

Your Advanced & Anytime Personal Loan

Terms and Conditions

For loans approved prior to 16 May 2014

1 Introduction, Applicable Law and Definitions

1.1 Application of Terms and Conditions

These terms and conditions are a contract between you and BNZ. They apply to your Advanced Personal Loan or Anytime Personal Loan and the use of your Card, including where it is used to access a 24 Hour Banking Account. However, our standard terms and conditions for operating a BNZ bank account and our BNZ Eftpos Card terms and conditions will continue to apply to the operation of any 24 Hour Banking Account.

1.2 Signing and first use

When you sign or first use your Card or when you first draw down your Loan you agree to these terms and conditions as changed by us from time to time.

1.3 Terms and Conditions

You should read these terms and conditions carefully as they place certain requirements and liabilities on you.

1.4 New Zealand law

These terms and conditions are governed by New Zealand law and the New Zealand courts shall have jurisdiction to hear and determine disputes in respect of these terms and conditions.

1.5 Overriding laws

These terms and conditions made may be affected by overriding laws of general application.

1.6 Guarantees as to service

The Consumer Guarantees Act 1993 overrides these terms and conditions and you are entitled to the benefit of the guarantees as to service set out in that Act. However, if you acquire, or hold yourself out as acquiring your Loan from us for the purposes of a business then that Act will not apply to the Loan.

1.7 Headings

Headings in these terms and conditions do not affect interpretation.

1.8 Interpretation

The words 'we', 'our' and 'us' mean BNZ and the words 'you' and 'your' mean, as the context requires, any Account Owner or any person named on the Card, or both. Other defined terms are:

‘24 Hour Banking’ means BNZ’s 24 Hour Telephone and Internet Banking service.

‘24 Hour Banking Account’ means any BNZ account that is linked to and accessed using a Card, other than a Loan Account.

‘Account Owner’ means the natural person(s) who apply for and open an Advanced Personal Loan or Anytime Personal Loan but does not include any additional cardholder or any other person you authorise to instruct us in respect of your Loan Account in accordance with **clause 14.2**.

‘Advanced Personal Loan’ means the BNZ Advanced Personal Loan account established under these terms and conditions or, as the context may require, the outstanding balance of your Loan.

‘Anytime Personal Loan’ means the BNZ Anytime Personal Loan account established under these terms and conditions or, as the context may require, the outstanding balance of your Loan.

‘ATM’ means an Automatic Teller Machine.

‘Available Funds’ means the amount that you may draw down from your Loan without exceeding your Finance Limit.

‘Bill Payment’ has the meaning given in **clause 13** of these terms and conditions.

‘BNZ’ means Bank of New Zealand.

‘Card’ means the card issued by BNZ that has access to the Visa service and your Loan Account and, if you have an Anytime Personal Loan, may be used to access your 24 Hour Banking Accounts.

‘Card Number’ or ‘Account Number’ means the 16 digit number embossed on the face of your Card.

‘Code of Banking Practice’ means the Code of Banking Practice issued by the New Zealand Bankers’ Association dated 2012, and any subsequent update of the Code.

‘Contactless Purchase’ means a method of making purchases by holding the Card (which is capable of making a contactless purchase) in front of a Contactless Reader and without having to insert or swipe the Card.

‘Contactless Reader’ means an electronic point of sale device at a Merchant which can be used to make a Contactless Purchase.

‘Conversion Rate’ means the exchange rate selected by Visa from within a range of wholesale exchange rates available or, if applicable, the government mandated rate. In either case the

exchange rate will be selected on the date that Visa processes the Foreign Currency Transaction (and not necessarily the date that you enter into your Foreign Currency Transaction).

‘Default Event’ means any of the events listed in **clause 17.2** (and for joint accounts, **clause 14.3**) of these terms and conditions. You ‘draw down’ your Loan when you authorise, charge, or debit a Transaction to your Loan Account. This includes personal loan insurance premiums being debited to your Loan Account. It does not include us debiting interest, fees or other amounts you are required to pay under these terms and conditions to your Loan Account.

‘Drawdown Period’ means the period during which you may draw down your Advanced Personal Loan. This period will begin on the date that we open your Loan Account and will end on the expiry date of your Card. The expiry date will be the end of the third month after the month in which we open the Loan Account.

‘EFTPOS’ means Electronic Funds Transfer at Point of Sale whereby funds are debited from your nominated Loan Account or 24 Hour Banking Account at the point of sale to pay for goods or services or where funds are withdrawn at your request. For a Contactless Purchase funds will be debited from your Loan Account.

‘Finance Limit’ means the maximum amount, shown in your statements, that you may permit to remain outstanding on your Loan Account at any time. Any unpaid fees, interest or personal loan insurance premiums debited to the Loan Account are not included in that amount.

‘Foreign Currency Transaction’ means a Transaction on one of your Loan Accounts in a currency other than New Zealand dollars.

‘Loan’ or ‘Loan Account’ means an Advanced Personal Loan or Anytime Personal Loan (as the case may be) or, as the context may require, the outstanding balance of the Loan.

‘Merchant’ means a retailer or any other person, firm or company who or which is bound by a Visa or EFTPOS merchant agreement with us or any other acquiring organisation.

‘On-Call Portion’ means the part of your Anytime Personal Loan which comprises any amount drawn down from, or debited to, your Anytime Personal Loan that is not placed on a Repayment Plan and your Available Funds. If the context requires,

it means the outstanding balance of that part of your Anytime Personal Loan.

‘PIN’ means your confidential Personal Identification Number which, when used with your Card, will enable you to access your Loan Account.

‘Repayment Plan’ means an Anytime Personal Loan repayment plan established under **clause 6** of these terms and conditions.

‘Required Payment’ means the minimum amount that you must pay by the Required Payment Date, as shown in your statement. This amount will be the sum of any Standard Payment and any overdue or over limit amounts.

‘Required Payment Date’ means the date by which you must pay the Required Payment, as shown in your statement. This date will be the first business day 25 business days after the end of the Statement Period.

‘Standard Payment’ means:

- > for an Advanced Personal Loan or Repayment Plan, the minimum amount that you must pay by each Required Payment Date to repay the Loan or plan over the Term. This amount will be calculated in accordance with **clause 3.4** or **7.5** respectively of these terms and conditions.
- > for the On-Call Portion of an Anytime Personal Loan, the minimum amount that you must pay by each Required Payment Date in respect of the On-Call Portion. This amount will be calculated in accordance with **clause 7.4** of these terms and conditions. These amounts will be shown separately in your statements. ‘Statement Period’ means the period covered by your statement. For your first statement, this will be the period since your Loan Account was opened. Otherwise, this will be the period since your previous statement. We will provide a statement to you each month (unless **clause 12.12(a)** of these terms and conditions applies).

‘Term’ means the period over which you must repay an Advanced Personal Loan or Repayment Plan, shown in your statement. This period will be determined in accordance with **clause 3.4** or **7.5** respectively of these terms and conditions.

‘Transaction’ means:

- > Loan Account: any transactions authorised by you or charged or debited or credited to your Loan Account, such as purchasing goods or obtaining services or cash advances including transactions using an ATM, tellers terminal or

EFTPOS, mail, telephone or remote (eg: internet or e-mail) purchases, payments credited to your Loan Account and amounts that you agree with a Merchant may be debited to your Loan Account on a regular basis.

- > 24 Hour Banking Accounts: any transactions debited or credited to any 24 Hour Banking Account as a result of using your Card.

‘Visa Member’ means any organisation affiliated to Visa International Service Association and displaying the Visa trademark.

Advanced Personal Loan

2 Drawing down your Advanced Personal Loan

- 2.1** You have until the end of the Drawdown Period to draw down your Advanced Personal Loan. The Drawdown Period ends automatically when your Card expires. This will be the end of the third month after the month we open the Loan Account.
- 2.2** You may end the Drawdown Period earlier by contacting us. You may not extend the Drawdown Period or re-open it once it has ended.
- 2.3** During the Drawdown Period, you may draw down the Loan in either one lump sum or any number of smaller amounts:
 - a. by using your Card to make purchases or cash advances from your Loan Account, or for other Transactions;
 - b. by using 24 Hour Banking; or
 - c. by making a cash withdrawal or requesting a bank cheque at any BNZ branch (an acceptable form of photo identification will be required).
- 2.4** You must not permit your Loan (excluding interest, fees and any personal loan insurance premiums) to exceed the Finance Limit at any time.
- 2.5** Interest will be charged from the date you first draw down your Loan.
- 2.6** You are not required to make repayments until after the Drawdown Period ends (unless a Default Event occurs). If you make a repayment during that period, you may reborrow it before the Drawdown Period ends (provided that the amount outstanding on your Loan does not, or would not as a result, exceed the Finance Limit).

- 2.7 You may not reborrow any amount repaid after the Drawdown Period ends, unless we agree otherwise.

3 Repayment

- 3.1 You will repay your Advanced Personal Loan over the Term by making each Required Payment by no later than the Required Payment Date.
- 3.2 You may make additional payments on your Loan at any time.
- 3.3 The Required Payment will be the sum of the Standard Payment, any overdue amount, and any over limit amount we require you to pay. Each Standard Payment, Required Payment and Required Payment Date will be shown in your statements, commencing with the first statement after the Drawdown Period ends.
- 3.4 **Standard Payments and Term:**
- a. if you specified a Standard Payment when you applied for your Loan (or requested any subsequent change), your Standard Payment will be that amount, or near to it (subject to any adjustments made in accordance with these terms and conditions). The Term will be the period over which we estimate you will repay the Loan by making the Standard Payments each Required Payment Date. We will re-estimate the Term of your Loan in each statement and adjust it if we consider it necessary in accordance with **clause 10** of these terms and conditions.
 - b. if you specified a Term when you applied for your Loan (or requested any subsequent change), the period you specified will be the Term of your Loan. Your Standard Payment will be the amount we estimate you must pay each Required Payment Date to repay your Loan over that Term. We will re-estimate this amount in each statement and adjust your Standard Payment if we consider it necessary in accordance with **clause 10** of these terms and conditions.
 - c. we may adjust the Standard Payment or Term you specify or we estimate to ensure it is consistent with any limit that we set for Advanced Personal Loans from time to time. Any adjusted Standard Payment or Term will be shown in your statements.
- 3.5 We may require you to repay immediately any amount outstanding on your Loan after the end of the Term.

- 3.6** If the amount outstanding on your Loan at the end of the Drawdown Period is less than any minimum limit we set for Advanced Personal Loans from time to time, you will be required to repay the Loan in full by the first Required Payment Date.
- 3.7 Changing your Standard Payment or Term:**
- you may request us to change the Standard Payment for, or Term of, your Loan, provided that your request is consistent with any limits we set for Advanced Personal Loans from time to time.
 - we may make the change at our discretion. If we do, your new Standard Payment, Term and Required Payment will appear on your next statement. You will still need to make any Required Payment shown in your current statement by the Required Payment Date.

Anytime Personal Loan

4 On-Call Portion and Repayment Plans

An Anytime Personal Loan has two parts:

- an On-Call Portion, which comprises any amount drawn down from, or debited to, your Loan that has not been placed on a Repayment Plan (or has been placed back on your On-Call Portion from a Repayment Plan) and your Available Funds; and
- up to four Repayment Plans, which you may request us to set up under **clause 6** of these terms and conditions.

5 Drawing down your Anytime Personal Loan

- 5.1** You may draw down your Anytime Personal Loan in either one lump sum or any number of smaller amounts:
- by using your Card to make purchases or cash withdrawals from your Loan Account, or for other Transactions;
 - by using 24 Hour Banking; or
 - by making a cash withdrawal or requesting a bank cheque at any BNZ branch (an acceptable form of photo identification will be required).

- 5.2** You must not permit your Loan (excluding interest, fees and any personal loan insurance premiums) to exceed the Finance Limit at any time. Your Available Funds as at the end of each Statement Period will be shown in your statements.
- 5.3** Interest will be charged from the date you first draw down your Loan.
- 5.4** You may reborrow any amount repaid on your On-Call Portion, provided that your Loan (excluding interest, fees and any personal loan insurance premiums) does not, or would not as a result, exceed the Finance Limit.
- 5.5** You may choose when amounts repaid on a Repayment Plan are able to be reborrowed. There are two options:
- a. No Redraw: Amounts repaid on a Repayment Plan will not become available to be reborrowed until the Repayment Plan has been repaid in full. This option applies automatically if you do not choose the Redraw option.
 - b. Redraw: Amounts paid on the Repayment Plan become available to be reborrowed immediately after we process the payment, provided that the sum of your Available Funds and the outstanding balance of your Loan (excluding interest, fees and any personal loan insurance premiums) does not, or would not as a result, exceed your Finance Limit. All Repayment Plans for an Anytime Personal Loan must be subject to the same redraw option. You may change the redraw option that applies to your Repayment Plans by contacting us.

6 Repayment Plans

6.1 Establishing a Repayment Plan:

- a. you may request that we place the whole or part of your On-Call Portion onto a Repayment Plan. You may do this by:
 - i. calling us on **0800 800 667**;
 - ii. visiting one of our branches; or
 - iii. using any other method approved by us from time to time.
- b. your request must specify the amount to be placed on the Repayment Plan and either:
 - i. the Term over which you want to repay the Repayment Plan; or

- ii. the Standard Payments you want to make to repay the Repayment Plan. We may, at our discretion, establish the Repayment Plan, from the date we accept your request or any earlier date we agree.
- c. to establish a Repayment Plan:
 - i. your Loan must not be in arrears;
 - ii. the amount to be placed on the Repayment Plan, and the Standard Payments for, and Term of, the plan, must be consistent with any limits that we set for Anytime Personal Loans from time to time;
 - iii. you must not already have four Repayment Plans. In addition, if you have four Repayment Plans, you may not close one and set up another Repayment Plan during the same Statement Period; and
 - iv. you must comply with any other conditions determined by us for Anytime Personal Loans from time to time.

6.2 Consolidating or changing the Term of a Repayment Plan

You may request that:

- a. we change the Term of a Repayment Plan. You may not apply to change the Term of a Repayment Plan during the last Statement Period before the end of the Term for that plan;
- b. all or part of two Repayment Plans be consolidated into one Repayment Plan; or
- c. we transfer all or part of a Repayment Plan back to your On-Call Portion. We may make the change at our discretion. Any adjustment to the Standard Payments or Term we consider necessary as a result of that change will be shown in your statements.

6.3 Transfer of Repayment Plan to On-Call Portion upon missed payments

If you fail to pay a Required Payment by the Required Payment Date, then we may at our discretion (and at any time after that failure) transfer any Repayment Plan back to your On-Call Portion. Any payments due but unpaid on those Repayment Plans will remain due following the transfer.

6.4 Amounts transferred between On-Call Portion and Repayment Plans

We will determine the order in which amounts debited to your On-Call Portion or Repayment

Plan(s) are transferred between your On-Call Portion or Repayment Plan(s) for the purposes of **clauses 6.1, 6.2 and 6.3**. Generally, we will do this in the same order as we apply payments (see **clause 11.4** of these terms and conditions). This means that:

- a. interest and fees debited to your On-Call Portion will be placed on a Repayment Plan before principal amounts. Once placed on a Repayment Plan, we will charge interest on such interest and fees; and
- b. interest debited to a Repayment Plan will be transferred to the On-Call Portion or another Repayment Plan, before principal amounts. Once transferred, we will charge interest on that interest.

7 Repayment

7.1 You will repay your Anytime Personal Loan over the Term by making each Required Payment by no later than the Required Payment Date.

7.2 You may make additional payments on your Loan at any time.

7.3 Each Required Payment and Required Payment Date will be shown in your statements. The Required Payment will be the sum of the following amounts:

- a. the Standard Payment for your On-Call Portion;
- b. the Standard Payment for any Repayment Plan; and
- c. any overdue amount, and any over limit amount we require you to pay. All these amounts will be shown in your statements.

7.4 On-Call Portion

The Standard Payment for your On-Call Portion will be a percentage, determined by us for Anytime Personal Loans from time to time, of the amount outstanding on the On-Call Portion at the end of each Statement Period. We will advise you if we change the percentage used to calculate this amount.

7.5 Repayment Plan:

- a. if you specified a Standard Payment when you requested the Repayment Plan (or any subsequent change), the Standard Payment for the plan will be that amount, or near to it (subject to any adjustments made in accordance with these terms and conditions). The Term

of the plan will be the period over which we estimate you will repay the Loan by making the Standard Payments each Required Payment Date. We will re-estimate the Term of your Loan in each statement and adjust it if we consider it necessary in accordance with **clause 10** of these terms and conditions.

- b. if you specified a Term when you requested the Repayment Plan (or any subsequent change), the period you specified will be the Term of the plan (subject to any adjustments made in accordance with these terms and conditions). The Standard Payment for that plan will be the amount we estimate you must pay each Required Payment Date to repay the Repayment Plan over that Term. We will re-estimate this amount in each statement and adjust your Standard Payment if we consider it necessary in accordance with **clause 10** of these terms and conditions.
- c. we may adjust the Standard Payment or Term you specify or we estimate to ensure that it is consistent with any limits that we set for Anytime Personal Loans from time to time. Any adjusted Standard Payment or Term will be shown in your statements.
- d. any amount outstanding on a Repayment Plan after the end of the Term will be debited to your On-Call Portion.

Advanced and Anytime Personal Loans

8 Finance Limit

8.1 Your Finance Limit

Your Finance Limit will be shown in your statements. Your Finance Limit will be set by us to what we consider is an appropriate limit. If a Default Event occurs we may decrease your Finance Limit. We will advise you in writing if we change your Finance Limit. If you exceed your Finance Limit, we may require you to pay the excess amount to us immediately.

8.2 Changing your Finance Limit (Anytime Personal Loan only)

If you are an Account Owner you can apply to increase the Finance Limit for your Anytime Personal Loan. You can do this by contacting us.

We may increase your Finance Limit. You will be advised if we do this. If you are an Account Owner you may arrange to decrease your Finance Limit by contacting us, although your Loan may be subject to minimum limits set by us.

9 Interest Charges

9.1 Interest, at the interest rate we set for Advanced Personal Loans and Anytime Personal Loans from time to time, will accrue daily on your Loan from the date you first draw down the Loan. If you have an Anytime Personal Loan, interest charged on the On-Call Portion will be debited to the On-Call Portion, and interest charged on a Repayment Plan will be debited to that Repayment Plan.

9.2 Interest on interest and fees:

- a. Advanced Personal Loan: We will not charge interest on interest or fees debited to an Advanced Personal Loan except for the foreign currency service fee, on which we will charge interest.
- b. Anytime Personal Loan:
 - i. On-Call Portion: We will not charge interest on interest or fees debited to the On-Call Portion except for the foreign currency service fee, on which we will charge interest.
 - ii. Repayment Plan: We will charge interest on the entire amount placed on a Repayment Plan from the On-Call Portion (which may include interest and fees that were debited to your On-Call Portion). We will not charge interest on any interest charged on a Repayment Plan.
 - iii. Transfer or consolidation: We will charge interest on the entire amount transferred from a Repayment Plan to the On-Call Portion or another Repayment Plan in accordance with **clause 6.2** or **6.3** of these terms and conditions. This amount may include any interest that was debited to the Repayment Plan before the transfer.

9.3 The current annual debit interest rate for Advanced Personal Loans and Anytime Personal Loans, and any interest rate structures, specials or promotions (if applicable) are shown on each statement. We set these interest rates and we may change them at any time. Notice of these changes will be displayed in our branches, advertised in the public notices column of major

daily newspapers, and posted on our website. The new rates and other changes will then be disclosed on the statement recording your next Transaction to which the new rate applies.

10 Adjustment of Standard Payment or Term

The Standard Payment for, or Term of, an Advanced Personal Loan or Repayment Plan may need to be adjusted in some circumstances, for example if:

- > it is the last Standard Payment;
- > the interest rate changes;
- > the Term changes;
- > you are ahead or behind with your payments; or
- > a transaction is posted after the end of the Drawdown Period. If we consider an adjustment is required, we will adjust the Standard Payment or Term as follows:
 - > if you specified a Standard Payment when you applied for or requested the Advanced Personal Loan or Repayment Plan (or any subsequent change), we will adjust the Term of your Advanced Personal Loan or Repayment Plan so that the Standard Payment does not change; and
 - > if you specified a Term when you applied for or requested the Advanced Personal Loan or Repayment Plan (or any subsequent change), we will adjust the Standard Payment so that the Term of the Advanced Personal Loan or Repayment Plan does not change. We may, in some circumstances, need to change both the Standard Payment and Term, in order to ensure they are consistent with any limits that we set for Advanced Personal Loans or Repayment Plans from time to time. Any adjusted Standard Payment or Term will be shown in your next statement.

11 Payments

11.1 Methods of making payments

You may make payments by:

- > transferring funds from your bank accounts direct to your Loan Account using 24 Hour Banking;
- > arranging a monthly Direct Debit from your bank account;

- > arranging regular automatic payments from your bank account. You will need to check your statement to ensure your automatic payments are sufficient to pay the Required Payment by the Required Payment Date;
- > mailing your Payment to us, along with the 'Payment Advice' section of your statement. Please post it at least 5 days before the Required Payment Date to ensure it is received in time;
- > paying in person at any BNZ branch;
- > if you are registered with telephone banking at another bank, setting up a bill payment to your Loan Account; or
- > arranging a telegraphic transfer or overseas bank draft.

Note other bank transaction fees may apply to some of the above payment options.

11.2 Deposit Reversal

A Loan Account balance may be altered by reversal of any unpaid cheque or other non-cash payment included in a deposit.

11.3 When payment received

Your payment will be credited to your Loan Account for the purposes of calculating interest as at the date we receive it. Standard processing times mean that a payment may not appear on our records in time for it to be taken into account when deciding whether to approve a Transaction. Generally your payment must be received by us two business days prior to the Required Payment Date if it is to appear on your next statement.

11.4 Allocation of payments

We are not obliged to act on or verify compliance with an instruction to apply a payment for a specific purpose or subject to any condition and we will not be responsible for applying a payment contrary to any instruction. The way payments to your Loan Account are applied will be determined by us. Generally payments will be applied in the following order:

- a. Fees (excluding any foreign currency service fee);
- b. Interest;
- c. for an Advanced Personal Loan:
 - > any overdue amount, then the Standard Payment; and any remaining debit balance of the Loan Account.
- d. for an Anytime Personal Loan:

- any overdue amount then the Standard Payment for any Repayment Plans (in the order the plans were established);
- any overdue amount then the Standard Payment for the On-Call Portion;
- any remaining debit balance on the On-Call Portion; and
- any remaining debit balance on any Repayment Plans (in the order the plans were established).

12 Your Loan Account

12.1 Availability of Loan Accounts

Advanced Personal Loans and Anytime Personal Loans are only available to ‘natural persons’ (that is, individuals).

12.2 Verification of identity

We may from time to time require proof, to our satisfaction, of the identity of yourself and any person authorised to operate your Loan Account.

12.3 Instructing us

We may, at our discretion and subject to conditions allow you to give instructions in respect of your Loan Account by telephone, facsimile, email, text, by using your Card or computer or by any other written, electronically communicated or verbal method acceptable to us. We may require you to provide a written indemnity before making any such method available to you. Except as otherwise required by law, we may give effect to operations on a Loan Account authorised by a deceased person prior to his or her death.

12.4 Authority

You authorise us to act in accordance with your instructions relating to your Loan. You acknowledge that we may decline to act where we consider we have good reason to do so. In particular, we will not be obliged to act in accordance with your instructions where to do so would result in your Finance Limit being exceeded.

12.5 Set off and combination

You authorise us at any time and without notice, to combine any credit balance on one of your BNZ accounts with the balance of another of your BNZ accounts, so as to treat them as a single balance, and there will be no implied agreement to the

contrary. If you owe any money to us which is due but unpaid, whether it is owed alone or with others, you authorise us, without prior notice, to apply any credit balance on any of your BNZ accounts, or any other amount we owe to you, towards that unpaid amount. For this purpose you authorise us to transfer funds from one BNZ account to another (including any joint account which you can operate individually), to use funds in one currency to buy another currency and to break any term deposit. We may do this without prior notice and in the order, and as often, as we determine.

12.6 Recording instructions

You authorise us to record any telephone calls between you and us and to retain such recordings.

12.7 Ownership of credit balance

Unless you instruct us otherwise in writing, you acknowledge that you are solely entitled to any credit balance on your Loan Account, that it belongs to you and does not belong to any other person and that no other person has any legal or beneficial interest in it.

12.8 Use and return of forms

Forms encoded by us with an Account Number or Card Number must not be used to access or operate any other BNZ account. Where you would be entitled to the return of any form, we may at our discretion provide you with a copy instead of the actual form.

12.9 Transaction priority

We may determine the order in which we process your Loan Account Transactions.

12.10 Stopping Transactions

Once a Transaction is completed it cannot be stopped in the same way as a cheque. If you think a mistake has been made refer to **clause 21** of these terms and conditions. In certain circumstances if you do not receive goods or services you have ordered using your Card, or by reference to your Card Number, then you may be able to obtain a credit for the Transaction. If you think this has happened, you should contact us.

12.11 Rights to your Loan Account

You may not assign, mortgage, charge or declare a trust of any rights to your Loan Account, including any credit balances, except with our prior written consent.

12.12 Statements:

- a. a record of Transactions will appear on your statement provided by us for your Loan. We will provide you with a statement each month. We may not provide you with a statement for an Anytime Personal Loan if the Loan Account has a nil balance and there has been no activity on the Loan Account. If we do not provide you with a statement in any month your next statement will cover the period since your last statement.
- b. your statements should be kept in a safe place so that you can refer to them if needed, as a charge may be payable for replacements.

12.13 Credit interest

Interest will not be paid on any credit balance on your Loan Account.

12.14 Change of Account Number or Type

If the number of any account you have with us changes, or you change from one type of account with us to another, we may redirect to your new account Transactions that would have been credited or debited to your old account, unless you specify otherwise. We will not, however, be liable to you if we do not redirect any Transactions when we could have under this clause.

13 Bill Payments

13.1 Using your Account to Pay Bills

You may use your Loan Account to effect payment of amounts which you owe to third parties for goods or services ('Bill Payments'). Bill Payments may attract a cash advance fee.

13.2 Processing Bill Payments

Bill Payments will only be paid if there are sufficient Available Funds on your Loan Account at the time the payment is processed. For Bill Payments that are programmed in advance, if there are insufficient funds available on the business day the payment is processed, the payment will be cancelled one business day after that day and a fee may be charged. Bill Payments made from your Loan Account before 8.00pm will be debited the next business day and payments made after 8.00pm will be debited two business days later.

13.3 Maximum Limit

We may set maximum limits for the amount of

a Bill Payment, and this limit may change from time to time. Should that maximum amount be exceeded we cannot guarantee processing of the payment or accept liability for fees or interest charged by us or any other party.

14 Additional Cardholder, Authorised Persons and Joint Accounts

14.1 Additional Cardholder

If you are an Account Owner, we may, at our discretion, issue an additional Card to a natural person you nominate. When that person receives and signs his or her Card, it can be used on your Loan Account. This means that the additional cardholder could undertake Transactions on your Loan Account. As the Account Owner, you will be liable for all Transactions arising from the use of the additional Card (including over limit Transactions) as if they were your own. The additional cardholder will have no liability to BNZ to make any payments. You may cancel the additional Card by writing to us and confirming that the additional Card has been destroyed. You will however, continue to be liable for all Transactions up to the date the additional Card is destroyed together with any other Transactions authorised by your additional cardholder.

14.2 Authorised Persons

If you wish to authorise another person to instruct us in respect of your Loan Account, you must do so in writing (for example, by providing us with a copy of a Power of Attorney) and provide us with a specimen signature. You may also be required to use our standard forms (which are available at BNZ branches).

14.3 Joint accounts:

- a. we may, at our discretion, allow you to establish and operate a joint Loan Account in which case this **clause 14.3** shall apply.
- b. Joint account operation and liability: Any one Account Owner of a joint Loan Account can operate and instruct us to act in respect of the joint Loan Account separately. This means that, without limitation, any one Account Owner can undertake Transactions on your Loan Account or, in the case of Anytime Personal Loan, apply to change the Finance Limit of your Anytime Personal Loan in accordance with **clause 8.2**. In addition, any notice given to one Account Owner of a joint

Loan Account is deemed to be sufficient notice to all Account Owners. Unless otherwise agreed in writing by us, each Account Owner of a joint Loan Account is liable both individually, and each two or more are liable together, in respect of any amount owing to us on that Loan Account. Accordingly, any one or more of the Account Owners may be required to pay part or all of the money that is owed in respect of a joint Loan Account. If a dispute occurs between Account Owners of a joint Loan Account we must be advised immediately and the Account Owners should seek independent legal advice. For the avoidance of doubt, where joint Account Owners are married or living in a defacto relationship, a separation of such joint Account Owners will be viewed by us as a 'dispute' for which notification to us, and resolution to our satisfaction, is required. In the event of a separation of joint Account Owners, the joint Loan Account will be suspended but the joint and individual liability for all outstanding debt will remain until repayment of the whole of that debt is received by us.

- c. Payments: If we receive a payment (whether by cheque, draft, bill of exchange or other instrument or payment authority) in favour of any Account Owner of a joint Loan Account we may credit it to the joint Loan Account, unless instructed in writing to pay it into a separate account in that Account Owner's name.
- d. Death of Joint Account Owner: If any Account Owner of a joint Loan Account dies, the remaining Account Owner(s) automatically become the owners of any credit balance in the Loan Account and have full authority to operate the account. We will incur no liability for paying or delivering any such credit balance to the surviving Account Owners. Any liability an Account Owner of a joint Loan Account may have to us will not be extinguished by the death of that Account Owner. We will review the Loan Account and Finance Limit following the death of any Account Owners of a joint Loan Account. We may also suspend or close the Loan Account or change the Finance Limit.
- e. Suspension or closure of Joint Account: For joint Loan Accounts, the following are Default Events (in addition to those set out in **clause 17.2** of these terms and conditions):

- > there is any dispute between any of the joint Account Owners and it has not been resolved to our satisfaction;
- > one joint Account Owner attempts to withdraw, or notifies us of his or her intention to withdraw, from the joint Loan Account;
- > we learn that any joint Account Owner has committed an act of bankruptcy or been declared bankrupt or that a petition has been presented to declare any joint Account Owner bankrupt; or
- > any joint Account Owner purports to assign or dispose of his or her interest in the joint Loan Account. If a Default Event occurs we may suspend the operation of or close your Loan Account without prior notice and require that your Card be destroyed. If we suspend the operation of or close your Loan Account, then, without limiting our rights under **clauses 20.2** or **20.3** of these terms and conditions or otherwise:
 - > each joint Account Owner will continue to be jointly and individually liable for any outstanding debt; and
 - > we will not be liable to any joint Account Owner for any consequences of the suspension or closure of the joint account.

We will not be liable to any joint Account Owner if we do not suspend or close a joint account when we could have done so.

- f. Closure of Joint Accounts by you: Your joint Loan Account may be closed by any one of you so instructing us. In such a case we will not be liable to the other joint Account Owner(s) for any consequences arising from the closure. If any Account Owner of a joint Loan Account requests removal of his or her name from that Loan Account we will treat that as a request to close that Loan Account and we will cancel the Card and require that it be destroyed. However the joint and individual liability for all outstanding debt will remain until repayment of the whole of that debt is received by us.

15 Your Card and its use

15.1 Card access

Using your Card you can access your Loan Account and, if you have an Anytime Personal Loan, you may access the 24 Hour Banking Accounts nominated for that purpose. When

conducting a Contactless Purchase your Card will access your Loan Account.

15.2 Receiving and signing your Card

You must sign your Card immediately upon receipt. Your Card must not be used if you have not signed it. Do not send your Card overseas, or have any other person send your Card to you while you are overseas. To have your Card forwarded to another country, please contact us.

15.3 Card and PIN security

You must not allow others to use your Card, your Card Number or your PIN. Remember to retrieve your Card after you use it. If your Card is lost or stolen you must immediately notify us by:

- > calling one of the telephone numbers shown at the end of these terms and conditions; or
- > contacting any BNZ branch. If your Card is lost or stolen overseas you may also advise any Visa Member, or Visa International Emergency Assistance by calling collect on **+1 303 967 1090**, and enlist their assistance. Should your Card be retained by an ATM, you must report it immediately as a lost Card. If your PIN may have been disclosed or someone else may have used your Card, you must notify us immediately. You must use the appropriate emergency numbers and addresses at the end of these terms and conditions.

15.4 Lost or stolen, damaged or faulty Cards

If your Card is lost or stolen, damaged or faulty, we may issue a replacement Card which may be used to access your Loan Account.

15.5 Reissue of Card

If you have an Anytime Personal Loan, once your Card expires we will issue you with a new Card as long as no Default Event has occurred and your Loan Account is otherwise in order. If you have an Advanced Personal Loan, we will not issue you with a new Card once your Card expires.

15.6 Ownership of Card

Your Card and Card Number are our property. They may not be copied or reproduced and may be retained by us. You agree to return or destroy your Card when we ask you or if you close the Loan Account to which it relates. In certain circumstances a Merchant may also be required to retain your Card and you agree to deliver the Card.

15.7 PIN selection

15.7.1 Cards with chip but without a payWave logo

If your Card contains a chip but does not have a payWave logo, you will need to use your existing PIN, obtain a PIN, or contact us, to activate your Card.

- a. New Zealand: You will need a PIN if you wish to use your Card for ATM and most EFTPOS (provided the terminal is chip compliant) Transactions. For those Transactions, a signature will not be available and a PIN will be required. For teller Transactions, a PIN and/or signature will be required.
- b. Overseas: You will need a PIN if you wish to use your Card for ATM Transactions. For EFTPOS Transactions, a PIN may not be available and a signature will be required, and for teller Transactions, a PIN and/or signature will be required.

15.7.2 Cards with payWave logo

If your Card has a payWave logo, it has the technology to make a Contactless Purchase. You will need to use your existing PIN, obtain a PIN, or contact us, to activate your Card.

- a. New Zealand: You will normally not need to enter a PIN to use your Card for each Contactless Purchase of up to NZ\$80 in New Zealand. You will need a PIN if you wish to use your Card for ATM, Contactless Purchases over NZ\$80 and most other EFTPOS (provided the terminal is chip compliant) Transactions. For those Transactions, a signature will not be available and a PIN will be required. For teller Transactions, a PIN and/or signature will be required.
- b. Overseas: If you use your Card to make a Contactless Purchase, different limits or requirements may apply, (depending on the country you are in) which will determine when you must use your PIN or sign to use your Card. We have no control over these limits or requirements. You will need a PIN if you wish to use your Card for ATM Transactions. For EFTPOS Transactions, a PIN may not be available and a signature will be required, and for teller Transactions, a PIN and/or signature will be required.

15.7.3 Cards without chip

If your Card does not contain a chip, you may obtain a PIN. You will need a PIN if you wish to use your Card for ATM Transactions. You may need

a PIN if you wish to use your Card for EFTPOS and/or teller Transactions.

15.7.4 Obtaining a PIN

To obtain a PIN, call at any of our branches where you may choose your own PIN. You will need to take some form of suitable identification such as a driver licence, passport or other photo identification. You must obtain a PIN at one of our branches before you go. The PIN selected must be one designed to avoid the chance of anybody guessing the numbers you choose. You should consider selecting a different PIN from those you have selected for other cards and equipment used by you. You must not select unsuitable PINs such as:

- > birth dates;
- > sequential numbers (such as 3456) or easily identifiable number combinations (e.g. 1111);
- > any of the blocks of numbers on your Card; or
- > other easily accessible personal figures such as parts of telephone numbers, driver's licence numbers, licence plate numbers, passport numbers or personal data.
- > PIN changes may be made at any of our branches.

15.8 Means of protecting a PIN and your responsibility

You are responsible for keeping your PIN secure. In particular you must:

- > not keep a written record of your PIN;
- > not allow another person to see your PIN when you enter it or it is displayed;
- > not keep your PIN in a form that can be readily identified as a PIN;
- > not voluntarily disclose your PIN to any other person (including persons in apparent authority);
- > not negligently or recklessly disclose your PIN;
- > notify BNZ immediately if you become aware that your PIN has become known to someone else; and
- > ensure any other cardholders who are able to access your Loan Account, or any of your 24 Hour Banking Accounts by a PIN keep their PIN secure as set out above.

15.9 ATM Transaction limits

In New Zealand, limits on the amount of cash you can withdraw in any calendar day will vary

according to the ATM, up to a maximum of \$2,000. Higher limits do exist on withdrawals made while overseas and may go as high as your Finance Limit. These Transaction limits shall not affect your obligation to pay immediately any amount debited to your Loan Account in excess of your Finance Limit. Limits will apply regardless of whether your Loan Account has a debit or credit balance.

15.10 Mail, telephone and remote (e.g. internet and e-mail) Transactions

You may use your Card to make mail, telephone or remote purchases for goods and services. By doing this you are giving authority to the Merchant to debit the purchase amount to your Loan Account. You must still pay the amount of the Transaction although you may not have signed a sales voucher. There are risks involved in providing your Card details and authorising Transactions before you receive the goods or services. Before doing so you should consider the security and standing of the relevant Merchant. You may not, under any circumstances, attempt to make a mail, telephone or remote purchase for goods or services if your Card has been cancelled, lost or stolen or you have requested us to close your Loan Account.

15.11 Cash advances

You may get a cash advance in New Zealand or overseas by using your Card and PIN at any ATM displaying the Visa logo. Alternatively, you may present your Card at any of our branches or to any Visa Member bank that displays the Visa logo. The Visa Member may set a minimum or maximum on the amount available to you.

15.12 Foreign Currency Transactions

You can use your Card to make purchases, obtain Cash Advances and receive funds in foreign currencies. All Foreign Currency Transactions will either first be converted into US dollars and then into New Zealand dollars or converted directly from the currency in which the Foreign Currency Transaction was made into New Zealand dollars, at the applicable Conversion Rate.

Subject to the next paragraph, we charge a foreign currency service fee for every Foreign Currency Transaction. The foreign currency service fee is calculated as a percentage of the New Zealand dollar value of every Foreign Currency Transaction.

There are some Foreign Currency Transactions on which we do not charge a foreign currency service fee. See clause 6.8 for more information.

The converted amount of your Foreign Currency Transaction and the foreign currency service fee (where applicable) are aggregated in the New Zealand dollar amount shown on your statement for each Foreign Currency Transaction. The rate of exchange shown on the statement is the Conversion Rate adjusted by us to include our foreign currency service fee.

We are not responsible for any loss or damage you may suffer if, because of occurrences beyond our control, you cannot use your Card overseas. This could include ATM or communications line failure. The foreign currency service fee is subject to change. For details about this and other interest, fees and charges associated with the use of your Card, see our “Current Charges” flyer or visit bnz.co.nz and click through to the Rates and Fees page.

15.13 Dynamic currency conversion

Some overseas Merchants may have the ability to provide you with dynamic currency conversion. Dynamic currency conversion gives you the option of paying for goods or services sold by an overseas Merchant in New Zealand dollars at the point of sale, rather than in the currency of the country in which the Merchant is domiciled. It is provided to you by the Merchant as an optional service and any applicable merchant terms and conditions and/or international card scheme rules relating to dynamic currency conversion apply, which will, amongst other matters, require the Merchant to give you the option of either using dynamic currency conversion or paying in the currency of the country in which the Merchant is domiciled. If you decide to purchase goods or services using dynamic currency conversion at an overseas Merchant and pay for your goods or services in New Zealand dollars, the rate of exchange and any fee for the dynamic currency conversion service is charged by the Merchant and payable by you at the point of sale. We do not charge you a foreign currency service fee under **clause 16.7** if the conversion currency at the point of sale for a purchase is New Zealand dollars. However, if the conversion currency is not New Zealand dollars we will charge you a foreign currency service fee in accordance with **clause 16.7** in addition to the fee the Merchant charges you.

15.14 Transaction limits at Selected Merchants

We may at any time impose a permanent or temporary limit on the number, types and/ or amounts of Transactions we authorise on your Loan Account at selected Merchants as determined by us from time to time. These limitations will apply regardless of whether your Loan Account has a debit or credit balance.

16 Fees

16.1 Loan Facility fee

A fee may be debited to your Loan Account when your Loan Account is established.

16.2 Account Maintenance fee

Fees may be debited to a Loan Account for maintaining it.

16.3 Card replacement fee

There is no fee if your Card is replaced because it is faulty, damaged, lost or stolen, but if you choose to have the replacement card couriered to you, a courier charge may apply.

16.4 Cash advance fee

A fee will be debited to your Loan Account each time you make a cash advance (whether your Loan Account is in debit or credit).

16.5 Late payment fee

If a Required Payment is not received by the Required Payment Date, we may debit a late payment fee to your Loan Account.

16.6 Over limit fee

A fee may be debited to your Loan Account where you undertake a Transaction in excess of your Finance Limit.

16.7 Foreign currency service fee

Subject to the following paragraph, a foreign currency service fee will be debited to your Card Account for every Foreign Currency Transaction. The foreign currency service fee is calculated as a percentage of the New Zealand dollar value of every Foreign Currency Transaction.

We do not charge a foreign currency service fee on purchase reversals, purchase refunds, ATM reversals and chargebacks. For those transactions (not including purchase refunds) we credit a foreign currency service fee that is calculated as

a percentage of the New Zealand dollar value of the reversal or chargeback. Due to exchange rate fluctuations:

- > the amount of the foreign currency service fee credited may be different to the amount of the foreign currency service fee charged on the original purchase/withdrawal amount; and
- > the reversal or chargeback amount may be different to the original purchase/withdrawal amount.

The converted amount of your Foreign Currency Transaction and the foreign currency service fee (where applicable) are aggregated in the New Zealand dollar amount shown on your statement for each Foreign Currency Transaction. The rate of exchange shown on the statement is the Conversion Rate adjusted by us to include our foreign currency service fee.

16.8 Voucher Copy Fee

A voucher copy fee may be charged if you require a copy of the voucher for an authorised transaction on your Loan.

16.9 Agreement to pay

You agree to pay the above and any other fees and charges determined by us for services provided in connection with your Loan Account or imposed by government regulation, and further agree that such fees, charges and recovery costs may be debited to your Loan Account. Current fees are outlined in our 'Current Charges' flyer for your Loan Account, which is available upon request. These fees and charges may be changed from time to time by us. We will keep you advised of fees and charges in accordance with the Code of Banking Practice.

17 Default Events

- 17.1** If a Default Event occurs we may suspend the operation of or close your Loan Account without prior notice and require that your Card be destroyed. If we suspend the operation of your Loan Account, we will not be obliged to provide any undrawn portion of your Loan. If we close your Loan Account, without limiting our rights under **clause 20.2** of these terms and conditions or otherwise, your Loan will be immediately repayable by you on demand by us, together with

all other amounts payable by you under these terms and conditions.

17.2 Each of the following is a Default Event:

- a. you fail to pay any amount due under these terms and conditions or any other amount now owing (whether actually or contingently) to us by you or in respect of which you may be or become directly or contingently liable to us in any manner and on any account whatsoever;
- b. your Loan exceeds your Finance Limit, or there are insufficient Available Funds to cover Transactions authorised by you or charged or debited to your Loan Account;
- c. you fail to comply with any of your other obligations under these terms and conditions, or any other obligation you owe us;
- d. there is default under any agreement (including any security or guarantee) held now or in the future by us in respect of any of your obligations to us;
- e. there is a material adverse change in your circumstances or any event occurs which, in our opinion, is sufficiently serious to jeopardise payment of any amount that is payable (or may become payable) under these Terms and Conditions;
- f. you die, make any agreement with creditors, go into bankruptcy or any event occurs to limit your legal capacity;
- g. a distress or execution is levied against any of your property;
- h. information given to us by you or any other person in relation to your Loan is incorrect, inadequate or misleading in any material particular; or
- i. any third party claims an interest in your Loan Account which we consider may be justifiable, pending resolution of the matter.

17.3 We may also suspend the operation of your Loan Account (including, but not limited to, limiting or suspending the number, types and/or amounts of Transactions we authorise on your Loan Account) or close your Loan Account without prior notice if we consider that there are other reasonable grounds to do so. We may also at any time cancel your right to use your Card and require that your Card be destroyed if we consider that there are other reasonable grounds to do so. Except where the change relates to Transaction number, types

and/ or amounts, all reasonable efforts will be made to notify you of the circumstances of closure, suspension or cancellation of your Loan Account.

18 Your Responsibility and Liability

18.1 You agree:

- > not to draw down your Loan beyond the Finance Limit;
- > to pay at least the Required Payment by each Required Payment Date;
- > to advise us of any change to your contact details;
- > to notify us immediately if your Card has been lost or stolen or your PIN has or may have become known to someone else;
- > to immediately destroy your Card if requested (you should cut it, including any chip on the Card, in half);
- > if your Loan Account is closed, to pay in the manner and at the times requested by us the amounts specified in **clause 20.2** of these terms and conditions; and
- > to advise your bank and any other party to cancel any authorities (e.g. automatic payments, direct debits) authorising payments to or Transactions from us once your Loan Account has been closed.

18.2 If a Default Event occurs:

- > you must pay, on demand, any legal fees (on a solicitor/client basis) or other costs (including collection agent's costs) which we may incur in recovering or attempting to recover any amounts properly payable by you to us and we may debit such legal fees and other costs to your Loan Account; and
- > we have the right to debit any other account you may have with us for any money due by you to us in respect of your Loan Account.

18.3 Liability when Card is lost or stolen

Once you have notified us that your Card has been lost or stolen, or your PIN may have been disclosed to someone else, you will not be liable after that time for any Transactions by someone else using your Card. You will not be liable for any loss before notifying us unless you have:

- > unreasonably delayed notifying us;
- > selected an unsuitable PIN such as the

examples referred to in **clause 15.7.4** of these terms and conditions;

- > written your PIN on your Card or kept a written record of your PIN with or near your Card;
- > kept your PIN in a form that can readily be identified as a PIN;
- > disclosed your PIN to someone else or failed to take reasonable care to prevent others from identifying your PIN, when, for example, keying-in or using your PIN;
- > allowed someone else to use your Card or failed to reasonably safeguard your Card; or
- > contributed to or caused losses from unauthorised Transactions by your actions.

18.4 Liability for loss before notification

If any of the events in **clause 18.3** of these terms and conditions apply, you will be liable for all Transactions before you notified us, or for any loss which could otherwise have been prevented up to the amount you yourself would have been able to access during the time before you notified us of the loss or theft of your Card, or the disclosure of your PIN. If these Transactions cause your Finance Limit to be exceeded, you will be liable to pay the excess amount without delay.

18.5 Negligence and fraud

The limits on your liability set out in **clauses 18.3 and 18.4** of these terms and conditions do not apply where you have acted negligently or fraudulently, either alone or together with any other person.

18.6 Your liability

You will be liable for all losses, including any consequential losses suffered by third parties, if you act fraudulently, either alone or together with any other person. You may be liable for some or all losses arising from any unauthorised access whether occurring before or after notification if you have caused or contributed to that loss (for example, by failing to comply with these terms and conditions).

18.7 You are not responsible for:

- > any negligent or fraudulent conduct by any of our staff or agents or parties involved in the provision of electronic banking services;
- > any incorrect charges to your Loan Account or any 24 Hour Banking Account you may

have when the machinery used or system involved in a Transaction is not working properly, unless you persist in using the Loan Account or any 24 Hour Banking Account when advised by a message or notice on display that the machinery or system is not functioning properly; or

- > any unauthorised Transaction occurring either before you receive your Card or when it is clear to us that you could not have contributed to any loss you may have suffered.

19 Our Position

19.1 Responsibility

We are not responsible for:

- > refusal by a Visa Member to make a cash advance;
- > any dispute between you and a Merchant;
- > any dispute between you and any additional cardholder or Account Owners;
- > the actions of any Merchant; or
- > any action taken against you in connection with the fraudulent use of your Card.

19.2 Liability

Provided we have complied with our duty to act with reasonable care and skill and our other obligations under the Consumer Guarantees Act 1993, we:

- > will not be liable for any claim that arises from acting reasonably in accordance with your instructions;
- > will not be liable for any loss suffered by you or any third party due to matters outside our control (including, without limitation, non-delivery of mail, machine failure or communication linkage failure resulting in you being unable to use your Card or Loan Account, system failure or strikes);
- > accept no liability for the loss or destruction of, or delay in processing, instructions or other documents;
- > will not be liable for either refusing to act on contradictory instructions given in respect of your Loan Account or for acting on any one of such contradictory instructions;
- > will not be liable for any action taken by us, where your Card has been reported lost or

stolen, which results in a Merchant refusing a Transaction because he or she suspects that you do not own your Card; and

- > will not be liable for any losses which arise where you have acted negligently or have acted fraudulently, either alone or together with any other person.

19.3 Facsimile, telephone and e-mail instructions

- a. subject to complying with our duty to exercise reasonable care and skill and other obligations under the Consumer Guarantees Act 1993, but otherwise irrespective of anything else stated in these terms and conditions, we:
 - > may decline to act or delay acting on any instructions given where we consider that we have good reason to do so; and
 - > may, where your Loan Account can be accessed by telephone or by any electronic means, assume that any telephone or electronic instructions received using your PIN or secure password are authorised by you.
- b. where we act upon a facsimile, telephone, email or other electronic instruction from you regarding your Loan Account and that instruction appears to our reasonable satisfaction to have been made in accordance with authorities held by us, to the extent permitted at law you indemnify us against all losses, claims and expenses that we may incur by reason of acting upon the instruction. Without further authority or enquiry we may debit your Loan Account with all such claims and expenses whether or not your Loan Account may exceed its Finance Limit as a result. As a result, an over limit fee may be charged as explained in **clause 16** of these terms and conditions.
- c. reasonable care and skill: We will provide our services in relation to your Loan Account with reasonable care and skill.
- d. code of Banking Practice: We will comply with the Code of Banking Practice as it applies to these terms and conditions.

20 Suspending or closing your Loan Account and Card Cancellation

- 20.1** If you are an Account Owner you can apply to cancel your Card and close your Loan Account by

destroying your Card (and any additional Card) and:

- > calling us on **0800 800 667**;
- > sending us an e-mail via our Internet Banking site, **bnz.co.nz** (note that you will need to be registered for Internet Banking to do this); or
- > sending written advice to: BNZ, PO Box 2295, Wellington, fax number **+64 4 474 9359**.

20.2 If your Loan Account is closed, whether by us or you, your Loan Account will be immediately repayable by you on demand by us, together with all other amounts payable by you under these terms and conditions. Also, you will still be liable for:

- > any Transactions made up to and after the time that your Loan Account is closed. This is so even if Transactions made have not been debited due to negotiation delays by a Merchant or other parties dealt with;
- > use of the Card number or Loan Account for any mail, telephone or remote Transactions prior to or after the destruction of the Card or prior to the closure of your Loan Account;
- > any legal fees (on a solicitor/client basis) or other costs which we may incur in recovering amounts owing on your Loan Account;
- > interest on your Loan Account, and all fees, charges and personal loan insurance premiums on your Loan Account, if, for any reason, it is not paid off immediately; and
- > any fees or other costs associated with any recurring transactions, or cancellation of any recurring transactions, arranged with a Merchant or another bank. Note that if your Loan Account is a joint account, you and other Account Owners will continue to be jointly and individually liable for any amount owing on your Loan. Any indemnity given to us in these terms and conditions will survive closure of your Loan Account.

20.3 If we suspend the operation of your Loan Account, we will not be obliged to provide any undrawn portion of your Loan to you.

21 Errors or discrepancies

21.1 You must notify us in writing within 30 days of your statement closing date if you think that:

- > a statement shows an incorrect charge;
- > a Transaction is incorrectly recorded or is unauthorised; or
- > you have lost funds because an ATM or EFTPOS terminal is not working properly. You are responsible for checking your statements to ensure their accuracy and advising us of any error, discrepancy or unauthorised Transaction even if you are away from the statement address we hold for you. If you do not write to us within this time period at the address listed at the end of these terms and conditions, the charge or the record of the Transaction will remain.

21.2 Information required

If you think an error or mistake has been made you need to tell us:

- > your name;
- > your Card Number and the numbers of your Loan Accounts you think have been affected; and
- > what happened, when it happened, how much you think has been lost and, if relevant, who the Merchant is or where the ATM or EFTPOS terminal is located.

21.3 When we will respond

We will acknowledge receipt of your enquiry and advise you of the expected time that it will take to obtain the necessary information.

21.4 Action we will take

We will correct your Loan Account if we are satisfied that an ATM or EFTPOS terminal was not working properly, if we have made an error, or if the Card used was forged or faulty, or, subject to the exceptions set out in these terms and conditions, if the Card has been used fraudulently. If, as a result of our investigation, we believe that the charge or Transaction should remain, we will write to you setting out our reasons for this conclusion. A fee may be charged for this service.

21.5 If you are not satisfied

You should refer your complaint to Complaint Resolution BNZ, PO Box 995, Auckland, telephone **0800 788 999**. If you are unhappy with our investigation, you can refer the matter to the Banking Ombudsman, PO Box 25-327 Featherston Street Wellington 6146, telephone **+64 4 915 0400** or call **0800 805 950**.

22 General

22.1 Financial difficulty

You should notify us immediately if you are in financial difficulty and believe you may not be able to meet your obligations to us. Please call us on **0800 800 667**.

22.2 Your information:

- a. Information about you: Information about you which, at any time, you provide to BNZ or is collected by BNZ or any related company (as defined in section 2(3) of the Companies Act 1993 as if 'company' includes a company or other body corporate incorporated in New Zealand or any other jurisdiction) of BNZ (each a 'BNZ Company'), or which you, at any time, provide in connection with your Loan to Loyalty New Zealand Limited and current and future Fly Buys participants (where your Card is linked to Fly Buys), Visa, and any insurance underwriters or insurance agents used in relation to your Loan (collectively the 'Parties') may be stored, used or disclosed in accordance with this **clause 22.2**. Each of the BNZ Companies and the Parties may rely on this **clause 22.2** pursuant to the Contracts (Privity) Act 1982.
- b. Storage of Information: Information about you may be stored physically or electronically, including in offshore facilities, by BNZ, any other BNZ Company or any third party (who is subject to an obligation of confidentiality in relation to that information) contracted to store it. Each BNZ Company will ensure that any information held about you is protected securely by safeguards as required by the Privacy Act 1993 and any other applicable laws. No BNZ Company will disclose information about you to any person, except in connection with a purpose described below, or as authorised by you or as required or authorised by law.
- c. Use and Disclosure of Information: Information about you will be used primarily for administering your Loan Account and offering or providing banking and other financial services to you. Information may be disclosed to another BNZ Company or a third party in connection with any of these purposes

provided the recipient of the information is subject to an obligation of confidentiality in relation to that information. Information may also be used to further the relationship between you and any BNZ Company, the Parties or a third party, and for marketing purposes. This includes, without limitation, communicating with you via email, text message, an on-line facility (without an unsubscribe facility), telephone or post about any products, services or promotions offered or distributed by any BNZ Company or the Parties or a third party.

- d. Legal and regulatory compliance: You agree that BNZ, and any other BNZ Company, can collect information from you and use that information to help any BNZ Company comply with any laws, rules or regulations in New Zealand or overseas. You agree to supply any information requested by any BNZ Company to help BNZ, or any other BNZ Company, comply with any such laws, rules or regulations in New Zealand or overseas. You also agree that any BNZ Company can share any information about you and your accounts with any government body or agency in New Zealand or overseas (including any tax authorities) to help the BNZ Company comply with any laws, rules or regulations in New Zealand or overseas.
- e. Market research: To seek your views on its services and the products it offers, a BNZ Company or a Party may provide your name, address and telephone number to reputable market research organisations. The information is selected at random and places you under no obligation to take part in the market research. The information is supplied in strict confidence to the research organisation, which will not be authorised to use it for any other purpose. However, if you do not wish to be involved, please advise us.
- f. Credit agencies: In respect of opening accounts, loan applications and reviews, you authorise the BNZ Company to make credit references and other enquiries within its normal procedures. For this purpose, the BNZ Company may seek from any such source information concerning you.
You also authorise the collection and

disclosure of all information relevant to your accounts from/to any credit reporting agency. Credit reporting agencies may use information disclosed by the BNZ Company to update their credit reporting database, and disclose any information that they hold about you to their own customers as permitted under the Credit Reporting Privacy Code. In addition, the BNZ Company may use any service provided by its credit reporting agencies to receive updates of the information it holds about you.

In the event that you are in default under any loan or facility from the BNZ Company, the BNZ Company is authorised to disclose all relevant information about you, to and for the use by, credit reporting agencies, debt collection agencies and law firms.

- g. Access and Correction: Pursuant to the Privacy Act 1993 and other applicable laws, if you are an individual you have rights to see and request correction of personal information about you held by the BNZ Company.
- h. Please tell us: If you do not wish to provide all the information requested on an application form, then please tell us. If you do not provide all the information requested on the application form, we may restrict the products, facilities and services available to you.
- i. Contacting us: To obtain more information about how we manage information about you or if you would like a copy of our relevant privacy policies please contact us.

22.3 Insurance products

We may from time to time make insurance products available to you. You will be advised of the costs and conditions that apply to those products.

22.4 Promotions

We may, in association with any Merchant, company or person, run various schemes to promote our goods and services or those of that other party. You will be advised of the nature and benefits of any such promotion.

22.5 More information

You may at any time ask us for information about your Loan Accounts. This includes copies of previous statements, details of Transactions, details of the current fees and charges or copies of our current terms and conditions. However,

changes to your Loan Accounts may only be made by you if you are an Account Owner. We may charge a fee for these services.

22.6 Changes to these Terms and Conditions

We may change, add to, delete or replace these terms and conditions from time to time by giving you at least 14 days' written notice, to your last known address or by advertisement in the public notice columns of major newspapers, display in our branches and posting on our website.

22.7 Your contact details

You must notify us promptly of any change to your contact details (including address, telephone details and email address if applicable). Until you do, we may assume that the contact details we hold for you are correct.

22.8 Internet banking and telephone banking Terms and Conditions

Our internet banking and telephone banking terms and conditions apply when you use 24 Hour Banking to access your account. We may modify, add to or delete any of our internet banking and telephone banking terms and conditions from time to time.

23 Personal Loan Insurance

23.1 Premiums

Unless you have chosen not to have personal loan insurance, your personal loan insurance premiums will be debited to your Loan Account (for an Anytime Personal Loan, all premiums on your On-Call Portion and any Repayment Plan will be debited to your On-Call Portion). Premiums will be treated as purchases on the Loan Account. Interest will be charged on them. The amount of your premiums will depend on the balance of your Loan Account.

23.2 Insurance Terms and Conditions

A copy of the terms and conditions that apply to Advanced Personal Loan and Anytime Personal Loan insurance will be provided to you.

24 Fly Buys

This section outlines the terms and conditions relating to the allocation of Fly Buys® points

when using your Loan. This section must be read in conjunction with the Fly Buys® Terms and Conditions.

24.1 We are responsible only for the correct communication and calculation of the Fly Buys points you collect using your Loan but are not responsible or liable for the provision of rewards, which is the sole responsibility of Fly Buys.

24.2 Linking your Loan Account to the Fly Buys programme:

- a. unless we specify elsewhere, any Loan Account can be linked to the Fly Buys programme. Only one Fly Buys number can be allocated to your Loan Account.
- b. we will link your Loan Account upon receipt of your request to link and your Fly Buys membership number.
- c. outstanding balances incurred, and draw downs made, prior to the linkage date will not receive Fly Buys points.

24.3 Collecting Fly Buys using your Loan:

- a. once your Loan Account is linked to Fly Buys, you may collect points as follows:
 - i. first use. You will receive the number of points we specify from time to time when you first draw down your Loan after linking your Loan Account to Fly Buys.
 - ii. standard points. You will receive Fly Buys points on the total outstanding balance of your Loan (except any disputed or over limit amount) at the points collection rate applicable at the time.
- b. Fly Buys points will be calculated by us at the time your statements are issued. You will be advised separately of the number of points you will receive when first drawing down your Loan, and of the standard points collection rate on your Loan. The number of points and rate may be changed by us from time to time.

24.4 Redemption and deduction of Fly Buys points:

- a. where you obtain a refund or reimbursement for amounts previously debited to your Loan Account (for example, when you return goods or cancel bookings made and paid for and a credit is issued to your Loan Account) your Fly Buys points may be reduced accordingly. Any

reduction of Fly Buys points is at our discretion and we may communicate negative points to Fly Buys.

- b. Fly Buys points you accrue do not constitute property. You cannot transfer your Fly Buys points to any other person or entity or Loan Account by operation of law or otherwise.
- c. Fly Buys points you accrue have no cash or monetary value.

24.5 Bonus Points

We may credit Bonus Points to you from time to time as part of special promotions.

24.6 Your Fly Buys points and your statement

We will inform Fly Buys of the number of Fly Buys points you have collected using your Loan Account by the end of the next Statement Period after your Fly Buys points have been calculated. The Fly Buys points you collect will be shown on your Loan Account statement and Fly Buys statement.

24.7 General:

- a. we are not responsible for the rewards you receive under the Fly Buys programme. Any dispute relating to the rewards you receive will be settled by you and Fly Buys, or the person, company or firm that supplies the reward. We will bear no responsibility for resolving such disputes or for the dispute itself.
- b. we may terminate your Loan Account linkage at any time.
- c. a Default Event or fraud or abuse in the use of your Loan Account or Card in the Fly Buys programme may result in the forfeiture of accrued points as well as cancellation of your Loan Account, your Card and your Loan Account linkage.
- d. if your Loan Account is out of order it may not be eligible to be linked to Fly Buys or collect or redeem Fly Buys points during a specified period.
- e. all questions or disputes regarding eligibility to this scheme or the eligibility of Fly Buys will be resolved by us at our discretion.

24.8 Privacy

When you ask us to link your Loan Account to your Fly Buys membership number you are

consenting to us holding your Fly Buys member name and number.

24.9 Fly Buys

The information referred to in **clause 24.8** of these terms and conditions will be used to allow communication of Fly Buys points collected using your Loan Account to Fly Buys and may also be used by us for marketing purposes, planning, product development, research and other commercial purposes. We may also provide your personal information to Fly Buys to enable Fly Buys to provide services relating to the Fly Buys programme, market research and marketing. Fly Buys will hold and use this information in accordance with the Fly Buys Membership terms and conditions.

25 How to contact us

Any queries within New Zealand

Contact any of our branches or call any one of our customer solutions advisors on **0800 800 667**.

Lines are open from 8.00am to 8.00pm weekdays and from 9.00am to 5.00pm on the weekend.

Any queries while overseas

Within Australia freephone any one of our customer solutions advisors on **1800 127 277**.

From overseas, reverse charge **+64 4 470 9201**.

Lines are open from 8.00am to 8.00pm weekdays and from 9.00am to 5.00pm on the weekend. To

report a lost/stolen Card: In New Zealand call

0800 800 667. From overseas call collect

+64 4 473 5901, 24 hours a day, 7 days a week.

Further information and copies of our current disclosure statement may be obtained from

any branch or agency of the Bank. To write to us address your letter concerning your Loan to: BNZ,

PO Box 2295, Wellington, New Zealand You can

also visit us on the Internet at **bnz.co.nz** to send a secure email via the Internet Banking site.

Need more information
[bnz.co.nz](https://www.bnz.co.nz) or [0800 800 667](tel:0800800667) or visit your [local branch](#).