

YouMoney Tertiary Overdraft 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 any of our stores or visit bnz.co.nz



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
(‘Borrower’)

Important – This Agreement includes certain key information that is required by the Credit Contracts and Consumer Finance Act 2003. Please read and consider this Agreement and the Fees Brochure before deciding whether to accept our offer to provide you with the Overdraft. If you do not understand anything, please talk to your legal advisor. Please keep this Agreement in a safe place.

NOMINATED ACCOUNT: Customer’s nominated account number (or any replacement account with us that you nominate and we approve).

Your right to cancel

You can cancel your Overdraft for any reason. You have 8 working days after the date on which you receive copies of the documents listed below in clause 2.2 to cancel your Overdraft.

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.

If we have not provided you with all the information we should have in the timeframe required by law, you may have longer to cancel.

To cancel your Overdraft you can 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 Overdraft. You can also call us on 0800 275 269 or +64 4 924 4903 (from overseas). You must repay any money borrowed under your Overdraft.

1. Interpretation

‘**Account Terms and Conditions**’ means the BNZ Standard Terms and Conditions that apply to your Nominated Account.

‘**Agreement**’ has the meaning given to it in clause 2.2.

‘**Business Day**’ means any day (other than Saturday, Sunday or public holiday) on which banks are open for normal banking business in Auckland or Wellington.

‘**Credit Limit**’ means the maximum amount you can borrow under your Overdraft, as set out in clause 2.

‘**Fees Brochure**’ means the Personal Account, Service and Facility Fees Brochure (as amended by us from time to time).

‘**Nominated Account**’ means the account specified on the front page of this Agreement. This is the account that you will use to borrow money under your Overdraft.

‘**Overdraft**’ means the overdraft facility described in this Agreement.

‘**we**’, ‘**us**’ and ‘**our**’ mean Bank of New Zealand and its successors, assigns and transferees.

‘**you**’ and ‘**your**’ mean the person or persons named in this Agreement as the Borrower. You are the Borrower. If more than one person is named as the Borrower in this Agreement ‘**you**’ means each of those persons separately and all of them jointly.

2. Agreement

2.1 Bank of New Zealand offers you an Overdraft of \$xxx,xxx (the '**Credit Limit**'). This is the maximum amount that you can borrow under your Overdraft. We may reduce your credit limit at any time in accordance with clause 6.4. You must not borrow more than your Credit Limit.

2.2 This Overdraft is offered to you on:

- (a) the terms set out in this YouMoney Tertiary Overdraft Agreement; and
 - (b) the terms of the 'Overdraft Establishment Fee and Unarranged Overdraft Fee' section of the Fees Brochure,
- (together, the '**Agreement**').

2.3 This Agreement applies in addition to your Account Terms and Conditions when you borrow under your Overdraft. The Agreement, your Account Terms and Conditions and any other agreements between you and us are separate contracts unless we tell you otherwise.

2.4 The Credit Contracts and Consumer Finance Act 2003 ('**CCCFA**') will apply to your Overdraft. Other laws, like the Fair Trading Act 1986 and Consumer Guarantees Act 1993, may also apply as well as the CCCFA. If you have any questions about your rights or obligations you should get legal advice.

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

3. Changes to this agreement

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

3.2 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 in one or more of the following ways, by:

- (a) writing to you at the last address you have provided us;
- (b) display in our stores and partners centres;
- (c) notice in the media (including public notices); or
- (d) display on our website www.bnz.co.nz.

4. Continuing disclosure

4.1 Continuing disclosure statements relating to your Overdraft will be sent to you on a monthly basis (the '**Statement Period**'), unless we rely on your consent to receive information about your Overdraft through BNZ internet banking. The statement will describe the account balance and each advance, each payment made by you and any interest or fees charged or debited by us during the Statement Period.

5. Initial unpaid balance

5.1 \$xxx,xxx

6. Payments

6.1 Your Overdraft will be available on your Nominated Account after you sign and return a copy of this Agreement to us. You borrow money under your Overdraft when your Nominated Account does not have a positive balance.

6.2 You must make enough payments to us to ensure that the account balance in your Nominated Account does not exceed the Credit Limit. Your Overdraft is repayable on demand as set out in clause 8.

6.3 What you will pay for your Overdraft is the total of:

- (a) the interest on your Overdraft calculated as set out in clause 7 below;
- (b) any credit fees and charges payable as referred to in clause 7.7 below; and
- (c) any default interest, default fees and charges which may apply as set out in clause 9.

6.4 We may review (and may reduce your Credit Limit or cancel your Overdraft) from time to time in a manner that we, in our sole discretion, consider appropriate.

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

7. Credit details

7.1 Annual Interest Rates:

- (a) Where your Credit Limit is less than or equal to \$2,000:
 - (i) **On all amounts up to and including the Credit Limit:** 0% per annum; and
 - (ii) **On all amounts exceeding the Credit Limit:** our Personal Overdraft Base Rate at the time (which is currently xx.xx % per annum) plus a margin of **10.00%** per annum (together, the '**Default Interest Rate**').

- (b) Where your Credit Limit is greater than \$2,000:
- (i) **On all amounts up to and including \$2,000:** 0% per annum;
 - (ii) **On all amounts exceeding \$2000 and up to and including the Credit Limit:** our variable interest rate for Standard Home Loans at the time (which is currently xx.xx % per annum) (the 'Standard Home Loan Interest Rate'); and
 - (iii) **On all amounts exceeding your Credit Limit:** the Default Interest Rate.
- 7.2 You will stop being eligible for an interest free overdraft after 5 years or 2 years after you graduate, whichever comes first. You will also stop being eligible for an interest free overdraft if you stop studying before those dates.
- 7.3 From the date that you stop being eligible for the interest free overdraft, the interest rates set out in clause 7.1 (a) and (b) will no longer apply. From that date, you will be charged interest on your Overdraft at our Personal Overdraft Base Rate at the time (plus a customer margin) (which is a percentage rate per annum) on all amounts you borrow up to the Credit Limit. However, the Default Interest Rate will continue to apply to all amounts you borrow in excess of the Credit Limit. As at the date on the front of this Agreement the annual interest rate that would apply to your Overdraft would be xx.xx% per annum which is made up of:
- (a) our Personal Overdraft Base Rate which is currently xx.xx % per annum; and
 - (b) a customer margin which is currently xx.xx % per annum.
- 7.4 Our Standard Home Loan Interest Rate, Personal Overdraft Base Rate, customer margin and Default Interest Rate are variable. That means that they change from time to time. We will give you notice of any change to these interest rates as set out in clause 3. We will give you notice of any change to your customer margin by writing to you at the last address that you have provided us. You can find the Personal Overdraft Base Rate, the Standard Home Loan Interest Rate and the Default Interest Rate at any time by contacting any of our stores or visiting www.bnz.co.nz. You can find your customer margin by visiting any of our stores.
- 7.5 Method of Charging Interest:**
- Interest charges are calculated by multiplying the amounts outstanding on your Nominated Account at the end of each day by the relevant daily interest rate applying to each portion of the amounts outstanding. The daily interest rate is calculated by dividing the relevant annual interest rate by 365. Interest will be debited from your Nominated Account on the last Business Day of each month (excluding interest calculated for that day).
- 7.6 Determination of Interest:**
- If the amount of interest you will pay under this Agreement is not able to be determined because a rate which is used to calculate that amount no longer exists or is not available for any reason, we (or someone we appoint on our behalf) may then determine an appropriate replacement rate which will be used to calculate the amount of interest you owe us.
- 7.7 Fees and Charges:**
- The fees and charges set out in the 'Overdraft Establishment Fee and Unarranged Overdraft Fee' section of the Fees Brochure are, or may become, payable under this Agreement.
- 7.8 You may also be required to pay under the terms and conditions of your Nominated Account charges for keeping accounts, activity fees, base fees and charges set out in the 'Account Fees' and 'Service Fees' sections of the Fees Brochure.
- 7.9 We will debit all fees and charges referred to in this clause 7 from your Nominated Account on the last Business Day of each month.
- 7.10 If you are no longer eligible for an interest free overdraft, the fees and charges that apply to your Overdraft will also change. From the day that you are no longer eligible, you will be charged the following fees, costs and charges that apply to your Nominated Account and your Overdraft for a YouMoney account rather than a YouMoney Tertiary account:
- (a) any fees, costs and charges set out in the Fees Brochure (under the heading 'Overdraft Establishment Fee and Unarranged Overdraft Fee'); and
 - (b) charges for keeping accounts, activity fees, base fees and charges (under the headings 'Account Fees' and 'Service Fees' of the Fees Brochure).
- 7.11 We may at any time change the rate, amount or terms of payment of each fee or introduce a new fee or charge. We will give you notice of any change before it takes effect. We will give you notice as set out in clause 3.

8. Overdraft repayable on demand

- 8.1 Your Overdraft is repayable on demand. This means you must repay all amounts you owe, or may owe, under your Overdraft if we ask you to. If we ask you to repay your Overdraft you must pay us all amounts which may now or in the future be owing under your Overdraft. We can do this for any reason. This may include:
- (a) the amount you have borrowed;
 - (b) other fees and charges payable under this Agreement;
 - (c) all costs, charges, fees, default fees and expenses which you owe us under this Agreement; and
 - (d) interest payable under this Agreement on all amounts outstanding until they have actually been paid
- 8.2 You must pay the amounts set out in clause 8.1 at our address as set out on the first page of this Agreement or any other address we tell you from time to time.

9. What you pay if you do not meet your obligations

- 9.1 **Default Fees:** If you do not meet your obligations under this Agreement:

- (a) you may have to pay a default fee to us to compensate us for a reasonable estimate of any loss we incur because of the 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 Agreement.

Any default fee or cost is payable on demand from us. We may also debit it from your Nominated Account.

- 9.2 **Default Interest:** If you fail to pay any amount to us when it is due, we may charge you interest at the Default Interest Rate on a daily basis on the overdue amount. Default interest will be calculated from the date the overdue amount became due until the date it is actually paid. The default interest will be immediately due and payable and will be debited from your Nominated Account on the last Business Day of the month.

- 9.3 **IF FOR ANY REASON THERE ARE NOT ENOUGH FUNDS AVAILABLE TO MEET A REQUEST TO DEBIT YOUR NOMINATED 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.**

10. General

- 10.1 **Payments:** We will credit payments to your Nominated Account as soon as practical after we receive them. This may not necessarily be the same day that you pay. We may in the future adjust debits and credits to your Nominated Account to accurately reflect both our and your legal obligations (for example, because of an error, or because a cheque is dishonoured). If we do this, we may make other related changes (including to interest charges).
- 10.2 **You may not assign your rights:** You may not assign or transfer all or any of your rights, benefits or obligations under this Agreement to any other person.
- 10.3 **We may assign our rights:** We may at any time assign or transfer all or any of our rights, benefits and obligations under this Agreement to any person. If we assign or transfer our rights, references to us in this Agreement are deemed to be references to the relevant assignee or transferee. However, references to our current interest rates in clauses relating to the calculation of interest payable by you shall continue to be references to our current interest rates and not those of the relevant assignee or transferee. If we only assign or transfer some not all of our rights, benefits and obligations under this Agreement, references to us in relation to any rights, benefits and obligations not so assigned or transferred will continue to be references to Bank of New Zealand and not to the relevant assignee or transferee.
- 10.4 **No Waiver:** If we do not exercise any right or remedy available to us under this Agreement, or at law immediately, this does not mean that we waive that right or remedy. If we partially exercise any right or remedy available to us under this Agreement or any law, this will not mean that we cannot further exercise that right or remedy or any other right or remedy in the future. The rights and remedies that we have under this Agreement are additional to any of the rights and remedies available to us at law or under any other agreement we have with you.
- 10.5 **Our right of set-off:** If you owe us money, we can set off that amount against any amounts that we owe you and can debit any account you have with us to pay the money you owe us.

- 10.6 **No set-off by you:** You are not allowed to claim that amounts we might owe to you (for example where you have deposited money with us) can or have been used to make a payment to us.
- 10.7 **Joint and Several:** Where more than one person signs this Agreement as a Borrower, references in this Agreement to you are to each person and the liability of each person under this Agreement is joint and several with each other person. This means each person will be responsible for all of the amounts owed to us even if the other person does not pay.
- 10.8 **Notices:** We can send you notices and demands by writing to you at the last address you have told us or as set out in clause 11. If we leave or send a notice or demand to that last known address, you agree that notice or demand has been validly given to you.
- 10.9 **Notify Change in Circumstances:** You acknowledge that your Overdraft is made available to you under this Agreement on the condition that you are a full or part time student/apprentice enrolled in a course with a minimum duration of 1 year or have graduated within the past 2 years. You must immediately tell us if this changes.
- 10.10 **Law:** This Agreement will be governed by and will be interpreted under New Zealand law.
- 10.11 **Further Information:** Our current Reserve Bank disclosure statement may be obtained from any of our stores or from our website www.bnz.co.nz. We will comply with the Code of Banking Practice as it applies to this Agreement.

11. Consent to electronic communications

- 11.1 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 a 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 Overdraft (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.

- 11.2 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.

12. What to do if you suffer unforeseen hardship

- 12.1 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.
- 12.2 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.
- 12.3 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.
- 12.4 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 visit any BNZ store.
- 12.5 If you are experiencing hardship, you should contact us as soon as possible. If you leave it for too long you may not be able to apply for a change to this Agreement.

13. Dispute resolution

- 13.1 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.
- 13.2 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 stores or partners centres (please ask to speak to a manager if you would like to make a complaint);
 - (b) call us on 0800 275 269 (from New Zealand) or +64 4 924 4903 (from overseas), visit bnz.co.nz/contact for opening hours; or
 - (c) complete the email form on our website at bnz.co.nz/about-us/contact-us/feedback-and-complaints/email-us-feedback, or contact us by secure messaging via BNZ internet banking.
- 13.3 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.
- 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 or write to PO Box 25-327, Featherston Street, Wellington 6146.

14. Special conditions

- 14.1 NOT APPLICABLE

Bank of New Zealand

Banker's Name:

Banker's Position:

Borrower(s):

I/We acknowledge that:

- › I/we have read this Agreement and they are acceptable to me/us;
- › I/We have been handed a copy of this Agreement on
- › I/We have also been provided with a copy of the Fees Brochure (where a copy of that document has not previously been disclosed to me/us); and
- › I/We accept your offer to provide the Overdraft.

Customer's Signature:

Customer's Name: