



SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT

This Supplementary Product Disclosure Statement (SPDS) supplements and amends the Dnister Ukrainian Credit Co-operative Limited (ABN 59 087 651 394, AFSL 240673) Product Disclosure Statement (PDS) **dated 18 June 2024** and must be read together with the above dated PDS.

This SPDS is effective for all new and existing members from

3 July 2024. For changes to Term deposits

You should keep these documents in a safe place. Please contact us if you require a copy of any previous PDS/SPDS issued by us to you.

Part 3 – Investment Products

Specific Information – Fixed Term Deposits

Fixed Term Deposits

Effective from 3 July 2024, all Fixed term deposits.

Dnister has introduced the option to receive monthly interest payments to your nominated Dnister savings account. Therefore, the terms and conditions have been amended as follows: -

Is a Term Deposit suitable?

A Term Deposit may be appropriate for those who do not need immediate access to their money and are looking for a competitive interest rate that is guaranteed not to change for the whole of an agreed fixed term. Reference should also be made to the TMD's on the DNISTER website before purchasing one of these products to ensure it satisfies your requirements.

Minimum Requirements

Fixed Term Deposits are fixed interest-earning accounts with agreed terms from one month to two years. The interest rate is fixed for the agreed term subject to you accepting the following conditions:

- Minimum deposit of \$1000.
- Fixed period of investment.
- No additional deposits during term of investment.
- Interest is calculated on the daily balance and paid on maturity or monthly to your nominated Dnister savings deposit account.
- Interest can be paid in cash, electronically transfer or credited to your nominated DNISTER account; and
- Your funds are locked in for the agreed fixed term and 31 days' notice is required if you need to withdraw before maturity (subject to an interest rate penalty of 2.00% per annum being applied to the amount withdrawn). If interest rates are below 2% per annum, then the penalty will be equal to the applicable declared interest rate. If you think you may have a need to immediately access your money, other savings accounts may be more suitable.

Major Benefits

- The interest rate is fixed for the term of investment and remains unchanged during the investment period despite any decrease in official interest rates during that period;
- Higher interest rates will be available for larger deposits; and
- You may be entitled to payment under the financial claims scheme. Payments under the scheme are limited to a maximum of \$250,000 in total. You can obtain information

about the scheme from our website or the Australian Prudential Regulation Authority (APRA) website at www.apra.gov.au and the APRA hotline on 1300 13 10 60.

Major Risks

- The interest rate is fixed for the term of the investment.
- Official interest rates may increase during the term of the deposit.
- Funds are not accessible to early withdrawal by you, unless agreed to by us.
- Any early withdrawal may be subject to prepayment costs being applied to the amount withdrawn.
- An interest rate penalty may apply should funds be withdrawn, or the investment terminated prior to maturity.
- Additional investment funds only at maturity; and
- Funds may be reinvested for the same term at the prevailing interest rate if you fail to provide your instructions within 7 days after the maturity date.

Conditions of Deposit

- DNISTER has the right to accept or refuse any deposit and to set the maximum or minimum amounts of a deposit and the term of the deposit.
- Any withdrawal of funds prior to maturity requires DNISTER's agreement and the agreement may be subject to an interest rate penalty adjustment if you redeem your funds prior to maturity.
- If an investment is not renewed upon maturity, the amount of the deposit may be credited to your nominated account, or withdrawn in cash; and
- The penalty interest rate for funds withdrawn prior to maturity does not apply to Term Deposits held in the name of a deceased account holder or in the name of a deceased account holder's legal personal representative.

Investment Deposit Receipt

When you make the initial investment deposit, DNISTER will upon request issue you with a 'Certificate of Deposit'.

Reinvestment

You have 7 days from the date of maturity to vary the investment, add to the deposit or redeem in part or in full, without penalty. Unless DNISTER receives instructions to the contrary the deposit will be renewed for the same investment type and term commencing on the maturity date of the original deposit and at the prevailing interest rate.

Withholding tax will be deducted from the interest payment unless you have provided your Tax File Number, Exemption or ABN.

Early Withdrawal (Prepayment)

If you need to withdraw money during the term, you may request withdrawal of all or part of your funds by giving DNISTER appropriate notice. A penalty interest rate adjustment will apply to withdrawals before maturity or during the month of withdrawal for interest paid monthly term deposits.

The minimum early withdrawal amount for any Term Deposit is 50% of the deposit amount invested.

If you are experiencing extreme hardship and need your funds before maturity, please contact one of our branches.

Interest

Interest is calculated on the daily balance and paid at maturity or monthly (if requested) for Fixed Term Deposits. Interest payable will be dependent on the amount invested and the term.

Interest is calculated daily on your Term Deposit using the simple interest formula:

Interest = amount invested x rate % per annum x number of days / 365

Example 1 – for illustrative purposes only:

You have lodged a 6-month Term Deposit of \$25,000.00 on 1 June at an interest rate of 3.00% per annum with interest payment at maturity.

The interest is calculated as follows:

- Interest earned on a deposit lodged on 1 June to mature on 1 December (183 days)
= \$25,000.00 x 3.00% x 183 / 365 = \$376.03; and
- Total interest earned at time of maturity is \$376.03

Penalty Interest Rate

If you request to withdraw all or part of your funds prior to the maturity date of a fixed term, a penalty interest rate adjustment may apply.

Penalty interest rate adjustments do not apply to funds or accounts held in the name of a deceased account holder or in the name of a deceased account holder's legal personal representative at DNISTER's discretion.

The penalty interest rate adjustment is calculated on the amount withdrawn as of the redeemed date and will apply even if the Term Deposit has not been paid any interest.

Penalty interest rates may vary – refer to the Fees and Charges Schedule.

Example 2 – for illustrative purposes only
Full prepayment

On 1 June, you have lodged a 183-day (approximately 6 month) Term Deposit of \$25,000.00 at an interest rate of 3.00% per annum with interest paid at maturity).

On 30 July, after 59 days (approximately 2 months) you provide notice requesting to withdraw the entire \$25,000.00 with funds to be available in your DNISTER account as soon as possible.

Interest rate adjustment calculation

Accrued interest payable = $\$25,000.00 \times 3.00\% \times 59 / 365 = \121.23

Penalty interest rate charge = $\$25,000.00 \times 2.00\% \times 59 / 365 = \80.82

Net interest payable on prepayment $\$121.23 - \$80.82 = \$40.41$

Interest is calculated for the period of your completed investment 59 days at your investment interest rate of 3.00% per annum. This amounts to \$121.23. This amount is reduced by the penalty interest rate adjustment amount of \$80.82, making an interest payment amount of \$40.41. The amount paid to you on the date of withdrawal is \$25,040.41 (i.e. the lodgement amount of \$25,000.00 plus the adjusted interest payment of \$40.41).

Note: When calculating interest adjustments, DNISTER will deduct the penalty interest rate adjustment amount from the amount being repaid to you on the date of withdrawal.

Where the interest rate on your investment is less than the penalty interest rate adjustment, DNISTER will adjust the penalty interest rate to the rate applicable to your investment. Essentially you will only receive the value of your initial deposit into the investment.

Example 3 – for illustrative purposes only

Partial redemption

Instead of withdrawing the full amount of the Term Deposit as in Example 2, you may wish to withdraw a partial amount. When you request a partial redemption, you can choose to have:

a) a specific redeemed amount, e.g. \$10,000.00, where the penalty interest rate adjustment amount is deducted from the Term Deposit balance remaining after redemption; or

b) a specific redeemed amount, e.g. \$10,000.00, where the penalty interest rate adjustment amount is deducted from the amount being redeemed.

Where no preference is stated, option a) will apply.

The interest earned on the amount redeemed will be paid at the redemption date.

Please refer to our latest Interest Rates Schedule – Term Deposits.

Fees and Charges

- No account keeping fees.
- Penalty Interest rate applies to early withdrawal of Term Deposit amounts.

Please refer to our latest Fees and Charges Schedule.

Our Schedules are available by attending one of our branches or contacting DNISTER on 1800 353 041 or visiting our website at www.dnister.com.au.

Government Charges

DNISTER reserves the right to debit your Fixed Term Deposit with any applicable government charges (if any), including any government charges introduced after the account was established.

Other than set out in this SPDS, the terms, conditions, exclusions and limitations are set out in your PDS.