

American Express International Inc.

Foreign Currency Draft Information Booklet

Issue Date 1st December 2014

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1. Introduction

This information booklet contains information about foreign currency drafts provided by American Express International Inc – Australia Branch (referred to in this document as ‘American Express’, ‘we’, ‘our’ and ‘us’) ABN 15 000 618 208 (“Foreign Currency Drafts”) including important information about product features and how to order/use a Foreign Currency Draft.

The information in this booklet will assist you in deciding whether the Foreign Currency Draft meets your needs. The information is general in nature and does not take into account your individual objectives or financial situation, nor does it constitute financial advice.

This document was prepared by American Express International, Inc (ABN 15 000 618 208) AFSL number 237996. Further information about American Express International, Inc can be found at www.americanexpress.com.au

2. General Product Information

Foreign Currency Drafts are cheques drawn in a foreign currency, which can be deposited at an overseas financial institution. The Foreign Currency Draft is made payable to your nominated payee and can only be paid into an account held in the name of your nominated payee.

Foreign Currency Drafts are available in all major currencies. Please contact your sales agent/financial institution for a comprehensive list of all currencies offered for Foreign Currency Drafts.

3. Product Features

A Foreign Currency Draft ordered through American Express is issued by American Express’ draft provider. When deposited into your payees’ bank account, the Foreign Currency Draft is drawn on the draft provider’s corresponding bank in the country of the payee.

Purchasing a Foreign Currency Draft:

You can request to purchase a Foreign Currency Draft from your sales agent/financial institution who will forward the request to American Express through an online tool. The Foreign Currency Draft will be delivered to your sales agent/financial institution.

Some of the information required at the time of purchase of the Foreign Currency Draft includes:

- Your full name, residential address, date of birth, banking information and contact phone number
- The payee's full name
- The payee's full address
- Currency and amount
- Any special instructions

Please note: the country of the payee is extremely important as this will link to the corresponding bank that the Foreign Currency Draft is drawn on for encashment.

The foreign currency rate is set at the time of purchase.

Depositing a Foreign Currency Draft:

A Foreign Currency Draft is a non-negotiable financial instrument meaning it can only be deposited into the bank account of your nominated payee (i.e. the payee name you requested when purchasing the Foreign Currency Draft). When the payee deposits the Foreign Currency Draft into their account, the receiving financial institution will present the Foreign Currency Draft for clearance to the bank that the Foreign Currency Draft is drawn on. The time taken from when the payee deposits the Foreign Currency Draft to the time the funds are made available to the payee may vary depending on the receiving financial institution's internal processes and the rules applied in the receiving country.

Cancelling a Foreign Currency Draft for re-issue or refund:

In the instance you wish to cancel a Foreign Currency Draft, contact the sales agent/financial institution where you purchased the Foreign Currency Draft to request a cancellation. Your sales agent/financial institution will liaise with American Express in order to initiate a "Trace/Status Request" on the Foreign Currency Draft.

In the event a "Trace/Status Request" results in confirmation the Foreign Currency Draft:

- Was not presented for payment (i.e. funds remain outstanding) – a "Stop Payment" request will be made and steps will be taken to refund/reissue the Foreign Currency Draft;
- Has been presented for payment (i.e. funds are no longer available) – no further action will be taken (i.e. a reissue or refund will not be possible).

Lost or Stolen Foreign Currency Drafts:

Once you have identified the Foreign Currency Draft to be lost or stolen, immediately contact the sales agent/financial institution where you purchased the Foreign Currency Draft. Your sales agent/financial institution will liaise with American Express in order to initiate a "Trace/Status Request" on the Foreign Currency Draft.

In the event a "Trace/Status Request" results in confirmation the Foreign Currency Draft:

- Was not presented for payment – a “Stop Payment” request will be made and steps will be taken to refund/reissue the Foreign Currency Draft;
- Has been presented for payment – no further action will be taken (i.e. a reissue or refund will not be possible).

Benefits of Foreign Currency Draft:

- Foreign Currency Draft Vs Australian Dollar Cheque: The Foreign Currency Draft is drawn on one of the correspondent banks located in the country of the payee, meaning it can be cleared as if it was a local cheque and does not need to be sent back to Australia for clearance.
- Foreign Currency Draft Vs Foreign Currency (i.e. cash): Foreign Currency Draft offers more security as it is only payable to the nominated payee.
- Foreign Currency Draft Vs International Wire Transfer: A Foreign Currency Draft requires less information (such as the payee bank account information) on the purchaser’s part. This is relevant if you do not know the banking details of the payee or they are reluctant to provide their banking details.

4. Fees & Charges:

Fees and Charges apply and can vary from time to time. Fees and charges include:

- Draft Issuance Fee
- Draft Replacement Fee
- Cancel/Stop Payment Fee
- Trace/Investigation Fee

For detailed fees and charges information, please contact your sales agent/financial institution.