

# FLX Card Product Disclosure Statement

Dated 8 January 2024

## 1. ABOUT THIS PRODUCT DISCLOSURE STATEMENT

This document forms the Product Disclosure Statement (PDS) for your FLX Card. The PDS contains important information, including the fees and other costs that apply to the FLX Card.

This PDS is issued by EML Payment Solutions Limited ABN 30 131 436 532 (EML) as a requirement under the Corporations Act 2001.

This PDS is an important document designed to assist you in deciding whether to acquire the financial product to which it relates – the FLX Card. You should read this PDS, and the FLX Service PDS (available from Flexischools as issuer of the FLX Service), in full, before using your FLX Card or the FLX Service.

Your contract with us for the FLX Card is comprised of this PDS document and the FLX Card Terms and Conditions, which contains important information regarding your FLX Card.

The information in this PDS does not consider your individual objectives, financial situation or needs. Any advice in this PDS is general advice only. You should consider the appropriateness of any general advice to your circumstances before acting on it.

## 2. GENERAL PRODUCT DESCRIPTION

The FLX Card is a prepaid, reloadable Mastercard and provides the means to access the FLX Spend Balance in the FLX Account anywhere in the world where prepaid Mastercard cards are accepted, subject to the FLX Terms and Conditions and the FLX Card Terms and Conditions.

When you transact using the FLX Card, and once Flexischools approves the transaction, the amount of the transaction will be provided by Flexischools to EML in order for your FLX Card to complete the transaction at POS. Flexischools will then redeem the amount of the FLX Card transaction from the FLX Spend Balance you nominate as available for use from time to time.

You can only use the FLX Card within the transaction limits listed in the FLX Card Terms and Conditions.

The FLX Card is not a credit or charge card.

## 3. STATEMENTS OF ACCOUNT

You acknowledge that we do not provide, and you will not receive, paper statements for the FLX Card. Electronic transaction records showing FLX Card transactions are available for viewing on the FLX App. Please contact Flexischools by visiting the FLX Website, the FLX App or by emailing them at [help@flexischools.com.au](mailto:help@flexischools.com.au) if you require any assistance accessing electronic transaction records.

## 4. CHANGES TO THIS PDS



The information in this PDS is subject to change from time to time and is correct and current as at the date stated on the front cover.

Where a change to this PDS involves an increase to our fees and charges, the introduction of a new fee or charge or is otherwise materially adverse, we will give you notice at least 30 days before the change takes effect. We will notify you of these changes by sending an individual notice to you (either by giving it to you personally or by email).

Information regarding your FLX Card may need to be updated from time to time. Any updated information that is not considered to be materially adverse to Cardholders will be made available on the FLX Website. Alternatively, you may request a paper copy of any updated information free of charge from EML by phoning 1300 739 889. Any updated information that may be materially adverse to Cardholders will be included in a replacement or supplementary PDS.

## **5. PARTIES INVOLVED IN THE DISTRIBUTION OF THE FLX CARD**

**EML Payment Solutions Limited ABN 30 131 436 532** (EML), is the holder of Australian Financial Services License number 404131. Under its AFSL, EML is authorised to provide financial services including arranging for the issue of non-cash payment facilities such as the FLX Card.

**InLoop Pty Ltd ABN 27 114 508 771** trading as Flexischools (**Flexischools**) is the holder of Australian Financial Services Licence number 471558. Under its AFSL, Flexischools is authorised to provide general financial product advice for non-cash payment products and can issue, apply for, acquire, vary or dispose of a financial product in respect non-cash payment products such as the FLX Service. When providing financial services in relation to the FLX Service, Flexischools acts on its own behalf.

Flexischools can be contacted via:

Mail: FLX, PO Box 1157, Manly NSW 1655

Phone: 1300 239 911

Website: [www.flexischools.com.au](http://www.flexischools.com.au) and by clicking Contact on the bottom of the page.

## **6. FLX CARD ISSUER**

The Issuer of the FLX Card is EML and if you acquire the FLX Card, you will have a contract with EML.

EML is a principal member of Mastercard International Incorporated and the holder of Australian Financial Services Licence (AFSL) number 404131. Under its AFSL, EML is authorised to provide financial services including arranging for the issue of non-Cash payment facilities such as the FLX Card.

EML can be contacted via:

Phone: 1300 739 889 between 8:30am to 5pm Queensland time

Mail: Level 12, 333 Ann Street, Brisbane Qld 4000

Email: [support@emlpayments.com.au](mailto:support@emlpayments.com.au)

Website: [www.emlpayments.com](http://www.emlpayments.com)

## **7. ROLES OF FLEXISCHOOLS AND EML**

Flexischools is responsible for, managing funds within the FLX Accounts, maintaining and operating the FLX App and providing customer service support for the FLX Service including the FLX Card in the first instance.

Funds provided to EML by Flexischools to operate the FLX Card program are held in a client segregated monies account maintained by Australia and New Zealand Banking Group Limited ABN 11 005 357 522 (AFSL 234527) ("ANZ"). EML is responsible for the settlement of transactions using the FLX Card but may outsource these functions to other service providers. EML holds the funds for the settlement of transactions on trust for you and Flexischools, in accordance with this PDS. Pursuant to the FLX Terms and Conditions, any issues with the operation of the Card not related to the FLX Service (including fraud or unauthorised transactions using a FLX Card, or other matters directly caused by actions or omissions of the Issuer) are outside of the control of Flexischools, and you acknowledge that EML will be responsible for and assist with handling the complaint. You acknowledge that if the FLX Spend Balance is insufficient to meet our settlement obligations in respect of your transactions, the transactions may be unsuccessful.

Neither Flexischools, nor anyone else acting on its behalf, has the authority on behalf of EML to:

- tell you anything about the FLX Card that is inconsistent with the information in this PDS;
- give you personal financial product advice (that is, a recommendation or statement of opinion intended or that could be reasonably regarded as being intended to influence you in making a decision and where one or more of your objectives, financial situation and needs has been considered) about the FLX Card; and
- do anything else on EML's behalf, other than marketing, arranging for the issue of the Card by EML and providing customer services for FLX Services.

## **8. SIGNIFICANT BENEFITS OF THE FLX CARD**

The following are some of the significant benefits of using the FLX Card:

- The FLX Card is a prepaid, reloadable Mastercard card which means that it can be used to pay for goods and services from merchants in Australia and around the world who accept Mastercard prepaid cards including online purchase transactions (subject to Merchant restrictions);
- The FLX Card replaces the need for a Child to carry cash to pay for goods and services;
- Spend limits can be placed on transactions by the FLX Account holder, restricting use of the FLX Card by the Child;
- The FLX Card can be used to make Contactless Transactions for purchases under \$100. Simply place the FLX Card near or on the EFTPOS Device; and
- The FLX Card can be added to a Device Wallet as a Tokenised Card, enabling you to use your Device as a payment method.

## **9. SIGNIFICANT RISKS OF THE FLX CARD**



Some of the risks that may be associated with the use of the FLX Card are outlined below. The risks described are intended to be a summary of the major risks associated with the FLX Card and are not exhaustive. There may be other risks that relate to the use of your FLX Card.

Significant risks of the FLX Card are:

- the ability to transact with the FLX Card is ultimately dependent on Flexischools providing sufficient funds to EML to process the transaction. Accordingly, if the Flexischools becomes insolvent or if there is otherwise a delay in the transfer of funds to EML, there is a risk you may not be able to transact using the FLX Card;
- Unauthorised Transactions can happen using the FLX Card if the Physical Card or Device it is lost or stolen, a PIN is revealed to any other person, or because of fraud;
- unintended transactions may occur if you have multiple cards added to your Device Wallet and you inadvertently use the FLX Card for purchases;
- incorrect amounts may be charged if you do not confirm the correct transaction amount before authorising a Contactless Transaction;
- unintended transactions can happen if electronic equipment with which the FLX Card is being used is operated incorrectly or incorrect details are input;
- you might not be able to get your money back if Unauthorised Transactions or unintended transactions occur;
- if the electronic network enabling the use of the FLX Card is unavailable, you may not be able to undertake transactions or get information using the FLX Card;
- your FLX Card or Device could be lost, destroyed or stolen;
- the Financial Claims Scheme does not apply in relation to the Card or the FLX Balance.

## 10. FEES AND COSTS

You agree to pay the fees outlined below. Some of the fees are paid to EML for the issuing of the FLX Card however, some of the fees in the below table are paid to Flexischools.

Whenever any of the fees in respect of the use of the FLX Card are incurred, you authorise us to deduct it from the FLX Spend Balance and reduce the FLX Spend Balance accordingly.

Fee Description	Amount and when payable
<b>Fees payable to Flexischools</b>	
FLX Subscription Fee A fee reflecting the costs for allowing you to use the FLX Services, including access to the FLX Accounts, and use of the FLX App, and provision of the FLX Card, including transaction fees.	\$2.50 per month (including GST); or \$25 per year (including GST). When opting for the annual option, please note that the fee is non-refundable in the event you elect to cancel your subscription during the year.
Card issue	\$0

	<p>Replacement cards are issued for \$0, however a \$10.00 administration fee may be payable if you order an unreasonable number of replacement cards each year.</p> <p>Flexischools will notify you in advance if this administration fee is to apply.</p>
<b>Fees payable to EML</b>	
Mastercard foreign exchange fee	<p>2.99% of the total transaction value payable if you use your FLX Card to make a purchase in a currency other than Australian Dollars.</p> <p>This fee is added to the total price of a transaction performed using the FLX Card.</p>
Disputed transaction fee	<p>\$11.00 (including GST), which may be charged by EML in the event EML is unsuccessful in disputing a transaction and EML finds that the dispute is lodged fraudulently, or the dispute is otherwise found to not be legitimate.</p>

## 11. LIMITS ON USE OF THE CARD

EML has established blocks on certain merchant categories to prevent the FLX Card from being used with certain categories of merchants that provide goods and services that are generally considered to be inappropriate for children. This include merchants with merchant category codes covering:

- drugs and drug proprietors;
- bars and cocktail lounges;
- dating services; and
- gambling transactions.

Further to the limitations outlined above, some retailers may choose not to accept prepaid Mastercard cards.

The following table illustrates the transaction and load limits applicable to the Card. Merchants or other providers of facilities may impose additional limits.

Limit description	Limit
Maximum Transaction value	\$1,500 (Limit of FLX Spend Balance)
Maximum number of Transactions per day	25

## 12. IMPORTANT INFORMATION ABOUT THE FINANCIAL CLAIMS SCHEME

The Financial Claims Scheme is a scheme administered by the Australian Prudential Regulation Authority (APRA) to protect depositors of authorised deposit-taking institutions from potential loss due to the failure of these institutions. It provides depositors with a guaranteed protection, up to a

cap. As at the date of this PDS, the Financial Claims Scheme applies to deposits only. It does not extend to prepaid card products (including the FLX Card).

For more information, see APRA's website at <https://www.fcs.gov.au/>

### **13. YOUR TAX LIABILITY**

You should get your own independent tax advice in relation to the impact your use of the FLX Card may have on your personal tax liability as EML has not considered your individual circumstances or needs when arranging for the issuing of the FLX Card.

### **14. OTHER IMPORTANT INFORMATION**

There are some other important things you need to be aware of about the FLX Card:

- it does not generate any interest or other return to the holder. In other words, you do not earn interest on the value loaded to be spent using the FLX Card;
- if required, press the Credit button on the EFTPOS Device to access the FLX Spend Balance; and
- the method of communication EML will use to give you information will be Electronic Communication.

### **15. PROBLEMS OR DISPUTES**

#### **Disputing an Unauthorised Transaction**

Where your FLX Card is used for Unauthorised Transactions, we will seek to reverse the transaction if we can under the Mastercard Scheme Rules using what is called a chargeback right. Your ability to dispute or reverse an Unauthorised Transaction may be lost if you do not notify us as soon as possible and it is your responsibility to regularly review your online transaction history to identify Unauthorised Transactions. Under these Terms and Conditions, we may not be responsible for any loss to you if you do not dispute an Unauthorised Transaction within the timeframe stipulated in the Mastercard Scheme Rules.

#### **Queries, Disputes and Complaints**

If you have a query about the FLX Card, you should direct the query to Flexischools. Flexischools can be contacted via:

Mail: FLX, PO Box 1157, Manly NSW 1655

Phone: 1300 239 911

Website: <https://community.flexischools.com.au/flx>

If you are unable to resolve your issue with Flexischools directly, you can escalate your enquiry to EML. EML will aim to resolve the matter on your initial contact.

However, if we can't resolve your complaint within 5 business days, we will commit to keeping you informed of what is happening and aim to resolve your complaint within 30 days.

In some circumstances, more than 30 days may be needed to investigate a complaint; for example, if the complaint is complex, if there are delays caused by other financial institutions or merchants involved in resolving the complaint or where the Mastercard Scheme Rules govern the time taken to exercise a chargeback right.

Once your complaint is resolved, we will check with you to make sure you are satisfied with how your complaint was handled.

If we are unable to resolve your complaint to your satisfaction, you may be eligible to escalate the complaint to EML's external dispute resolution service, the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers. AFCA can be contacted at the following:

Mail: GPO Box 3, Melbourne VIC 3001;

Phone: 1800 931 678 (free call)

Website: [www.afca.org.au](http://www.afca.org.au)

Email: [info@afca.org.au](mailto:info@afca.org.au)

## 16. DEFINITIONS

**AFSL** means Australian Financial Services Licence.

**AML/CTF Laws** means the *Anti-Money Laundering & Counter-Terrorism Financing Act 2006* (Cth) and the Rules and other subordinate instruments under that Act.

**Child** means the child or other minor in the care and or control of a Parent.

**Contactless Transaction** means a transaction made by holding a FLX Card (which can make a Contactless Transaction) against an EFTPOS Device to complete a transaction, rather than inserting the FLX Card into the EFTPOS Device.

**Device** means a compatible smartphone or wearable device that supports a Device Wallet, enabling you to use the Device as a payment method for purchase transactions.

**Device Pass Code** means anything used to unlock and access a Device including, but not limited to, a password, numerical code, pattern or Biometric Identifier.

**Device Wallet** means the Apple Pay, Google Pay or Samsung Pay mobile applications that store the FLX Card as a Tokenised card on a Device.

**EFTPOS/POS** means Electronic Funds Transfer at Point Of Sale/Point Of Sale.

**EFTPOS Device** means the device included in an authorised interchange network used by merchants to accept cards for purchases at POS, including for Contactless Transactions.

**Electronic Communication** means a message which is sent to you and which you receive electronically, in a form that you can retain for later reference such as by printing or by storing for later display.

**EML** means EML Payment Solutions Limited ABN 30 131 436 532, AFSL 404131.

**Expiry Date** means the expiry date printed or displayed on the front, or back, of the FLX Card as the case may be.

**Facility Provider** means the entity from which goods and services may be purchased using the Flexischools Service.

**Financial Claims Schemes** means the scheme administered by the Australian Prudential Regulation Authority (APRA) to protect depositors of authorised deposit-taking institutions from potential loss due to the failure of these institutions.

**Flexischools Account** means an account established by a Flexischools Account Holder to use the Flexischools Services;

**Flexischools Account Holder** means the person who has opened the Flexischools Account to obtain the Flexischools Service.

**Flexischools App** means the Flexischools application available through an App Store;

**Flexischools Parent Wallet** means the Flexischools facility by which a Flexischools Account Holder may deposit money by direct deposit, credit card, debit card or PayPal (in accordance with the Flexischools PDS) which is stored as value against their Flexischools Account, and which the Flexischools Account Holder may then use in respect of payments using the Flexischools Services, or allocate to FLX Account/s they have created in accordance with the FLX Terms and Conditions and which may be funded up to the Funds Limit.

**Flexischools Service** means the services offered by Flexischools providing an efficient and convenient method of (a) purchasing goods and/or services from a Facility Provider, (b) making non-cash payments for those goods and/or services and/or (c) receiving communications, including through emails, using the Flexischools Website and/or using the Apps.

**FLX Account** means the account of the FLX User restricted by a username and password which is used to access to FLX.

**FLX App** means the application that allows a FLX User to operate and move funds within their FLX Account, including to be spent using their FLX Card, and to receive Content, which is available through an App Store;

**FLX Balance** means those funds held in respect of a FLX Account in accordance with the FSG and FLX PDS and these Terms.

**FLX Card** means the reloadable FLX Prepaid Mastercard issued by EML to the FLX User and includes a Physical or Tokenised FLX Card.

**FLX Card Terms and Conditions** means the terms and conditions within Part B of the FLX Terms and Conditions which govern the use of the FLX Card.

**FLX Subscription Fee** means the fee reflecting the costs for allowing you to use the FLX Services, including access to the FLX Accounts, and use of the FLX App, and provision of the FLX Card, including Transaction fees.

**FLX Prepaid Mastercard® and Savings App for Kids!** means the FLX Account and associated services, including the FLX App provided by Flexischools and the FLX Card provided by EML.

**FLX PDS** means the PDS for the FLX Service issued by Flexischools in respect of the FLX Service.

**FLX Service** means the services offered by Flexischools providing an efficient and convenient method of:

- (a) purchasing Goods and/or services from a Facility Provider;
- (b) making non-cash payments for those goods and/or services;
- (c) receiving communications, including through emails, using the Flexischools Website and/or using the Apps; and
- (d) the FLX Card payment services and associated services (including the FLX App)

as provided by Flexischools pursuant to the FLX Terms and Conditions.

**FLX Spend Balance** means the function in the FLX App that allows a FLX User to allocate FLX Balance to be spent using the FLX Card in accordance with the FLX Terms and Conditions.

**FLX Terms and Conditions** means the Terms and Conditions governing the operation and use of FLX (as amended from time to time).

**FLX User** means the child or ward of the Flexischools Account Holder, in whose name the FLX Account has been created and the FLX Card has been issued by EML.

**FLX Website** means the website at [www.flexischools.com.au/flx](http://www.flexischools.com.au/flx).

**Funds Limit** means, in aggregate across the Parent's Flexischools Parent Wallet, and any or all FLX Account(s) created for FLX Users pursuant to that Flexischools Parent Wallet, \$4999.99 in total.

**Issuer** means EML Payment Solutions Limited ABN 30 131 436 532, AFSL 404131.

**Mastercard** means Mastercard International Incorporated.

**Mastercard Scheme Rules** means the Mastercard Scheme Rules and the Mastercard Technical Operational and Security Rules.

**PAN** means the 16-digit Primary Account Number, which is the number embossed on the front of the FLX Card or provided in your Device

**Parent** means a Flexischools Account holder who has created a FLX Account for a FLX User and agrees for the FLX User to use the FLX Service, use the FLX App and be issued with a FLX Card.

**Physical Card** means the plastic FLX Card issued by EML.

**Pays Providers** means the mobile payment and Device Wallet service created by Apple, Google and Samsung Pay, respectively.

**Product Disclosure Statement** means this document.

**Tokenised Card** means the process in which the sensitive personal information (including, but not limited to, a PAN) is substituted for a unique identifier (token) by Mastercard and stored within a Device for you to use as payment. A Tokenised Card can be used for Contactless Transactions as well as card not present transactions, including online purchases.

**Unauthorised Transaction** means a transaction not authorised by you but does not include any transaction carried out by you or by anyone performing the transaction with your knowledge and consent.

**we, us, our** means EML and, except where the context indicates a different intention, also includes any agent acting on behalf of EML

**Website** means the secured web site for the Card shown on the PIN Mailer and any additional or replacement website we notify you as the website for the purposes of these Terms & Conditions from time to time.

**You** means the Parent who is an authorised user of a FLX Account and **your** is interpreted accordingly.