

## Private Bank Line of Credit Agreement

This is a standard form agreement for informational purposes only. For details of applicable rates, fees and other terms and conditions that may apply, please contact your BNZ Private Banker.

## Private Bank Line of Credit Agreement - Unsecured including certain key information that is required to be set out in a Disclosure Statement by the Credit Contracts and Consumer Finance Act 2003

<Date>

<Customer Name>  
<Customer Address 1>  
<Customer Address 2>  
<Post Code>

<Division>  
T: <+64 9123 4567>  
F: <+64 9123 4567>  
M: <029123 4567>  
E: <xxxx\_xxxx@bnz.co.nz>  
<Building name>,  
<Level, Street address>,  
<Suburb>  
<PO Box number, City Post Code>,  
New Zealand

Dear <Customer First Name>

(**‘the Borrower/s’**)

We refer to your application for a Private Bank Line of Credit. We offer to make a line of credit facility (the **‘Facility’**) available to you on the terms of this Private Bank line of credit agreement and your Application Form (together, the **‘Agreement’**).

**If you have any questions about your rights or obligations under the Facility, you should get legal advice before signing this Agreement.**

You can accept our offer by signing and returning this Agreement to us. We will make the Facility available to you on the date you choose if you have accepted our offer and we hold the Guarantee set out in Schedule B.

The Facility will be applied to your bank account with us (which is set out in Schedule A) or any replacement bank account with us that you choose and we approve (**‘Private Bank Account’**).

The Credit Contracts and Consumer Finance Act 2003 (**‘CCCFA’**) applies to the Facility. Other laws, like the Fair Trading Act 1986 and the Consumer Guarantees Act 1993, may also apply as well as the CCCFA.

If you borrow money under the Facility for the purposes of a business, nothing in the Consumer Guarantees Act 1993 will apply to us providing the Facility (and associated services) to you.

What you will pay for the Facility is:

- › interest on the Facility calculated in accordance with Clause 8;
- › any credit fees and charges payable in accordance with Clause 9; and
- › any default interest, default fees and charges which may apply under Clauses 8.5 or 9.3.

This Agreement applies, in addition to the Application Form, the BNZ Standard Terms and Conditions and the Fees Brochure when you borrow under the Facility.

### 1 Interpretation

1.1 In this Agreement:

- (a) **‘Agreed Annual Interest Rate’** means the annual interest rate that we charge you when you borrow under the Facility up to the Credit Limit. We have set out how we calculate this annual interest rate in clause 8.
- (b) **‘Application Form’** means terms of the application form for your Private Bank Account.
- (c) **‘BNZ Standard Terms and Conditions’** means the Bank of New Zealand Standard Terms and Conditions that apply to your Private Bank Account.
- (d) **‘Business Day’** means any day other than a Saturday or Sunday on which banks are open for normal banking business in Auckland or Wellington.
- (e) **‘Default Interest Rate’** means the annual interest rate that we charge you when you Borrow under the Facility in excess of the Credit Limit. We have set out how we calculate this annual interest rate in clause 8.5.
- (f) **‘Fees Brochure’** means the Personal Account, Service and Facility Fees Brochure (as changed by us from time to time).

- (g) 'Guarantee' means any personal guarantee given by any third party in connection with the Facility, set out in Schedule B.
- (h) 'We', 'us' and 'our' means Bank of New Zealand and its successors, assigns and transferees.
- (i) 'You' and 'your' means the person or persons named in this Agreement as the Borrower. If more than one person is named in this Agreement, 'you' means each person separately and all those persons jointly. It also includes your successors and assignees.

1.2 Under the Facility or this Agreement a day ends at:

- (i) for transaction purposes (for example, a debit or credit to your Private Bank Account), 11.00pm on any day; and
- (ii) otherwise, 4.30pm on any Business Day.

## 2 Your Credit Limit

The maximum amount of credit that we will make available under the Facility is [amount in words] dollars zero cents (\$ [XXX,XXX]), or any other amount that we agree with you from time to time ('Credit Limit').

You must not borrow more than the Credit Limit otherwise you will be charged interest at the Default Interest Rate.

**IF FOR ANY REASON THERE ARE NOT ENOUGH FUNDS AVAILABLE TO MEET A REQUEST TO DEBIT YOUR PRIVATE BANK ACCOUNT, WE CAN CHOOSE WHETHER OR NOT TO HONOUR THAT REQUEST. IF WE ALLOW YOU TO BORROW MORE THAN YOUR CREDIT LIMIT, WE WILL TREAT THAT REQUEST FROM YOU AS A REQUEST FOR AN UNARRANGED OVERDRAFT. WE WILL CHARGE YOU INTEREST ON ANY AMOUNT YOU BORROW UNDER AN UNARRANGED OVERDRAFT AT THE DEFAULT INTEREST RATE.**

## 3 Initial Unpaid Balance

NIL (as at the date of this Agreement).

## 4 Guarantee

4.1 The guarantee set out in Schedule B will be, or has been, taken by us. If you default under this Agreement, we can take any action we think appropriate to recover all money you owe us and all money that you will owe to us in the future. This includes:

- (a) making demand on any guarantor; and
- (b) exercising any other rights we have under any agreement between us and any guarantor, or any other rights we have at law.

If there is a shortfall after we call on any guarantor under any Guarantee, you will remain responsible for this shortfall.

## 5 Repayment On Demand

The Facility is repayable on demand. This means you must repay all amounts you owe, or may owe, under the Facility if we ask you to at any time.

## 6 Reduction Of Credit Limit

6.1 If we give you notice we may reduce the Credit Limit either by a single amount or over time by any monthly or quarterly amounts stated in the relevant notice. We will give you notice by writing to you at the last address you have provided us or by electronic communication in accordance with clause 17. We can do any of these things for any reason.

6.2 We will reduce the Credit Limit immediately if you ask us to do so in writing.

## 7 Amount Repayable On Demand

7.1 If we ask you to repay the Facility, you must pay us all amounts which may now, or in the future, be owing under the Facility. This may include:

- (a) unpaid fees relating to your Private Bank Account;
- (b) all costs, charges, fees, default fees and expenses which you owe us under this Agreement; and
- (c) interest as set out in clause 8 on all of those amounts until you actually pay us.

You must pay these amounts at our address as set out on the first page of this Agreement or at any other address we tell you from time to time.

## 8 Interest Payable

- 8.1 We will charge you interest on all amounts outstanding up to and including the Credit Limit at the Agreed Annual Interest Rate. Interest charges are calculated by multiplying the amounts outstanding at the end of each day by the daily interest rate. The daily interest rate is calculated by dividing the Agreed Annual Interest Rate by 365. Interest will be debited to your Private Bank Account overnight on the last Business Day of each month (but will exclude interest calculated for that day).
- 8.2 If you were to borrow money under the Facility as at the date on the front page of this Agreement, the Agreed Annual Interest Rate would be [XX.XX%] per annum. The Agreed Annual Interest Rate is made up of:
- (a) a base rate, which is our current Private Bank Line of Credit - Unsecured Rate. As at the date on the front of this Agreement, our current Private Bank Line of Credit - Unsecured Rate is [XX.XX%] per annum;
  - (b) plus a customer margin of [XX.XX%] per annum ('**Customer Margin**').
- 8.3 Our Private Bank Line of Credit - Unsecured Rate changes from time to time. This means that the Agreed Annual Interest Rate will also change from time to time.
- 8.4 We can also change the Agreed Annual Interest Rate by changing the Customer Margin. We can change the Customer Margin at any time.
- 8.5 In addition, we will charge you interest at the Default Interest Rate on all amounts that you have borrowed in excess of the Credit Limit from the day that you exceed the Credit Limit. We will charge you default interest at 7% per annum above the Agreed Annual Interest Rate.
- 8.6 We will notify you of any changes to the Private Bank Line of Credit - Unsecured Rate or the Default Interest Rate in the manner set out in Clause 16. We will notify you of any changes in the Customer Margin by writing to you at the last address you have provided us. You can find the current Private Bank Line of Credit - Unsecured Rate, the Default Interest Rate or your current Customer Margin by contacting your Private Banker.
- 8.7 If the amount of interest you must pay is not able to be determined because a rate which is used to calculate that amount no longer exists or is otherwise not available for any reason, we (or someone acting on our behalf) may then determine an appropriate replacement rate which will be used to calculate the amount of interest you owe.

## 9 Fees

- 9.1 You are or may be required to pay under, or in connection with, the Facility a loan establishment fee of [\$XX.XX], payable when you sign this Agreement. We may charge you a further fee if in the future you apply for an increase in the Credit Limit and we approve that increase. The amount of this further fee will be determined by us at the time you make an application by reference to our reasonable costs for staff time required to consider and process the application, documenting the increase and advancing the amount of that increase to you.
- 9.2 Under the terms and conditions of your Private Bank Account, you may also be required to pay service fees as set out in the 'Service Fees' sections of the Fees Brochure and account fees as set out in your Application Form.
- 9.3 Default Fees:  
If you default under this Agreement:
- (a) you may have to pay a fee to compensate us for a reasonable estimate of any loss we incur because of your default; and
  - (b) you must pay and reimburse us for all costs (for example, legal costs and our staff costs) we pay or incur in relation to the attempted enforcement and enforcement of our rights under this Facility.
- Any default fee that we charge under this clause will be immediately due and payable.
- 9.4 We can at any time change the rate, amount or terms of payment of each fee or change or introduce a new fee or charge. We will give you notice of any change before it takes effect. We will give you notice in the manner set out in clause 16.

## 10 Payments

You must make enough payments to ensure that the balance of your Private Bank Account does not exceed the Credit Limit. If the balance of your Private Bank Account is at, or is in excess of, the Credit Limit, you must make payments to ensure the balance is less than or equal to the Credit Limit.

## **11 Application Of Payments**

All payments we receive will be applied as follows:

- (a) First, in payment of any duty, taxes or other charges permitted or levied by law.
- (b) Secondly, in payment of any fees, charges or interest payable under this Agreement.
- (c) Thirdly, in reduction of any amounts remaining outstanding.

## **12 What To Do If You Suffer Unforeseen Hardship**

If something unexpected happens and you think you may be unable to meet your obligations under this Agreement we may be able to amend the terms of this Agreement to help you.

You may be able to make an application for a change to this Agreement if you suffer hardship. For example, if you are sick or injured, lose your job or your relationship has ended.

You need to apply to us in writing and explain why you think you cannot meet your obligations under this Agreement. You must also explain what changes to this Agreement will help you meet your obligations.

One way to make your application is by sending it to us at Bank of New Zealand, BNZ Care, Private Bag 92089, Auckland 1142. You can also ask for more information from your Private Banker.

If you are experiencing hardship, you should contact us soon as possible. If you leave it for too long you may not be able to apply for a change to this Agreement.

## **13 Your Right To Cancel**

13.1 You can cancel this Facility for any reason. You have 8 working days after the date on which you receive copies of the Agreement to cancel this Facility. Saturdays, Sundays, national public holidays and the days in the period between 25 December and 2 January (inclusive) are not counted as working days for this purpose.

13.2 To cancel this Facility you must:

- (a) write to us at Bank of New Zealand Level 2, 30 Mahuhu Crescent, Private Bag 92089, Auckland 1142 to tell us you want to cancel your Facility. You can also call us on 0800 477 077 (from New Zealand) or +64 800 4770 7777 (from overseas) or speak to your Private Banker; and
- (b) repay any amounts that you have borrowed.

13.3 If you cancel this Facility we can still charge you interest for the period from the first day that you borrowed under the Facility until the day you repaid the Facility.

13.4 We can also charge you the amount of any reasonable expenses we had to pay in connection with this Facility and its cancellation (for example, fees we incurred in establishing this Facility). This may mean that you do not receive a full refund of your fee to establish the Facility.

## **14 Our Right To Debit Your Other Accounts**

We can debit any of your accounts with us for any amount at any time owing under this Agreement.

You may not argue that amounts we might owe to you (for example money in any account you have with us) can or have been used to make a payment to us or that any set-off has occurred. 'Set-off' occurs when two people owe each other money and one of those amounts is applied against the other to create a single amount due by one person to the other.

## **15 Termination**

If we make demand for repayment under clause 5, you may not borrow any further amounts under the Facility (other than fees, charges or interest which we debit from your Private Bank Account).

## **16 Changes To This Agreement**

We can change, add to, delete or replace this Agreement at any time.

If we do so, we will tell you about those changes at least 14 days before the change becomes effective.

We will tell you about any changes to this Agreement and give you notices under this Agreement, in one or more of the following ways, by:

- › writing to you at the last address you have provided us;
- › display in our stores and partners centres;
- › notice in the media (including public notices); or
- › display on our website [bnz.co.nz](http://bnz.co.nz).

## 17 Consent To Electronic Disclosure

You consent to us:

- (a) meeting our disclosure obligations to you under the CCCFA; and
- (b) sending you other notices and communications in relation to this Agreement, in electronic form and by electronic communication (if applicable). You agree that this may include:
  - (c) us sending you an email, to the most recent email address you have provided to us, that allows a disclosure statement and/or other information, including the terms of this Agreement and any related product (for example, insurance) or service, to be accessed from a website or by means of the internet by commonly used internet browsers (including, but not limited to, Internet Explorer, Safari and Google Chrome). You acknowledge that this may include us sending you an email telling you that a disclosure statement and/or other information is available through BNZ internet banking instead of sending you that information by post;
  - (d) us sending you an email, to the most recent email address you have provided to us, with a copy of the disclosure statement and/or other information, including the terms of this Agreement and any related product (for example, insurance) or service, attached to the email in PDF form; and/or
  - (e) if you have BNZ internet banking, us making available, through BNZ internet banking, ongoing information about the Facility (for example, transactions you have made during a relevant period) instead of sending you paper statements. You acknowledge that this means you may not receive paper statements.

We will tell you before we stop sending you paper continuing disclosure statements.

You agree that any electronic communication is treated as being received by you at the time that it leaves our information system. Please note that emails are transmitted over the internet which is an insecure public domain. There is a risk that emails could become corrupted, may not be delivered or may be delivered to the incorrect email address or intercepted.

## 18 Joint Customers

If more than one person is named as the Borrower in this Agreement, each of you is liable both individually and jointly with each other. This means that if one of you does not meet your obligations under this Agreement the others will be responsible for them.

## 19 Continuing Disclosure

- 19.1 Continuing disclosure statements relating to the Facility will be sent to you on a monthly basis ('**Statement Period**'), unless we rely on your consent to receive information about your Facility through BNZ internet banking. The statements will describe the balance and each advance, each payment made by you, and any interest or fees charged or debited during the Statement Period.
- 19.2 You agree that any electronic communication is treated as being received by you at the time that it leaves our information system.

## 20 Special Conditions

[Insert special conditions if applicable ]

## 21 General

- 21.1 **Guarantor:** You consent to each guarantor referred to in Schedule B receiving a copy of this Agreement and any information about your financial position that we hold.
- 21.2 **Law:** This Agreement is governed by New Zealand law.
- 21.3 **Further Information:** Bank of New Zealand's current Reserve Bank disclosure statement may be obtained from any store or agency of Bank of New Zealand.

## 22 Dispute Resolution

- 22.1 We are registered as a financial service provider under the Financial Service Providers (Registration and Dispute Resolution) Act 2008. We are registered under the name Bank of New Zealand and our registration number is FSP25101.

If we have made a mistake, or you are unhappy with our service, we will try to put it right quickly and fairly. You can:

- (a) talk to us at any of our partners centres (please ask to speak to a manager if you would like to make a complaint);
- (b) call us on 0800 477 077 (from New Zealand) or +64 800 4770 7777 (from overseas), Monday to Friday from 7.00 am to 7.00 pm (NZ time); or
- (c) complete the email form on our website at [bnz.co.nz/about-us/contact-us/feedback-and-complaints/email-us-feedback](http://bnz.co.nz/about-us/contact-us/feedback-and-complaints/email-us-feedback), or contact us by secure messaging via BNZ internet banking. We consent to receiving complaints from you through these electronic communications.

If you are unhappy with how your complaint is being handled, please write to us at BNZ Resolve, PO Box 995, Shortland Street, Auckland 1140. We offer a free complaints review procedure for handling complaints about any of our products or services. You can find further information about our complaints procedure on our website at [bnz.co.nz/about-us/contact-us/feedback-and-complaints](http://bnz.co.nz/about-us/contact-us/feedback-and-complaints).

We are also a member of the Banking Ombudsman Scheme which is an approved dispute resolution scheme. If you are unhappy with our investigation into your complaint, and if you want to refer a matter to the Banking Ombudsman, you can call +64 4 915 0400 (or freephone 0800 805 950), email [help@bankomb.org.nz](mailto:help@bankomb.org.nz) or write to PO Box 25-327, Featherston Street, Wellington 6146.

### Schedule A

Your nominated Private Bank Account:

### Schedule B

[Insert details of Guarantee taken in connection with Facility if applicable]

### BANK OF NEW ZEALAND

Per: \_\_\_\_\_  
(Signature) (Name) (Position)

### Your Acceptance

I/We acknowledge that:

- › I/we have read this Agreement and that the terms and conditions of this Agreement are acceptable to me/us.
- › I/We have been handed a copy of this Agreement on the \_\_\_\_\_ day of \_\_\_\_\_.
- › I/We have also been provided with copies of the Application Form and the Fees Brochure (where copies of those documents have not previously been disclosed to me/us).

I/We accept the above offer:

\_\_\_\_\_  
[Borrower ]

\_\_\_\_\_  
Date of Signing

**Guarantor:** The above terms and conditions are acceptable.

I/We acknowledge that:

- › I/We have been handed a copy of this Agreement on the \_\_\_\_\_ day of \_\_\_\_\_.
- › I/We have also been provided with a copy of the Security documents referred to in Schedule B, the Application Form and the Fees Brochure (where a copy of those documents has not previously been disclosed to me/us).
- › I/We have read and understood the terms and conditions of those documents and the terms and conditions of those documents are acceptable to me/us.

\_\_\_\_\_  
[Guarantor]

\_\_\_\_\_  
Date of Signing