

*product
disclosure
statement*

date: 6 June 2005

ING  DIRECT

straight forward banking

**Business
Optimiser™**

INTRODUCTION	1
What is the ING DIRECT Business Optimiser PDS?	
Features at a glance	
Meaning of words used	
GENERAL ACCOUNT CONDITIONS	6
OPENING AN ACCOUNT	6
How to open an account	
Signing the application form	
Accounts must be business accounts	
OPENING DEPOSIT	7
Account opening checklist	
PARTNERSHIPS	8
AUTHORISED USERS	8
EXISTING BANK ACCOUNT	9
CLEARANCE OF CHEQUES	10
INTEREST	10
NO ING DIRECT FEES	11
GOVERNMENT CHARGES	11
INTERACTIVE SERVICES	11
Accessing your Business Optimiser using an Interactive Service	
Transactions permitted by an Interactive Service	
Deposit of funds	
Transaction information	
KEEPING CODES SECRET	13
LIABILITY FOR UNAUTHORISED TRANSACTIONS	14
When you are not liable	
When you will have limited liability	
When you will be liable	
Warning: Account Aggregation Services	
Liability for unreasonably delaying notification	
Liability caused by equipment malfunctions	
CLOSING, AND STOPS ON YOUR BUSINESS OPTIMISER	17
When we may place a stop on your Business Optimiser	
How your account may be closed	
NO CREDIT	18
You must not overdraw your account	
We may transfer money to cover any overdrawing	

CHANGE TO CONDITIONS **19**

We may change these conditions

We give you notice of any changes

Change of name or address

Change of authorised user

Change of existing bank account

NOTICES AND RETURN MAIL **21**

TRANSACTING ON YOUR ACCOUNT **22**

Making deposits

Making deposits using the Interactive Service

Making deposits by cheque

Deposits under an automatic deposit plan

Making withdrawals

Statement of account

Cancelling or changing your instructions

OTHER IMPORTANT INFORMATION **25**

When we may act

The Code of Banking Practice may apply to your account

No administrative services

The Electronic Funds Transfer Code of Conduct

Privacy and Confidentiality

Tax implications, Tax File Numbers and Withholding Tax

WHAT TO DO IF YOU HAVE A CONCERN **26**

Contacting us

What we will do

What happens if we do not do this?

Who else can you contact?

OTHER DOCUMENTS

DIRECT DEBIT REQUEST SERVICE AGREEMENT **29**

1. Drawing arrangements. ING DIRECT's commitment to you

2. Your rights

3. Your responsibilities

PRIVACY STATEMENT **31**

1. Collection of your personal information from you or other sources

2. Use and disclosure of your personal information

3. Access to your personal information

4. Receipt of further ING Group information

INTRODUCTION

WHAT IS THE ING DIRECT BUSINESS OPTIMISER PRODUCT DISCLOSURE STATEMENT (PDS)?

This PDS gives you information to help you decide whether an ING DIRECT Business Optimiser will meet your needs.

Please read all sections of this PDS carefully before deciding to open a Business Optimiser.

If you decide to open a Business Optimiser, you should keep this PDS for future reference. This PDS contains a summary of the key features of the Business Optimiser and also contains the terms and conditions that apply to this account.

For more information please call ING DIRECT on **1800 100 249** or visit **www.ingdirect.com.au**

Some words used in this PDS have special meanings that are set out in the "Meaning of words used" section on page 4.

The information in this PDS may change from time to time and is up to date as at the date stated on the cover. If we update the information in this PDS and that updated information is not materially adverse information, we will make that updated information available on our website **www.ingdirect.com.au**. You can also ask for a paper copy of that updated information free of charge by calling a Direct Associate on **1800 100 249**.

FEATURES AT A GLANCE

Features
Significant benefits
Significant risks
Fees and charges
Interest rate
Calculation and payment of interest
Withdrawals
Existing bank account
Authorised users
Statement of account
Significant account conditions
Taxation implications

Business Optimiser

- No fixed term
- No minimum deposit, withdrawal or balance
- One variable interest rate on your entire balance
- Interest rate may rise if market interest rates rise
- No bank fees ever
- 24 hour, 7 day access

Interest rate may fall if market interest rates fall

No bank fees or charges ever

Current interest rate available on request

Calculated daily and credited monthly and when account closed

You may withdraw money from your account at any time

- Your Business Optimiser must be linked to no more than one existing bank account with another Australian financial institution
- You may transfer money to or from your Business Optimiser by transferring money from or to your existing bank account

- You must appoint authorised users (no more than four) to transact on your account
- If you are a company (including a company trustee): you must nominate at least two directors or a director and a company secretary to be authorised users
- If you are a sole trader or sole director company: the sole trader or the sole director must be nominated as an authorised user
- If you are a trust: all trustees of the trust must be authorised users (note: trusts where more than four trustees are required to authorise an investment (as per the trust's constitution) are not eligible for an account)
- If you are a partnership: you must nominate at least two partners to be authorised users
- If you are a non-profit you must nominate at least two office bearers (e.g. Treasurer or Secretary) to be authorised users

Issued every three months

- Accounts can only be opened in a business name (including sole traders, companies, partnerships, non-profit and trusts)
- Accounts can only be established and used for business purposes. A Business Optimiser must not be opened or operated in a personal, domestic or household capacity or by bare or informal trusts
- No more than four authorised users
- Only Australian businesses may open a Business Optimiser
- No more than 20 cheques can be deposited per calendar month
- We reserve the right (in general) not to accept any deposits from you or an authorised user

If the account holder's Tax File Number/Australian Business Number or any applicable exemption is not provided, tax may be deducted at the highest marginal rate (plus, in some circumstances the Medicare levy) from interest earned on your account

MEANING OF WORDS USED

"Access Code" means the password an authorised user uses to access your Business Optimiser using an Interactive Service.

"account" means your ING DIRECT Business Optimiser.

"authorised user" means a person you nominate to us to operate your account.

"business" means, as the case may be, a sole trader, company, corporation, partnership, non-profit, superannuation fund or trust. It does not include incorporated associations or bare/informal trusts, or trusts with more than four trustees.

"business day" means a week day except a national public holiday or a public holiday in New South Wales.

"Code" means an authorised user's Access Code or an authorised user's Client Number.

"Client Number" means, with respect to an authorised user, the number we give the authorised user to use with their Access Code to use an Interactive Service.

"Direct Associate" means an ING DIRECT customer service representative.

"Direct Debit Request" means an authorisation form authorising us to withdraw funds from your existing bank account and to credit them to your Business Optimiser or any other account you have with ING DIRECT. The Direct Debit Request is referred to as the "DDR Schedule" in the Direct Debit Request service agreement.

"EFT institution equipment" means any electronic equipment, electronic system, communications system or software controlled or provided by, or on behalf of, an institution that subscribes to the Electronic Funds Transfer Code of Conduct to facilitate electronic funds transfers (that is, funds transfers initiated through electronic equipment in relation to which a code, customer identifier, card or other device or component must be used).

"existing bank account" means an account held by you in Australia with another financial institution acceptable to us and nominated by you in accordance with these conditions.

"ING DIRECT" means ING Bank (Australia) Limited (ABN 24 000 893 292) (ASFL 229823) of 140 Sussex Street, Sydney, New South Wales.

"Interactive Service" means any service we provide, or a third party provides on our behalf, that allows an authorised user to access your accounts electronically using a secret code (such as an Access Code and/or personal identifiers). It includes our interactive telephone service and the ING DIRECT website.

“non-profit” means an incorporate non-profit association and includes a strata body corporate operated by persons who are not licenced agents within their state or territory of registration or incorporation.

“Temporary Access Code” means the initial Access Code we give to each authorised user to allow them to access your account using an Interactive Service until they select another Access Code.

“unauthorised transactions” means any transaction from or to your account conducted using an Interactive Service that is not authorised by you. It does not include any transactions carried out by you or an authorised user, or by someone else with your knowledge and consent.

“us” and “we” means ING DIRECT.

“Welcome Letter” means the letter we send to you once we open your account that confirms your initial deposit and sets out the initial interest rate for your account and your account number.

“you” means the person or business who opens an account. If there is more than one, “you” means each of you separately and every two or more of you jointly. “You” includes your successors and assignees.

GENERAL ACCOUNT CONDITIONS

OPENING AN ACCOUNT

How to open an account

To open a Business Optimiser, you must provide us with:

- a completed Business Optimiser application form including details of your existing bank account;
- any other documents or information we require, e.g. a tax assessment notice not more than two years old;
- the details we request concerning your existing bank account, e.g. a cheque or encoded deposit slip (i.e. a deposit slip with the account number printed on it) from the existing bank account; and
- your opening deposit.

Once we approve your application and accept your opening deposit we will notify you. If you have elected to make your initial deposit by direct debit from your existing bank account in accordance with your Direct Debit Request, the amount specified as the opening deposit in your application will be withdrawn from your existing bank account on, or shortly after, the date of that approval.

You can have up to nine Business Optimisers at any one time. Please note that you can only have one existing bank account linked to a Business Optimiser at any one time (refer to “Existing bank account” on page 9).

Signing the application form

The following persons must sign the application form to open your Business Optimiser:

- if you are a company (including a company trustee): at least two directors or a director and company secretary;
- if you are a sole trader or a sole director company: the sole trader or sole director and secretary, as the case may be, along with a statement that the signatory is the sole trader or sole director and secretary;
- if you are a trust: all trustees (note: trusts where more than four trustees are required to authorise an investment (as per the trust’s constitution) are not eligible for an account);
- if you are a non-profit: at least two office bearers (e.g. treasurer or secretary);
- if you are a partnership: at least two partners, one of whom must be the managing partner (or general partner if you are a limited partnership).

Accounts must be business accounts

A Business Optimiser can only be opened and operated by a business and must be established and used solely for business purposes. A Business Optimiser must not be opened or operated in a personal, domestic or household capacity or by bare/informal trusts, unincorporated associations or a statutory account. A Business Optimiser can only be opened and held by a business registered in Australia with an Australian registered address. An account cannot be opened for a trust where more than four trustees are required to authorise an investment (as per the trust's constitution or trust deed).

OPENING DEPOSIT

Your opening deposit must be made in one of the following ways:

- by cheque payable to "ING DIRECT" drawn on your existing bank account for the amount of your opening deposit; or
- by direct debit from your existing bank account for the amount nominated as your opening deposit in your application form; or
- by bank cheque payable to "ING DIRECT" for the amount of your opening deposit. Please note that we will not accept a bank cheque endorsed to us.

Unless you make your opening deposit by cheque payable to ING DIRECT and drawn on your existing bank account, you will also need to give us an encoded deposit slip (i.e. a deposit slip with the account number printed on it) for your existing bank account.

Account opening checklist

To open a Business Optimiser you must ensure that:

- the account is in the name of the business;
- you have provided:
 - names and details of the authorised users
 - your Australian registered business address
 - your Australian business telephone number (not a mobile phone number)
 - your ABN, if you are a company
 - confirmation of your existing bank account details; and
 - an income tax assessment notice (not more than two years old);
- the existing bank account is in the same name(s) and capacity as the Business Optimiser (i.e. company/trust etc).

PARTNERSHIPS

If your business is a partnership, you and each other partner in the partnership acknowledges and agrees that:

- each partner is individually liable and jointly liable to us concerning the account;
- any notice or act of any one or more partners binds all of them whether or not that notice or act is given or done in carrying out the partnership's business or in the usual way for that business; and
- these terms and conditions continue to bind the partners of the partnership notwithstanding the dissolution, or any change at any time in the constitution, of the partnership.

AUTHORISED USERS

Between one and four authorised users must be nominated to operate your Business Optimiser. Only authorised users are able to use the Interactive Services (refer to "Interactive Services" on page 11) or otherwise obtain transaction or other information about your account.

The following people can be nominated as authorised users of your Business Optimiser:

- If your business is a trust: all trustees must be authorised users;
- If your business is a sole trader or a sole director company: the sole trader or the sole director must be nominated as an authorised user. You can also nominate up to three members of your staff;
- If your business is a company (including a company trustee): at least two of your authorised users must be directors or a director and a company secretary. You can also nominate up to two members of your staff;
- If your business is a non-profit: at least two office bearers (e.g. treasurer or secretary) must be authorised users;
- If your business is a partnership: at least two partners must be authorised users. You can also nominate up to two members of your staff.

All authorised users must be 18 years old or older and must be residents of the Commonwealth of Australia.

Any authorised user can do the following on your behalf:

- deposit money to and withdraw money from your Business Optimiser;
- set up, change or cancel an automatic deposit plan;
- change their personal details (i.e. address, phone, e-mail);
- change the phone number of your business;
- cancel a deposit or withdrawal instruction;
- close the Business Optimiser;
- cancel a Direct Debit Request.

All authorised users are required to instruct us to:

- add, delete or change an authorised user;
- change the existing bank account;
- set up a Direct Debit Request;
- change the name of your business;
- change the residential/registered business address and/or mailing address of your business.

EXISTING BANK ACCOUNT

You must nominate an account with another financial institution to use with your Business Optimiser. We refer to this account as being your “existing bank account”.

You may only have one existing bank account linked to your Business Optimiser at any one time.

Your existing bank account must be held in Australia and be in the same name as your Business Optimiser. You must have an existing bank account linked to your Business Optimiser at all times

Your existing bank account is the account:

- from which we will transfer money if instructed, to make a deposit to your Business Optimiser; and
- to which we will transfer money if you instruct us to withdraw money from your Business Optimiser, in accordance with these conditions.

The person(s) authorised to sign for the existing bank account must sign the Direct Debit Request.

Note: The authorised signatories of the existing bank account may not necessarily be the authorised users of your Business Optimiser.

CLEARANCE OF CHEQUES

When a cheque is deposited to your Business Optimiser, that money cannot be used or withdrawn until we have cleared the cheque and the money becomes "cleared funds". Clearance usually takes three to five business days.

If a cheque is dishonoured (that is, the bank on which it is drawn refuses to pay the value of that cheque), then we debit your account for the amount of that cheque and any interest that has accrued on that amount which has been credited to your Business Optimiser.

INTEREST

Interest is calculated daily on the daily closing balance of your account using the following formula:

$$\frac{\text{Daily closing balance} \times \text{interest rate (as a percentage)}}{365}$$

Interest begins to accrue on the day the opening deposit is made to the account. It is credited to your Business Optimiser monthly at the end of the last day of each month and on the day when the account is closed.

Any interest credited to your account is available for your use on the next business day after it has been credited to your account.

The initial interest rate for your account is set out in the Welcome Letter or e-mail sent to you at the time we accept your deposit.

When calculating the daily closing balance of your account, we do not include any amount that you have requested be withdrawn from your account, but which has not yet been transferred to your existing bank account (for example, because a withdrawal request is not made on a business day, or is made after 4pm (Sydney time) on a business day). (Refer to "Making withdrawals" on page 23).

The interest rate for your account is variable and may be changed by us at any time. You agree that we may tell you about the change by giving you a notice in writing or by publishing an advertisement in a national or local newspaper.

Information about the current Business Optimiser interest rate is available from ING DIRECT and will also be set out in your statement of account.

NO ING DIRECT FEES

There are no bank fees payable on your Business Optimiser. You may, however, incur fees on your existing bank account when you transfer funds between your existing bank account and your Business Optimiser account. To find out whether any such fees apply, please contact the financial institution where your existing bank account is held.

GOVERNMENT CHARGES

At the date of this PDS there are no government charges associated with the Business Optimiser. However, the government may introduce charges in the future. All government charges will be debited to your account. You can obtain details of current government charges (if any) by calling ING DIRECT on **1800 100 249**.

INTERACTIVE SERVICES

Accessing your Business Optimiser using an Interactive Service

An authorised user can use their Client Number and Access Code to access the Business Optimiser using an Interactive Service. We will supply each authorised user with a separate Client Number and a Temporary Access Code. The first time that an authorised user uses an Interactive Service, they will be required to select a personal Access Code. The Interactive Service will provide the authorised user with instructions to follow in order to select their personal Access Code. Once the authorised user has selected their personal Access Code they will be able to use the Interactive Service. An authorised user may also access your Business Optimiser by calling a Direct Associate and providing their Client Number and answering key identity questions.

You authorise us to act on an authorised user's instructions in relation to any transaction. If it is not possible to carry out these instructions the transaction will not be processed. We can defer processing a transaction or seek further information from an authorised user before carrying out an instruction. Instructions can only be cancelled or changed in accordance with these terms (refer to "Cancelling or changing your instructions" on page 24). You are responsible for ensuring that each authorised user gives us the correct instructions.

You acknowledge that the Interactive Service may be interrupted by systems failure and that authorised users may be temporarily unable to access or transact on your Business Optimiser. An authorised user may still access or transact on the Business Optimiser by calling a Direct Associate on 1800 100 249.

The Interactive Service belongs to ING DIRECT and an authorised user's right to access the Interactive Service is for your own banking use only and is restricted by the provisions of this PDS.

Transactions permitted by an Interactive Service

Any authorised user may conduct the following transactions using any Interactive Service:

- deposit money to your Business Optimiser from your existing bank account;
- withdraw money from your Business Optimiser to your existing bank account;
- obtain details of your last ten transactions on your Business Optimiser (24 hours a day, 7 days a week);
- enquire about your account balance;
- change their Access Code (an Access Code can only be changed by the person who selected that Access Code);
- set up, vary or cancel an automatic deposit plan under which money will be deposited into your Business Optimiser from your existing bank account at regular intervals; or
- change their personal details (i.e. address, phone, e-mail).

Any of the authorised users may obtain details of transactions on your Business Optimiser using ING DIRECT's Interactive Services.

All of the authorised users must instruct us to:

- change the existing bank account; or
- change the business details (including name, authorised users and business registered/residential address and/or mailing address).

Deposit of funds

Where an authorised user makes a deposit of funds into your Business Optimiser using an Interactive Service and there is a discrepancy between the amount recorded on the Interactive Service as having been deposited and the amount recorded by us as having been received into your account, we will notify you of the difference as soon as possible and will advise you of the actual amount credited to your account.

Transaction information

Where a transfer to or from your Business Optimiser is conducted by voice communication (for example, by speaking with a Direct Associate or through our interactive telephone service), we will provide you with verbal receipt information/confirmation details unless the authorised user tells us at the time of the transaction that they do not want a receipt.

Where a transfer to or from your account is conducted using an Interactive Service in some other way (for example, using the ING DIRECT website), we will issue the authorised user with a receipt to confirm the transaction.

We recommend that an authorised user writes down or, where possible, prints or saves their receipt information/confirmation details for their records. An authorised user should check the receipt information/confirmation details against the relevant statement of account and, if they believe there is an error, or have any other concerns, please let us know (refer to "What to do if you have a concern" on page 26).

KEEPING CODES SECRET

It is important for each authorised user to keep their Access Code and Client Number secure. You agree to ensure that each authorised user takes all reasonable precautions to ensure that their Access Code and Client Number are not misused and remain secure and confidential. In particular, you agree that an authorised user must not:

- tell anyone their Access Code (including any member of their family); or
- permit anyone else, whether acting as their agent or not, to access the ING DIRECT website using their Client Number and Access Code.

An authorised user must tell us as soon as they realise that another person knows their Access Code. An authorised user can tell us by calling one of our Direct Associates on **1800 100 249**, 24 hours a day, 7 days a week. We will then:

- issue them with a receipt number (or other reference details) acknowledging their notification; and
- ask them to select a new Access Code using our interactive telephone service. If the authorised user does not select a new Access Code when we ask them to, we will place a stop on your Business Optimiser.

If for any reason these telephone facilities are not available, any losses that occur while these facilities are not available because the authorised user did not tell us that another person knows or has used their Access Code are our responsibility. You will not be liable for them provided that the relevant authorised user notifies us within a reasonable time of the facilities becoming available again.

If we know or suspect that another person knows the Access Code or Client Number of an authorised user, we may place a stop on your Business Optimiser. In that event, the relevant authorised user may contact us to obtain a new Access Code and have the stop removed from your Business Optimiser.

LIABILITY FOR UNAUTHORISED TRANSACTIONS

When you are not liable

You will not be liable for losses incurred or suffered by you that:

- relate to any authorised user's Codes which are forged, faulty, expired or cancelled (for example, a cancelled Access Code);
- arise from transactions made through an Interactive Service that require the use of an authorised user's Access Code that occur before they received that Access Code (including a reissued Access Code);
- are caused by the fraudulent or negligent conduct of our employees or agents or those of companies involved in networking arrangements with us;
- result from the same transaction being incorrectly debited more than once to the same account;
- result from an unauthorised transaction that occurs after an authorised user has notified us that the security of an Access Code has been breached; or
- result from an unauthorised transaction if it is clear that you or an authorised user has not contributed to the losses.

When you will have limited liability

If it is not clear whether you or an authorised user have contributed to the loss caused by an unauthorised transaction, the amount of your liability arising from the unauthorised transaction (where an Access Code was required to perform the transaction) will be limited to the least of:

- \$150;
- the actual loss at the time we are notified that the security of an Access Code has been breached; or
- the balance of your Business Optimiser from which value was transferred in the unauthorised transaction.

When you will be liable

If we can prove on the balance of probability that you or an authorised user contributed to the loss arising from the unauthorised transaction:

- through your or an authorised user's fraud;
- by an authorised user voluntarily disclosing an Access Code to anyone, including a family member or a friend;
- by an authorised user keeping a record of all of their Codes without making a reasonable attempt to protect the security of that record(s) on the one article, or on several articles, so that the Codes may be lost or stolen at the same time;
- by an authorised user using their birth date or an alphabetic code which is a recognisable part of their name, as their Access Code after they have been warned by us against doing so; or
- by an authorised user acting with extreme carelessness in failing to protect the security of their Access Code in any other way,

you are liable for the actual losses which occur before we are notified that the security of an Access Code had been breached, except for:

- that part of the total losses incurred on your Business Optimiser which is more than the balance of the Business Optimiser;
- losses incurred on any Business Optimiser which we have not agreed with you could be accessed using the Interactive Service;
- losses incurred as a result of conduct that we expressly authorised you or the authorised user to engage in; or
- losses incurred as a result of an authorised user disclosing, recording or storing an Access Code in a way that is required or recommended by us for the purposes of the authorised user using an account access service expressly or impliedly promoted, endorsed or authorised by us.

Warning: Account Aggregation Services

Some companies provide account aggregation services that allow you to view account information from different institutions on the one webpage. To use an account aggregation service, an authorised user is required to give the service provider your account details and their Codes.

We do not endorse, promote or authorise the use of account aggregation services in connection with your account(s) or an Interactive Service.

Please remember that if an authorised user discloses their Access Code to another person, you will be liable for any transactions on your Business Optimiser(s) made by that person using that Access Code.

Liability for unreasonably delaying notification

If we can prove on the balance of probability that you or any of your authorised users have contributed to a loss caused by an unauthorised transaction by unreasonably delaying notification that the security of an authorised user's Access Code has been compromised after an authorised user becomes aware of the loss, theft or breach, you will be liable to us for the actual losses incurred between:

- the time an authorised user first became aware of any of these events; and
 - the time we are actually notified of the relevant event;
- except for:
- that part of the total losses incurred on an account which is more than the balance of the account; and
 - all losses incurred on any accounts that we had not agreed with you could be accessed using an Interactive Service.

Liability caused by equipment malfunctions

We are responsible to you for any loss caused by a failure of an EFT institution's equipment to complete a transaction accepted by an EFT institution's equipment in accordance with your instructions.

However, if you were aware, or should have been aware, that the EFT institution's equipment was unavailable for use or malfunctioning, our responsibility will be limited to correcting errors in the account and refunding any charges or fees imposed as a result.

CLOSING, AND STOPS ON YOUR BUSINESS OPTIMISER

When we may place a stop on your Business Optimiser

We may place a stop on your Business Optimiser if:

- you do not supply requested information to us;
- we are required to do so by court order or otherwise by law;
- mandatory security details are not provided by an authorised user; or
- you die (in the case of sole traders and partners in partnerships).

No authorised user will be able to access or transact on your Business Optimiser until the stop is lifted.

When we may stop an authorised user from accessing your Business Optimiser

We may stop an authorised user from accessing your Business Optimiser if:

- you or another authorised user notifies us that the authorised user is to be removed as an authorised user (for example, if the authorised user is no longer an employee of your business);
- an authorised user fails to select a new Access Code when asked to do so (refer to "Keeping Codes secret" on page 13);
- we know or suspect that a Code is no longer secure and confidential (refer to "Keeping codes secret" on page 13); or
- we have received returned mail because an authorised user has not advised us of a change of address (refer to "Notices and return mail" on page 21).

How your account may be closed

An authorised user may close the Business Optimiser at any time by calling a Direct Associate on 1800 100 249 and requesting that the Business Optimiser be closed.

We may close your Business Optimiser by giving you seven days' notice. However, we may also close your Business Optimiser immediately and without notice (and without providing reasons) or refuse to process any transactions if:

- you or an authorised user breach one of these terms and conditions;
- we suspect fraudulent activity or a breach of law by you or an authorised user;
- we cannot verify an authorised user's identity; or
- we cannot verify your existing bank account.

Before your Business Optimiser is closed you must pay any amount you owe us (including any unauthorised overdrawn amount). You remain liable for all transactions or government charges made before or at the time of closing your Business Optimiser.

On the date your Business Optimiser is closed, we will pay you any credit balance of your Business Optimiser by transferring that amount to your existing bank account. We will not issue a cheque.

NO CREDIT

You must not overdraw your account

An authorised user must not overdraw your Business Optimiser or make a withdrawal or transfer of an amount greater than your account balance. If your Business Optimiser does become overdrawn you must immediately clear your debt to us and ensure your Business Optimiser is in credit. If we close your Business Optimiser because it is overdrawn, the final statement for your Business Optimiser may show a zero balance. However, you must still clear your debt to us (refer to "We may transfer money to cover any overdrawing" on page 19).

Under no circumstances do we provide any credit on your Business Optimiser.

We may transfer money to cover any overdrawing

If your Business Optimiser is overdrawn, you authorise us to transfer money held in any other account you have with us (whether or not a joint account) or if we have an approved Direct Debit Request, from your existing bank account, into the overdrawn Business Optimiser up to the amount owing. However, we do not have to do this and we are not liable for any loss you may incur if we choose to do this, or not to do this.

If any other account you hold with us is overdrawn (whether or not a joint account), you authorise us to transfer money from your Business Optimiser up to the amount owing. However, we do not have to do this and we are not liable for any loss you may incur if we choose to do this, or not to do this.

We will promptly inform you if we transfer money in this way to cover any overdrawing.

CHANGE TO CONDITIONS

We may change these conditions

We may change the conditions for any Business Optimiser.

However, we agree not to make a change that introduces a bank fee or charge (other than a government charge) to any Business Optimiser.

We give you notice of any changes

We will give you at least 30 days' prior notice in writing (or such longer period as is required by legislation or any code of conduct that we subscribe to) of any change that:

- increases your liability for losses relating to transactions performed on your Business Optimiser using an Interactive Service;
- varies the method of calculating interest;
- varies the frequency of crediting interest; or
- introduces or varies balance ranges within which interest rates apply.

You agree that we may give you notice of other changes, sufficient to satisfy any applicable legislative requirements (and the requirements of any code of conduct that we subscribe to), either by:

- writing to you;
- advertisement in a national or local newspaper; or
- giving you notice in another manner allowed by law or any code of conduct we subscribe to.

You agree that we may write to you or advertise in a national newspaper if a government charge is introduced or varied unless the introduction or variation to the government charge is advertised by a government, government agency or representative body.

Subject to satisfying applicable legislative requirements (and the requirements of any code of conduct that we subscribe to), advance notice of a change relating to the Interactive Services or your use of, or access to them may not be given where the changes are necessary to immediately restore or maintain the security of our systems or an account.

Change of name or address

Business: You must tell us as soon as there is a change to your name or to your address. We will need instructions from each authorised user before changing your name or address.

If you change your name, you must fill in and sign the documents we require and send us a certified copy of evidence satisfactory to us of your change of name. You must also change the name of your existing bank account to your new name and tell us the new details of your existing bank account (refer to “Change of existing bank account” on page 21).

Authorised user: Each authorised user may change their name or address details by contacting us on **1800 100 249** or by visiting **www.ingdirect.com.au**. If an authorised user changes their name, they must supply the documents we require.

Change of authorised user

If you want to add or remove an authorised user please call us on **1800 100 249**. We will tell you what information we need and the procedure to follow when you contact us.

A person who you nominate as an authorised user in accordance with this PDS will remain an authorised user until we receive all information we need and the procedure to remove the person as an authorised user has been completed to our satisfaction. Subject to this PDS, you are liable for any loss incurred or suffered by you as a result of a transaction made by a person who is an authorised user at the time the transaction was made.

Change of existing bank account

Please call us on **1800 100 249**, or visit our website, **www.ingdirect.com.au**, if you wish to change your existing bank account or any of the details of your existing bank account. We will tell you what information we need and the procedure to follow when an authorised user contacts us. Your new existing bank account or requested changes will not take effect until verified by us. This will take three to ten business days.

We will promptly process any instructions an authorised user gives us to cancel your Direct Debit Request in accordance with the Direct Debit Request service agreement you entered into at the time you gave us your Direct Debit Request. (Refer to "Direct Debit Request Service Agreement" on page 29). Any authorised user can cancel the Direct Debit Request. All authorised users are required to instruct us to set up a new Direct Debit Request.

If an authorised user cancels your Direct Debit Request, no authorised user will be able to transfer funds from your existing bank account to your Business Optimiser until you provide a replacement Direct Debit Request. If your existing bank account is closed, you will not be able to transfer funds between your existing bank account and your Business Optimiser until all authorised users nominate a replacement existing bank account and provide a replacement Direct Debit Request.

NOTICES AND RETURN MAIL

We will send notices to your mailing address except for certain confidential information, which we may send to your registered business address.

If you change your address and don't tell us, we can still give notice to you by writing to the address last recorded with us. If we receive returned mail for your Business Optimiser because you have not advised us of a change of address, we may place a stop on your Business Optimiser, so that an authorised user cannot withdraw money until you contact us.

TRANSACTING ON YOUR ACCOUNT

Making deposits

An authorised user may make deposits into your Business Optimiser:

- by transferring money from your existing bank account to your Business Optimiser using an Interactive Service;
- by transferring money from your existing bank account to your Business Optimiser under an automatic deposit plan; and
- by cheque (refer to “Making deposits by cheque” on page 23).

Please note that you cannot transfer money from one Business Optimiser, or any other ING DIRECT account, to another Business Optimiser.

Deposits made after 4pm (Sydney time) on a business day will be treated as if made on the following business day.

Please note that we will only accept deposits in Australian dollars.

We reserve the right to not accept a cheque deposit into your Business Optimiser. We will only accept 20 deposits per calendar month made by cheque.

We reserve the right (in general) not to accept any deposits from you or an authorised user.

Deposits cannot be made by any of the following:

- by international drafts;
- money order;
- by traveller’s cheque; or
- in cash.

Making deposits using the Interactive Service

Deposits can be made using an Interactive Service if you give us a properly completed Direct Debit Request Form. We use this form to show the financial institution at which your existing bank account is held that we have your authority to withdraw money from your existing bank account and deposit it in your Business Optimiser.

An authorised user will usually be able to use an Interactive Service to make deposits three business days after you give us the properly completed Direct Debit Request Form.

When an authorised user deposits funds into your Business Optimiser using an Interactive Service, they will not be available for three business days.

Making deposits by cheque

If an authorised user makes a deposit by cheque, the cheque must be payable to ING DIRECT, or be payable to you and correctly endorsed to ING DIRECT and drawn on an Australian financial institution. We do not accept a cheque endorsed to ING DIRECT if originally made out to any other person/business. Deposits by cheque must be accompanied by your Business Optimiser account number.

Deposits under an automatic deposit plan

If we receive your automatic deposit plan request after the start date you have nominated in that request, we will make the first withdrawal from your existing bank account under the automatic deposit plan on the next date requested under the terms of the automatic deposit plan.

Making withdrawals

An authorised user can make a withdrawal of any cleared funds in your Business Optimiser by using an Interactive Service. The funds are electronically transferred to your existing bank account.

If a withdrawal is made before 4pm (Sydney time) on a business day, the withdrawn funds are generally transferred to your existing bank account by the next business day.

You cannot nominate your Business Optimiser in a Direct Debit Request you give to any other financial institution or organisation. We will not set up periodic direct credits from your Business Optimiser to accounts at other financial institutions or organisations.

Statement of account

We will issue you with a statement of account every three months and after your Business Optimiser is closed. If you require a copy of a particular statement, an authorised user can call us and request one. Each statement of account will record all transactions on your Business Optimiser since the last statement of account. We recommend that you check your statement of account carefully. If you believe that there is a mistake on your statement of account, or you believe a transaction was not authorised by you or an authorised user, you should tell us as soon as possible (refer to "What to do if you have a concern" on page 26). Statements will only be sent to the business/entity. Authorised users will not receive statements.

Cancelling or changing your instructions

Deposits using an Interactive Service. An individual transfer to your Business Optimiser from your existing bank account using an Interactive Service cannot be stopped or suspended unless an authorised user instructed us to make the transfer on a business day, and contacted us to stop or suspend those instructions before 4pm, Sydney time (for instructions given before 4pm Sydney time) or midnight Sydney time (for instructions given on or after 4pm) on the same day. If the transfer cannot be stopped or suspended, new instructions to transfer the funds from your Business Optimiser to your existing bank account must be given to us, to reverse the transaction.

Automatic deposit plans. An authorised user can stop or suspend an individual transfer to your Business Optimiser from your existing bank account under an automatic deposit plan by calling us on **1800 100 249** before 4pm (Sydney time) at least two clear business days before the transaction is to occur. We will need instructions from each authorised user before stopping or suspending transfers under an automatic deposit plan. A transfer to your Business Optimiser under an automatic deposit plan cannot be stopped or suspended after this time.

Direct Deposit Arrangements. An authorised user can only stop or suspend an individual deposit under a direct deposit arrangement by contacting the depositor or financial institution making the deposit.

Withdrawals from your account. An authorised user cannot stop or suspend a transfer from your Business Optimiser after instructions from an authorised user have been given to us unless the authorised user instructed us to make the transfer on a business day, and contacted us to stop or suspend those instructions before 4pm Sydney time (for instructions given before 4pm Sydney time) or midnight Sydney time (for instructions given on or after 4pm) on the same day. If the transfer cannot be stopped or suspended, new instructions to transfer the funds from your existing bank account to your Business Optimiser must be given to us, to reverse the transaction.

OTHER IMPORTANT INFORMATION

When we may act

If we are obliged to act on a day that is not a business day, we may act on the next business day.

The Code of Banking Practice may apply to your account

ING DIRECT has adopted the Code of Banking Practice as published by the Australian Bankers' Association on 1 August 2003 and modified in May 2004. The relevant provisions of this Code apply to your account if you are a "retail client" under the Corporations Act.

In addition to this PDS, general descriptive information about our services and procedures is available on request setting out our account opening procedures, obligations regarding the confidentiality of your information, complaint handling procedures, bank cheques, the advisability of informing us promptly when you are in financial difficulty and the advisability of reading the PDS applying to your account.

If you would like a copy of this information, please call one of our Direct Associates on 1800 100 249 available 24 hours, 7 days a week and ask for a copy of the booklet titled "General Information on the Code of Banking Practice".

No administration services

Please note that we do not provide any administration services in relation to this Business Optimiser.

The Electronic Funds Transfer Code of Conduct

ING DIRECT warrants to comply with the Electronic Funds Transfer Code of Conduct to the extent that it applies to your dealings with ING DIRECT. This code may apply to funds transfers to or from your account that are initiated through an Interactive Service.

Privacy and Confidentiality

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

We have a general duty under the Privacy Act and the Code of Banking Practice to keep information about you confidential except in certain circumstances (for example, where the law requires us to disclose information about you or where you agree to us disclosing your information).

For more information on our commitment to privacy, please see the privacy statement at the end of this booklet, ask us for a copy of the booklet "General Information on the Code of Banking Practice" or visit the "Privacy" page on our website, www.ingdirect.com.au

Tax implications, Tax File Numbers/Australian Business Number and Withholding Tax

Saving has tax (and sometimes social security) implications that are particular to your circumstances. Interest earned on your account is generally taxable and you should discuss this with your professional tax adviser.

You are not required by law to provide your Tax File Number/Australian Business Number to us if you do not wish to do so. However, if you do not do so, or if you do not give us details of any exemption available to you, we will be obliged to deduct tax at the highest marginal rate (plus in some circumstances, the Medicare levy).

If you become a non resident for tax purposes then you are required to provide us with your country of residence for tax purposes. If this information is not provided to us, we may be obliged to deduct tax at the highest marginal tax rate plus (in some circumstances) the Medicare levy from the interest we pay you on your account.

WHAT TO DO IF YOU HAVE A CONCERN

Contacting us

You should contact us immediately if you or an authorised user suspects an error on your account (including an account statement) or if you have experienced any other problem concerning use of your account or an Interactive Service. You should do this by calling us on **1800 100 249**, 24 hours a day, 7 days a week.

To help us resolve your concern, it is important that you give us all the information that you have in relation to your concern. We may also require you to confirm in writing the information you have provided.

What we will do

We will promptly look into your concern and decide what course of action should be taken. If your complaint is not immediately settled to the satisfaction of both you and us, we will tell you the steps you must take so that an investigation may proceed. We will advise you in writing of our procedures for the investigation and resolution of your concerns.

Within 21 days of receiving relevant details of your complaint we will either:

- complete our investigation and tell you in writing of the outcome; or
- tell you in writing that we need more time to complete our investigation.

Unless there are exceptional circumstances, we should complete our investigation within 45 days of you giving us the relevant details of the complaint. If there are exceptional circumstances where we do not complete the investigation within 45 days, we will:

- inform you of the reasons for the delay;
- give you monthly updates on the progress of your complaint; and
- specify when a decision can reasonably be expected, unless we are waiting for a response from you and you have been advised that such a response is required.

Once we have completed our investigation of the complaint, we will promptly tell you in writing of the outcome of our investigation and give you reasons for that outcome.

Where, as a result of our investigation, we discover that the account has been incorrectly credited or debited, we will, where appropriate, promptly adjust the account (including appropriate adjustments for interest and charges or both) and tell you in writing of the amount with which the account has been debited or credited as a result.

Where we determine that you are liable for at least part of the disputed amount, we will, in most cases, make relevant evidence available to you and will advise you whether there was any system malfunction at the time of the transaction.

We do not have to do this where your liability is determined under the PDS and your account is adjusted within seven business days of receipt of your complaint.

What happens if we do not do this?

Where we do not observe the appropriate allocation of liability or complaint investigation and dispute resolution procedures that are set out in this PDS or fail to communicate the reasons for our determination of the allocation of liability by reference to relevant aspects of the PDS, and this contributed to a decision we make against you or results in delay in the resolution of your complaint, we (or, in some cases, the Financial Industry Complaints Services Limited or the Australian Banking and Financial Services Ombudsman) may determine that we are liable for all or part of the amount of the transaction that is the subject of your complaint.

Who else can you contact?

ING Bank is member of the Banking and Financial Services Ombudsman scheme. If our conclusions do not resolve your concerns or we take more than 45 days to complete your investigation, you may wish to contact:

The Banking and Financial Services Ombudsman

- by calling **1800 780 808**; or
- writing to:
Banking and Financial Services Ombudsman
GPO Box 7A
Melbourne VIC 3001.

Or

The Financial Industry Complaints Service Limited

- by writing to:
Financial Industry Complaints Service Limited
PO Box 579
Collins Street West
Melbourne 8001

Please note that:

- the Banking and Financial Services Ombudsman can only consider your complaint if you are an individual or small business; and
- there are restrictions on the types of complaints that the Financial Industry Complaints Service Limited (FICS) can consider. If you wish to lodge a complaint with the FICS or if you want to know more about whether FICS can consider your complaint, you can find out and obtain the necessary forms at www.fics.asn.au.

OTHER DOCUMENTS

DIRECT DEBIT REQUEST SERVICE AGREEMENT

If you have any queries concerning this agreement or any drawings made under it, please contact ING DIRECT on **1800 100 249**. If you wish to stop or cancel your drawing arrangements, please direct your query to us initially in accordance with Section 2 of this Direct Debit Request service agreement.

1 Drawing arrangements.

ING DIRECT's commitment to you

The details of your drawing arrangements are shown in your DDR Schedule. These arrangements may include the right to draw funds from the account specified in that DDR Schedule for deposit into your Business Optimiser or any other account you have with ING DIRECT. We will give you written notice of any changes we make to your drawing arrangements at least 14 days before those changes occur.

If a drawing date falls on a day which is not a business day, the drawing will be made on the next business day.

If you are uncertain as to when a drawing will be processed by the financial institution with which your existing bank account is held, you should contact your financial institution.

We reserve the right to cancel your drawing arrangements if two or more drawings are returned unpaid by the financial institution with which your existing bank account is held and to arrange an alternative payment method with you.

We will keep your records and account details confidential and will only use or disclose this information in accordance with our Privacy Statement.

2 Your rights

You can cancel, alter or suspend your drawing arrangements at any time by phoning us at least two business days before the cancellation, alteration or suspension is to take effect. You can stop or defer an individual drawing under an automatic deposit plan by calling us at least two business days before the date that drawing is to be made. You can also stop or defer an individual drawing using an Interactive Service by calling us before 4pm, Sydney time (for instructions given before 4 pm Sydney time) or midnight Sydney time (for instructions given on or after 4 pm Sydney time) on the same day.

If you consider that a drawing has been initiated incorrectly, you should call and seek assistance from one of our Direct Associates for immediate attention. You should direct all queries to us in the first instance. All contact should be made by phoning **1800 100 249**.

We will investigate your concerns and endeavour to respond to you within 21 days. If we conclude that a debit has been made in error, we will arrange for your financial institution to adjust your existing bank account and advise you accordingly. If we conclude that a debit has not been made in error, you will be informed of this conclusion and the reasons for it. (Refer to "What to do if you have a concern" on page 26).

3 Your responsibilities

It is your responsibility to:

- ensure that your existing bank account can accept direct debits (direct debiting may not be available on all accounts. Please check with your financial institution before completing the DDR Schedule if you are uncertain);
- check the account details for your existing bank account against a recent statement from the financial institution where it is held. (Please check with your financial institution before completing the DDR Schedule if you are uncertain);
- ensure that there are sufficient cleared funds in your existing bank account by the due date to enable drawings to be made in accordance with your drawing arrangements. If there are insufficient funds in your existing bank account to enable a drawing to be made, any amount debited to your account in anticipation of that drawing being made will be reversed. With ING DIRECT there are no fees to pay in this situation except any standard statutory government charges (if applicable);
- ensure that the authority given to us to draw on your existing bank account is consistent with the account authority or signing instructions held by your financial institution for that account;
- advise us if your existing bank account is transferred, closed or any other account details change; and
- arrange a suitable payment method if your drawing arrangements are cancelled.

PRIVACY STATEMENT

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

1 Collection of your personal information from you or other sources

ING DIRECT only collects such personal information as is necessary to manage your account and to communicate with you about ING DIRECT and the products and services we offer.

If you provide us with incomplete or inaccurate information, we may not be able to provide you with the products or services you are seeking.

By completing your ING DIRECT application form you consent to our use and disclosure of your personal information as outlined in this privacy statement.

2 Use and disclosure of your personal information

In managing your account, there may be occasions where we disclose your personal information to:

(i) Other financial institutions

Other financial institutions, such as banks, credit unions and building societies, in order to set up and manage your account and manage banking transactions.

(ii) Other organisations

Other ING Group entities and/or organisations, such as:

- other ING Group companies in order to service other ING products you may have within the Group. You can choose not to have us disclose your personal information to ING Group companies for this purpose by contacting us directly, however please be aware that we may then be unable to provide particular products or services which require this disclosure, such as managed investment products;
- organisations undertaking reviews of the accuracy and completeness of our information;
- authorised organisations providing confidential mailing services, maintenance of our information technology systems, and printing of our standard documents and correspondence;
- organisations providing analysis and research to ING DIRECT regarding our products, services and customer relationships;

- our solicitors, valuers and insurers for our loan products;
- credit reporting or information verification agencies in order to obtain and provide details of credit history or status.

We only disclose personal information to such organisations (some of which may be located outside Australia) for the provision of the specified management services.

(iii) Third Parties

Third parties, for example your financial adviser, mortgage intermediary, power of attorney and appointed agent, when you have authorised us to do so. If you wish to amend or withdraw this authority please notify us in writing.

(iv) Other disclosures

We may also be permitted or obliged to disclose information by law, including for example, by court order or statutory notice or for law enforcement or fraud detection purposes.

3 Access to your personal information

You may request access to the personal information that we hold about you, your account(s) and any other ING products or services by contacting us directly or by contacting the ING Privacy Officer at GPO Box 75, Sydney, NSW, 2001. Requests for access to your personal information may only be made by you.

4 Receipt of further ING Group information

Your personal information held by ING DIRECT will not be disclosed to any other ING Group company for marketing purposes unless you specifically consent to receive such information. You can choose to receive information on other ING Group products and services by contacting us directly.

You may elect not to receive further information about ING DIRECT or our products by calling, writing to us or contacting us online.

Our privacy statement may be updated from time to time, as we strive to improve the standard of service we provide to you.

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

This privacy statement applies to ING Bank (Australia) Limited and to its trading names ING Bank and ING DIRECT.



Log on to our website at
www.ingdirect.com.au



Mail us (no stamp required) at:
ING DIRECT
Reply Paid 3858
Sydney NSW 2001



Call 1800 100 249
24 hours a day, 7 days a week



Visit us at our Customer
Information Centres:
Sydney – 347 Kent Street
Melbourne – 140 Queen Street
Brisbane – 100 Edward Street

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