service providers, other banks, or relevant regulatory and/or law enforcement agencies (whether in or outside of Australia).

Foreign Tax Residents

We are 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. We may ask you whether you or any shareholder, beneficiary, settlor or controlling person are a foreign tax resident from time to time, such as when you open an account with us, or if your circumstances change. If you do not provide this information to us we may be required to limit the services we provide to you.

Unless you tell us otherwise, by completing any application, you certify that any shareholder, named beneficiary, settlor or controlling person is not a foreign tax resident. You must tell us if you, 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) you must tell us if a beneficiary is a foreign tax resident immediately when any decision is made to identify and make a distribution to them. You may contact us to provide foreign tax residence information by calling 1300 725 863.

We cannot give tax advice, so please contact your independent tax advisor if you need help finding out whether any person is a foreign tax resident.

Telephone conversations

The terms of a FFC are usually agreed verbally over the phone or electronically over an on-line system. Once we have reached an agreement, both you and St. George are bound by the terms of the FFC.

Conversations with our dealing room and settlement departments are recorded. This is standard market practice. We do this to make sure that we have complete records of the details of all transactions. Recorded conversations are retained for a limited period and are usually used where there is a dispute and for staff training and monitoring purposes.

You will need to advise our dealer if you do not wish to be recorded. However, we will not enter into any transaction over the telephone unless the conversation is recorded.

Taxation

Taxation law is complex and its application to this product will depend on your particular circumstances. We make no claim that this product will provide a beneficial or appropriate tax outcome for you. When determining whether this product is suitable for your circumstances, you should consider the impact it will have on your own taxation position and seek professional advice on the tax implications it may have for you.

This document has been produced for use by Australian tax residents only. If you are not a resident of Australia for tax purposes and have entered into a FFC, you may be required to withhold tax on payments you make. If you are required to withhold an amount of tax on any payments you make as a non-resident, you are liable to gross up that payment such that we receive all amounts clear of any tax.

Privacy

We collect personal information from you to process your application, provide you with your product or service, and manage your product or service. We may also use your information to comply with legislative or regulatory requirements in any jurisdiction, prevent fraud, crime or other activity that may cause harm in relation to our products or services and help us run our business. We may also use your information to tell you about products or services we think may interest you.

If you do not provide all the information we request, we may need to reject your application or we may no longer be able to provide a product or service to you.

We may disclose your personal information to other members of the Westpac Group, anyone we engage to do something on our behalf and other organisations that assist us with our business.

We may disclose your personal information to an entity which is located outside Australia. Details of the countries where the overseas recipients are likely to be located are in our privacy policy.

As a provider of financial services, we have obligations to disclose some personal information to government agencies and regulators in Australia, and in some cases offshore. We are not able to ensure that foreign government agencies or regulators will comply with Australian privacy laws, although they may have their own privacy laws. By using our products or services, you consent to these disclosures.

We are required or authorised to collect personal information from you by certain laws. Details of these laws are in our privacy policy.

Our privacy policy is available at www.stgeorge.com.au or by calling 13 33 30. It covers:

- how you can access the personal information we hold about you and ask for it to be corrected;
- how you may complain about a breach of the Australian Privacy Principles or a registered privacy code and how we will deal with your complaint; and
- how we collect, hold, use and disclose your personal information in more detail.

We will update our privacy policy from time to time.

Please call us on 13 33 30 or visit any of our branches if you do not wish to receive marketing communications from us.

Dispute resolution

Sometimes you may want to talk about problems you are having with us. Fixing these problems is very important to us.

We've put in place ways of dealing with your issues quickly and fairly.

Please talk to us first

We aim to resolve your complaint at your first point of contact with us. Our contact details are set out on the back page.

What to do if you are still unhappy

If you are not satisfied with our response, you may be able to lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA's contact details are:

Online: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678 (free call)

Mail: Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

You can also contact the Australian Securities & Investments Commission (ASIC) to make a complaint and to obtain further information about your rights. They have a freecall Infoline on 1300 300 630 or visit www.asic.gov.au.

Glossary

To help you to understand this PDS, the meanings of some words used in this PDS are set out below.

AUD means Australian dollars.

Clear Funds means funds that are immediately available on settlement.

Confirmation means a letter confirming the terms of a particular FFC.

Contract Amount means the agreed amount as set out as such in the Confirmation. It is to be exchanged under the FFC.

Contract Margin means the agreed adjustment used for the purposes of determining the exchange rate at which the Currency Pair will be exchanged. The Contract Margin will be expressed as exchange rate points. The Confirmation will specify whether the Contract Margin is to be added or subtracted when determining your exchange rate.

Contract Rate means the agreed exchange rate which is used as a reference point when determining the exchange rate at which the Currency Pair will be exchanged.

Currency Pair means the two currencies applying in respect of a FFC. The currency pair must be acceptable to St. George.

Cut-Off Time means the time and date set out as such in the Confirmation. It is the time and date at which the outcome of the FFC will be determined.

FFC and Flexi Forward Contract means the product the subject of this PDS.

Forward Exchange Rate means the price of one currency in terms of another currency for delivery on a specified date in the future taking into account St. George's costs and its profit margin. This is the rate that St. George would make available to you at the relevant time.

Global Foreign Exchange Rate means the exchange rate for the FFC Currency Pair that is based on the price of one or more actual foreign exchange transactions in the Global Market involving the Currency Pair (or cross-rates constituting the Currency Pair). This rate will be determined by St. George in good faith and in a commercially reasonable manner.

Global Market means the global spot foreign exchange market, open continuously from 5.00am Sydney time on a Monday in any week to 5.00pm New York time of the Friday of that week.

Market Foreign Exchange Rate means the price of one currency in terms of another currency for delivery on the same day after taking into account St. George's costs and its profit margin. This is the rate that St. George would make available to you at the relevant time.

Maturity Date means the date set out as such in the Confirmation. It is the date on which the Currency Pair will be exchanged under the FFC.

St. George, we, our or us means St. George Bank, a division of Westpac Banking Corporation (ABN 33 007 457 141, AFSL No 233714).

USD means United States dollars.

You, your means the customer entering into a FFC.

Zero Cost Structure means a structure where the relevant foreign exchange rates in relation to a FFC are set so that there are no up-front out of pocket costs payable by you. The cost is effectively embedded in the Contract Margin applicable to the FFC.

Contact Details

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