

# CORPORATE, PURCHASING AND DYNAMIC CARD FUNDING VISA CARDS

Terms and Conditions

31 July 2019



# Contents

	Page
1 Scope	2
2 Cards and their use	3
3 Bill payments (for corporate cards and purchasing cards only)	8
4 Visa accounts	9
5 Visa account operation	9
6 Fees	11
7 Interest charges	12
8 Payments	13
9 The customer's liability	14
10 The Bank's position	16
11 Suspending or closing Visa accounts or cards	17
12 Errors or discrepancies	18
13 Personal information	19
14 General	21
15 How to contact the Bank	22

# 1 Scope

## 1.1 Contract

These Conditions of Use are a contract between the Customer and the Bank. They apply to the use of any Card.

## 1.2 Terms

In these Conditions of Use:

- a. **Bank** means Bank of New Zealand;
- b. **Card** means a Visa Card issued by the Bank pursuant to these Conditions of Use (Cards may be issued as a Corporate Card, a Purchasing Card or a Virtual Dynamic Funding Card);
- c. **Card Details** means the details of a Card and its associated Visa account;
- d. **Cardholder** means the Cardholder for whose use a Card is issued by the Bank (being either an Employee or a Supplier);
- e. **Contactless Logo** means the payWave logo for Visa Cards;
- f. **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;
- g. **Contactless Reader** means an electronic point of sale device at a Merchant which can be used to make a Contactless Purchase;
- h. **Customer** means the 'Customer' specified on the application for the relevant Visa account;
- i. **Employee** means an employee of the Customer; and
- j. **Supplier** means a supplier of the Customer.

## 1.3 Over-riding laws

The operation of Visa accounts using Cards and these Conditions of Use may be affected by over-riding laws of general application.

## 1.4 Consumer laws not applicable

Because the Customer is acquiring, or holding itself out as acquiring, Cards for the purposes of a business then the Consumer Guarantees Act 1993 will not apply to the Cards or the Visa accounts relating to Cards.

## 1.5 Card name

Each Card is issued in the name of the Customer and the Cardholder.

## 1.6 Separate accounts

The Bank will maintain a separate Visa account for each of the Cards and will charge or credit to that account the amounts of all transactions, payments, interest, fees and charges on the account.

## 1.7 Customer responsible for Cards

The Customer shall be responsible without limitation for payment to the Bank of all amounts properly debited to each Visa account notwithstanding that the credit limit(s) may be exceeded or that any such debits may have arisen as a result of actions of the Cardholder without the authority of the Customer or that the Card has been used in breach of any other conditions contained in these Conditions of Use.

## 2 Cards and their use

### 2.1 Receiving and signing Corporate Cards and Purchasing Cards

Corporate Cards and Purchasing Cards are physical Cards and will be delivered by the Bank to the Customer who will be responsible for ensuring that each Card is signed by the Cardholder immediately upon receipt. A Card must not be used before being signed by the Cardholder, before or after the period for which it is stated to be valid or after notification of the cancellation of the Card. The Customer must ensure that no Card is sent overseas unless it is in a secure manner.

### 2.2 Provision of Virtual Dynamic Funding Cards

Virtual Dynamic Funding Cards are not physical Cards. The Card Details of a Virtual Dynamic Funding Card will be provided by the Bank to the Customer who will be responsible for providing those details to the Supplier.

### 2.3 Card and PIN security

The Customer must not allow anyone other than the Cardholder to use a Card, a Card number or PIN. In the case of a Corporate or Purchasing Card, the Customer must ensure that Cardholders retrieve their Cards after using them. The Customer must immediately notify the Bank by a method specified in **clause 15.1** if:

- a. a Card is lost or stolen, or its Card Details are compromised; or
- b. the PIN for a Card may have been disclosed or someone other than the Cardholder may have used a Card; or
- c. a Card is retained by an ATM, by reporting it as a lost Card.

### 2.4 Lost, stolen, damaged or faulty Cards

If a Card is lost or stolen, damaged, faulty or its Card Details are compromised, the Bank may issue a replacement Card.

### 2.5 Cards lost or stolen overseas

If a Card is lost or stolen overseas the Customer may also advise any Visa Member, or Visa International Emergency Assistance by calling collect on **+61 292 513 704**, and enlist their assistance.

### 2.6 Expired Cards

When a Card expires the Bank will issue a new Card as long as the Customer is not in breach of these Conditions of Use and all Visa accounts are otherwise in order.

### 2.7 Ownership of Cards

Cards and Card numbers are the Bank's property. They may not be copied or reproduced and may be retained by the Bank. The Customer must return or destroy any Card and all evidence of its Card Details when the Bank asks, if the relevant visa account is closed or if the Customer ceases to be a Customer. In certain circumstances a merchant may also be required to retain a Card and the Customer agrees to deliver the Card in such circumstances on request.

## 2.8 Agreement to pay for transactions

The Customer must pay the Bank the full amount payable in respect of all transactions (including cash advances) on Visa accounts. Once a transaction using a Card is completed it cannot be stopped in the same way as a cheque. If the Customer thinks a mistake has been made refer to **clause 12.3**. In certain circumstances if the Customer does not receive goods or services ordered using a Card, or by reference to a Card number, then the Customer may be able to obtain a credit for the transaction. If the Customer thinks this has happened, the Customer should contact the Bank. When the Customer wishes to stop a payment other than a transaction that has already been completed, the Customer must notify the Bank and the Bank will advise the Customer of any further requirements.

## 2.9 PIN selection (for Corporate Cards and Purchasing Cards only)

- a. Cards with chip but without Contactless Logo:
  - i. New Zealand:

The Cardholder will need a PIN if they wish to use the 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.
  - ii. Overseas:

The Cardholder will need a PIN if they wish to use the 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.
- b. Cards with a Contactless Logo:
  - i. New Zealand:

The Cardholder will not need to enter a PIN to use their Card for each Contactless Purchase of up to NZ\$80 in New Zealand. A Cardholder will need a PIN if they wish to use the Card for ATM, Contactless Purchases over NZ\$80 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.
  - ii. Overseas:

If a Cardholder uses their Card to make a Contactless Purchase, different limits or requirements may apply, depending on the country the Cardholder is in, which will determine when you must use your PIN or sign to use your Card. The Bank has no control over these limits or requirements. The Cardholder will need a PIN if they wish to use the 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.
- c. Cards without chip:

If a Card does not contain a chip, the Cardholder may obtain a PIN.

The Cardholder will need a PIN if they wish to use the Card for ATM transactions. The Cardholder may need a PIN if they wish to use the Card for, EFTPOS, and/or teller transactions.

- d. To obtain a PIN, the Cardholder must call at any of the Bank's branches to choose a PIN. The Cardholder will need to take some form of suitable identification such as a New Zealand driver licence, passport or other photo identification. The PIN selected must be one designed to avoid the chance of anybody guessing the numbers the Cardholder chooses. The Customer should encourage the Cardholder to consider selecting a different PIN from those the Cardholder selected for other Cards and equipment used by the Cardholder. The Customer must ensure the Cardholder does not select unsuitable PINs such as:
  - i. Birth dates, months and years;
  - ii. Sequential numbers (such as 3456) or easily identifiable number combinations (e.g. 1111);
  - iii. Any of the blocks of numbers on a Card; or
  - iv. 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 the Bank's branches.
- e. In addition to the procedure set out in **clause 2.9 d**, the Customer may contact its BNZ Cards representative to request that the Customer obtain a PIN for the Card on behalf of a Cardholder at certain Bank branches. The request shall be granted at the Bank's sole discretion and will be subject to conditions including that the Customer must not select unsuitable PINs as set out in **clause 2.9 d**.

#### **2.10 Means of protecting a PIN (for Corporate Cards and Purchasing Cards only)**

The Customer is responsible for keeping PINs for Cards secure. In particular the Customer must, and ensure that each Cardholder does:

- a. Not keep a written record of any PIN;
- b. Not allow another person to see the PIN when it is entered or it is displayed;
- c. Not keep any PIN in a form that can be readily identified as a PIN;
- d. Not disclose a PIN to any other person (including persons in apparent authority);
- e. Not negligently or recklessly disclose a PIN;
- f. Notify the Bank immediately if the Customer and/or Cardholder becomes aware that a PIN has become known to someone else; and
- g. Ensure all Cardholders keep their PIN secure as set out above.

#### **2.11 ATM transaction limits (for Corporate Cards and Purchasing Cards only)**

In New Zealand and where agreed with the Customer beforehand, limits on the amount of cash that can be withdrawn in any calendar day will vary according to the ATM, up to a maximum which applies to a Card from time to time. Higher limits exist on withdrawals made while overseas. These transaction limits shall not affect the Customer's obligation to pay immediately any amount debited to a Visa account in excess of applicable credit limit(s). Daily limits will apply regardless of whether the relevant Visa account has a debit or credit balance.

## **2.12 Mail, telephone and remote transactions**

Cards may be used to make mail, telephone or remote purchases for goods and services (such as internet and email). By doing this the Customer is giving authority to the merchant to debit the purchase amount to the relevant Visa account. The Customer must still pay the amount of the transaction although a Cardholder will not necessarily have signed a sales voucher. There are risks involved in providing Card Details and authorising transactions before the Customer receives the goods or services. Before doing so the Customer should consider the security and standing of the relevant merchant. The Customer must ensure that no Cardholder, under any circumstances, attempts to make a mail, telephone or remote purchase for goods or services if the Cardholder's Card has been cancelled, lost or stolen or the Customer has requested the Bank to close the relevant Visa account. The Customer acknowledges that Virtual Dynamic Funding Card transactions will always fall within the ambit of this **clause 2.12**.

## **2.13 Credit limits**

- a. The overall credit limit is the maximum amount that, provided the Customer makes the total payments due (as specified in the statements for all Cards) by the last date for payment specified in those statement, the Customer may allow to remain outstanding on all Visa accounts.
- b. The Bank may also impose an individual credit limit for any particular Card, being the maximum amount that the Customer may allow to remain outstanding on the Visa account for that Card.
- c. The credit limit of a Virtual Dynamic Funding Card will be zero but the Bank will increase the limit upon request for a temporary period to enable payment of the amount outstanding from the Customer to the Supplier, when the Bank receives a request, satisfactory to it in its sole discretion, to increase the limit. Once the Virtual Dynamic Funding Card has been paid in full, its limit will revert to zero.
- d. The Bank may change any credit limit at any time and will advise the Customer if it does so. In particular, the Bank may decrease any credit limit if it considers that any visa account is not being operated to the Bank's satisfaction. If any credit limit is exceeded, the Customer must pay the excess amount to the Bank immediately.

## **2.14 Changing credit limits**

The Customer may apply to the Bank to increase any credit limit, or to decrease any credit limit.

## **2.15 Customer responsible for credit limits**

The Customer shall instruct each Cardholder not to use the Cardholder's Card if the outstanding balance of the Cardholder's Visa account will thereby exceed the credit limit applicable to the relevant account or to all Visa accounts held by the Customer.

## **2.16 Transaction limits at selected merchants**

- a. The Bank may at any time impose a permanent or temporary limit on the number, types and/or amounts of transactions the Bank authorises on a Visa account at selected merchants or Suppliers as determined by the Bank from time to time. These limitations will apply regardless of whether the Visa account has a debit or credit balance.
- b. The Customer may instruct the Bank to impose transaction limits in respect of a merchant for a Corporate or Purchasing Card.

## **2.17 Cash advances (for Corporate Cards and Purchasing Cards only)**

Subject to **clause 2.11**, a Cardholder may get a cash advance in New Zealand or overseas by using a Card and PIN at any ATM displaying the Visa logo. Alternatively, the Cardholder may present a Card at any of the Bank's branches or to any Visa member bank that displays the Visa logo. The Visa member may set a minimum or maximum on the amount for a cash advance. A cash advance incurs interest from the day it is made until it has been paid in full. A cash advance fee will be charged for withdrawals made in New Zealand. Overseas financial institutions, retailers or ATM operators may also charge fees. Any credit balance in a Visa account will be immediately applied by the Bank to payment of the associated cash advance fee and the cash advance respectively.

## **2.18 Foreign currency transactions (for Corporate Cards and Purchasing Cards only)**

A Cardholder can use a Card to make purchases, obtain cash advances and receive funds in foreign currencies. All foreign currency transactions (which include all transactions debited or credited to a Visa account in a currency other than New Zealand dollars) 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 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 the Cardholder enters into the foreign currency transaction).

Subject to the next paragraph, the Bank charges a foreign currency service fee for every foreign currency transaction (which includes all transactions debited or credited to a Visa account in a currency other than New Zealand dollars). 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 the Bank does not charge a foreign currency service fee. See **clause 6.1 g** for more information.

The converted amount of the foreign currency transaction and the foreign currency service fee (where applicable) are aggregated in the New Zealand dollar amount shown on the Customer's statement for each foreign currency transaction. The rate of exchange shown on the statement is the exchange rate applied as outlined above adjusted by the Bank to include the Bank's foreign currency service fee.

The Bank is not responsible for any loss or damage the Customer or Cardholders may suffer if, because of occurrences beyond the Bank's control, Cardholders cannot use Cards 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 Cards, please contact your BNZ Cards representative.

## **2.19 Dynamic Currency Conversion (for Corporate Cards and Purchasing Cards only)**

Some overseas merchants may have the ability to provide a Cardholder with dynamic currency conversion. Dynamic currency conversion gives the Cardholder 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 the Cardholder 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 the Cardholder the option of either using dynamic currency conversion or paying in the currency of the country in which the merchant is domiciled.

If the Cardholder decides to purchase goods or services using dynamic currency conversion at an overseas merchant and pays for 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 the Cardholder at the point of sale. The Bank does not charge a foreign currency service fee under **clause 6.1 g.** 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 the Bank will charge a foreign currency service fee in accordance with **clause 6.1 g.** in addition to the fee the merchant charges.

## **3 Bill payments (for corporate cards and purchasing cards only)**

### **3.1 Use of Cards for payment of bills**

The Customer may use a Visa account operated with a Card to effect payment of amounts which the Customer owes to third parties for goods or services ('Bill Payments'). A Bill Payment will attract a cash advance fee unless it is to one of the Bank's registered bill payees. Bill Payments will only be paid if there is sufficient credit on a Visa 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 before 8.00pm will be debited the next business day and payments made after 8.00pm will be debited two business days later.

### **3.2 Maximum limits**

The Bank may set maximum limits for the amount of a Bill Payment, and these limits may change from time to time. Should these limits be exceeded the Bank cannot guarantee processing of the payment or accept liability for fees or interest charged by the Bank or any other party.

### **3.3 Pre-selected bill payees**

Pre-selected bill payees may have pre-arranged with the Bank to accept Card payments. The Bank may elect to treat such Bill Payments as either a purchase or a cash advance. Bill Payments treated as a cash advance will attract a cash advance fee, and interest will apply immediately if the Visa account is in debit. If the Customer's pre-selected bill payee does not accept Card payments the Customer may be required to select another account to make payment from or arrange to set up a self-select bill payee.

### **3.4 Self-selected bill payees**

Bill Payments to self-selected bill payees are treated as cash advances. They will attract a cash advance fee and interest will apply immediately until the cash advance is paid in full.

## **4 Visa accounts**

### **4.1 Statements**

- a. Once during each month, the Bank will provide to the Customer an individual statement in respect of each Visa account and a statement summarising all Visa accounts.
- b. A Customer may select, in place of an individual statement in respect of each Visa account, statements in the form of electronic data.

## **5 Visa account operation**

### **5.1 Verification of identity**

- a. The Bank may from time to time require proof, to the Bank's satisfaction, of the identity of the Customer and any Cardholder.
- b. In addition BNZ may via a separate agreement appoint the Customer as its agent to verify the identity of Cardholders.

### **5.2 Instructing the Bank**

The Bank may in its discretion and subject to conditions allow the Customer and Cardholders to give instructions in respect of Cards and Visa accounts relating to Cards by telephone, facsimile, email and text by using a Card or computer or by any other written, electronically communicated or verbal method acceptable to the Bank. The Bank may require the Customer to provide a written indemnity before making any such method available to the Customer or Cardholders. Except as otherwise required by law, the Bank may give effect to operations on a Visa account that are authorised by the Customer or a Cardholder prior to the Customer's or Cardholder's death.

### **5.3 Available transactions**

A Visa account may be operated by deposits, withdrawals, transfers, direct credits, direct debits, automatic payments or any other type of payment authority acceptable to the Bank.

### **5.4 Authority**

The Customer authorises the Bank to act in accordance with the Customer's and Cardholder's (for Cardholders, only in relation to lost and stolen Cards) instructions relating to Cards and Visa accounts.

The Customer acknowledges that the Bank may decline to so act where the Bank considers it has good reason to do so. In particular, the Bank will not be obliged to act in accordance with the Customer's or any Cardholder's instructions where to do so would result in any credit limit being exceeded.

### **5.5 Changes to account number**

If the number of any account the Customer has with the Bank changes, or the Customer changes from one type of account with the Bank to another, the Bank may redirect to the Customer's new account transactions that would have been credited or debited to the Customer's old account, unless the Customer specifies otherwise. The Bank will not, however, be liable to the Customer if the Bank does not redirect any transactions when the Bank could have under this clause.

## **5.6 Set off and combination**

The Customer authorises the Bank at any time and without notice, to combine any credit balance on one of the Customer's BNZ accounts (including a Visa account) with the balance of another of the Customer's BNZ accounts (including a Visa account), so as to treat them as a single balance, and there will be no implied agreement to the contrary. If the Customer owes any money to the Bank which is due but unpaid, whether it is owed alone or with others, the Customer authorises the Bank, without prior notice, to apply any credit balance on any of the Customer's BNZ accounts (including a Visa account), or any other amount the Bank owes to the Customer, towards that unpaid amount. For this purpose the Customer authorises the Bank to transfer funds from one BNZ account to another (including any joint account which the Customer can operate individually), to use funds in one currency to buy another currency and to break any term deposit. The Bank may do this without prior notice and in the order, and as often, as the Bank determines.

## **5.7 Recording instructions**

The Customer authorises the Bank to record any telephone calls between the Customer, Cardholder(s) and the Bank and to retain such recordings.

## **5.8 Ownership of credit balances**

Unless the Customer instructs the Bank otherwise in writing, the Customer acknowledges that the Customer is solely entitled to any credit balance on any Visa account relating to a Card, that it belongs to the Customer and does not belong to any other person and that no other person has any legal or beneficial interest in it.

## **5.9 Use and return of forms**

Forms encoded by the Bank with a Visa account number or the number embossed on a Card must not be used to access or operate any other BNZ account. Where the Customer would be entitled to the return of any form, the Bank may at its discretion provide the Customer with a copy instead of the actual form.

## **5.10 Transaction priority**

The Bank may determine the order of priority of Visa account transactions.

## **5.11 Liens**

If the Bank holds any property, items or documents for the Customer for any purpose the Bank may, at its discretion, exercise a lien over the property, item or document as security for any amount the Customer owes the Bank (whether alone or with any other persons) under a Visa account.

## **5.12 Rights to the accounts**

The Customer may not assign, mortgage, charge or declare a trust of any rights to a Visa account, including any credit balances, except with the Bank's prior written consent.

## 6 Fees

### 6.1 Fees payable: Subject to any agreement between the Bank and Customer the following fees may be payable

- a. An annual Card fee may be debited to a Visa account of the Customer;
- b. There is no fee if the Card is replaced because it is faulty, damaged, lost or stolen, but if the choice is made to have the replacement card couriered, a courier charge may apply;
- c. For Corporate or Purchasing Cards, a cash advance fee will be debited to the relevant Visa account each time a cash advance is made in New Zealand;
- d. If a required payment is not received by the due date, the Bank will debit a late payment fee to a Visa account of the Customer;
- e. Should any payment (including third party payments) be subsequently dishonoured, the Bank will debit a dishonour fee to any Visa account of the Customer;
- f. A fee will be debited to any Visa account of the Customer where a transaction is undertaken in excess of the applicable credit limit(s);
- g. Subject to the following paragraph, a foreign currency service fee will be debited to the relevant Visa account for every foreign currency transaction (which includes all transactions debited or credited to a Visa account in a currency other than New Zealand dollars) that occurs on the relevant Visa account. The foreign currency service fee is calculated as a percentage of the New Zealand dollar value of every foreign currency transaction.

The Bank does 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:

- i. 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
- ii. the reversal or chargeback amount may be different to the original purchase/withdrawal amount.

The converted amount of the foreign currency transaction and the foreign currency service fee (where applicable) are aggregated in the New Zealand dollar amount and in the rate of exchange shown on the statement for each foreign currency transaction – see **clause 2.18**. A voucher copy fee will be charged if the Customer requires a copy of the voucher for an authorised transaction on a Visa account; and

- h. A statement copy fee will be charged if the Customer requests a copy of any statement.

### 6.2 Agreement to pay

The Customer agrees to pay the above and any other fees and charges determined by the Bank for services provided in connection with the Customer's Visa account or imposed by government regulation, and further agrees that such fees, charges and recovery costs will be debited to any Visa account of the Customer. For details of these fees, please contact your BNZ Cards representative. These fees and charges may be changed from time to time by the Bank. Prior notice is not required for interest rate changes and other variations that are

subject to market fluctuations but otherwise the Bank will keep the Customer advised of fees and charges in the same manner described in **clause 14.5**.

## 7 Interest charges

### 7.1 Interest charges

Interest will be charged on Visa accounts in the circumstances set out in this **clause 7**.

### 7.2 Method of calculating interest

Interest during a statement period is calculated by multiplying the relevant daily interest rate by the total of all unpaid transactions, fees and charges that accrue interest at that interest rate at the end of each day. The relevant daily interest rate is calculated by dividing the applicable interest rate by 365 (366 in a leap year).

### 7.3 Interest on Cash Advances

Interest free periods do not apply to cash advances. Interest will accrue on any cash advance (including any applicable cash advance fee or foreign currency service fee) from the date the cash advance is made until the cash advance (including any applicable cash advance fee or foreign currency service fee) is repaid in full to the Bank. Interest will accrue on the interest charge debited from a Visa account in relation to a cash advance from the date the interest charge is debited until it is paid in full. Purchases of travellers cheques and/or currency are cash advances as are certain bill payments (as set out in **clause 3**).

### 7.4 Interest on Transactions other than Cash Advances - Visa Accounts with an interest free period

If the Visa account has an interest free period **clauses 7.4 a** and **7.4 b** will apply to all transactions and outstanding debit balances (other than cash advances and related fees and interest which always accrue interest as set out in **clause 7.3**) and the term 'Transaction' shall have that meaning for the purpose of this **clause 7.4**.

- a. Full amount of current balance:  
If the Customer always pays the full amount of the 'current balance' shown on a statement by the Last Date for Payment, interest will not accrue on the 'current balance'.
- b. Less than current balance:  
Where the Customer pays less than the full amount of the 'current balance' shown on a statement by the Last Date for Payment, the interest free period will no longer apply to the 'current balance' and any new Transactions made until the closing date of the next statement period. Interest will accrue at the applicable purchase interest rate in the following two ways, taking into account any payments made to your Visa account:
  - i. On the entire 'current balance':
    - › from: the date that each particular Transaction or fee making up the 'current balance' was made or debited;
    - › until: the closing date of that next statement period; and
  - ii. On Transactions or fees made or debited on the next statement:
    - › from: the date that Transaction or fee was made or debited;
    - › until: the closing date of that next statement period.

## **7.5 Interest on Transactions other than Cash Advances - Visa Accounts with no interest free period**

If the Visa account has no interest free period, interest will accrue on all transactions and outstanding debit balances (other than cash advances and related fees and interest which always accrue interest as set out in **clause 7.3**) as set out in this clause. That is, interest will accrue (at the applicable purchase interest rate) in the following two ways:

- a. on any transactions:
  - › from: the date the transaction is made;
  - › until: it is repaid to the Bank in full; and
- b. on any fee or interest charge:
  - › from: the date the fee or interest charge is debited;
  - › until: it is repaid to the Bank in full.

## **7.6 Notification of rates**

The current annual debit interest rates, and any interest rate structures, specials or promotions (if applicable) are shown on each statement. The Bank sets these interest rates and the Bank may change them at any time. Notice of these changes will be displayed in the Bank's branches, advertised in the public notices column of major daily newspapers, and posted on the Bank's website.

The new rates and other changes will then be disclosed on the statement recording the next transaction to which the new rate applies.

## **7.7 Customer to pay interest**

The Customer agrees to pay interest at the rates, and in accordance with the interest rate structures (including any specials or promotions) set out on the Customer's statement or otherwise advised to the Customer.

# **8 Payments**

## **8.1 Payments due**

The total payment due on a Visa account must be paid to the Bank by the last date for payment specified on the statement. Unless agreed otherwise, all payments must be made to the Bank by direct debit.

## **8.2 Deposit Reversal**

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

## **8.3 When payment received**

For the purposes of calculating interest, the Customer's payment will be credited to the relevant Visa account as at the date the Bank receives it. Standard processing times mean that a payment may not appear on the Bank's records in time for it to be taken into account when deciding whether to approve a transaction. Generally, the Customer's payment must be received by the Bank 2 business days prior to the Customer's statement closing date if it is to appear on the Customer's current statement.

## **8.4 Allocation of payments**

The Bank is not required to act on, or check if the Bank is complying with, an instruction to apply a payment for a specific purpose or subject to any condition. The Bank will not be responsible for applying a payment in a way that differs from any instruction. The Bank will determine how payments to a Visa account are applied. We generally (but are not required to) apply payments in the following order:

- a. To the 'current balance' shown on the statement, in descending order of amounts attracting the highest interest rate to those attracting the lowest interest rate. We will apply payments to those amounts in the order of:
  - › fees;
  - › interest;
  - › transactions.
- b. Where the 'current balance' has been repaid, the Bank will apply payments to any fees, interest and transactions debited since the last statement, in the same manner as above.

Notwithstanding the above, if the Customer has made a payment that creates a credit balance in the relevant Visa account, that credit will be applied to any future transactions in the order that those fees, interest and transactions are processed.

## 9 The Customer's liability

### 9.1 Customer's obligations: The Customer agrees

- a. To ensure no transaction is conducted on a Visa account beyond the applicable credit limit(s);
- b. To immediately pay any amount that exceeds the applicable credit limit(s) applying to a Visa account beyond the applicable credit limit(s);
- c. To pay at least the required payment by the due date;
- d. To advise the Bank of any change to the Customer's contact details;
- e. To notify the Bank immediately if any Card has been lost or stolen or its Card Details are compromised, or any PIN has or may have become known to someone else;
- f. To ensure that each Supplier complies with the agreed procedure for use of a Virtual Dynamic Funding Card between the Customer and Supplier;
- g. To immediately destroy any Card and any evidence of its Card Details if requested (the Card (including any chip on the Card) should be cut in half);
- h. To pay in the manner and at the times requested by the Bank all the amounts owing in relation to Visa accounts; and
- h. To advise the Customer's bank and any other party to cancel any authorities (e.g. automatic payments, direct debits) authorising payments to or transactions from the Bank once the Customer's Visa account has been closed.

### 9.2 Non-payment: If the Customer does not pay any amount owing in relation to a Visa account

- a. The Customer must pay, on demand, any legal fees (on a solicitor/client basis) or other costs which the Bank may incur in recovering or attempting to recover any amounts properly payable by the Customer to the Bank and the Bank will debit such legal fees and other costs to any Visa account; and
- b. The Bank has the right to debit any other account the Customer may have with the Bank for any money due by the Customer to the Bank in respect of a Visa account.

### 9.3 Liability when Card is lost or stolen

Once the Customer has notified the Bank that a Card has been lost or stolen or the Card Details have been compromised, or a PIN may have been disclosed to someone else, the Customer will not be liable after that time for any transactions using

the Card by anyone other than a Cardholder. The Customer's liability for any loss before notifying the Bank will not exceed NZ\$50 unless the Customer or a Cardholder has:

- a. Unreasonably delayed notifying the Bank;
- b. Selected an unsuitable PIN such as the examples referred to in **clause 2.9** of these Conditions of Use;
- c. Written a PIN on a Card or kept a written record of a PIN with or near a Card;
- d. Kept a PIN in a form that can readily be identified as a PIN;
- e. Disclosed a PIN to someone else or failed to take reasonable care to prevent others from identifying a PIN, when, for example, keying-in or using a PIN;
- f. Allowed someone else to use a Card or failed to reasonably safeguard a Card; or
- g. Contributed to or caused losses from unauthorised transactions by the Customer's or the Cardholder's actions.

#### **9.4 Liability for loss before notification**

If any of the events in **clause 9.3** of these Conditions of Use apply, the Customer will be liable for all transactions before the Customer notified the Bank, or for any loss which could otherwise have been prevented up to the amount the Customer and/or any Cardholder(s) would have been able to access during the time before the Customer notified the Bank of the loss or theft of the relevant Card, or the disclosure of the relevant PIN. If these transactions cause the Customer's credit limit(s) to be exceeded, the Customer will be liable to pay the excess amount without delay.

#### **9.5 Negligence and fraud**

The limits on the Customer's liability set out in **clauses 9.3** and **9.4** of these Conditions of Use do not apply where the Customer or a Cardholder has acted negligently or fraudulently, either alone or together with any other person.

#### **9.6 Customer's liability**

The Customer is liable for all losses, including any consequential losses suffered by third parties, if the Customer or a Cardholder acts fraudulently, either alone or together with any other person. The Customer may be liable for some or all losses arising from any unauthorised access whether occurring before or after notification if the Customer or a Cardholder has caused or contributed to that loss (for example, by failing to comply with these Conditions of Use).

#### **9.7 Exclusions: The Customer is not responsible for**

- a. Any negligent or fraudulent conduct by any of the Bank's staff or agents or parties involved in the provision of electronic banking services; or
- b. Any incorrect charges to any Visa account when the machinery used or system involved in a transaction is not working properly, unless the Customer or a Cardholder persists in using the Visa account when advised by a message or notice on display that the machinery or system is not functioning properly; or
- c. Any unauthorised transaction occurring either before the Customer receives a Card or when it is clear to the Bank that the Customer or a Cardholder could not have contributed to any loss the Customer may have suffered.

#### **9.8 Security**

Any money owing by the Customer in respect of a Visa account is secured by any present or future securities given by the

Customer (whether in conjunction with any other person or not) to the Bank.

## 10 The Bank's position

### 10.1 Where the Bank is not responsible:

- a. Refusal by a Visa member to make a cash advance; or
- b. Any dispute between the Customer and Supplier; or
- c. Any dispute between the Customer and a merchant; or
- d. Any dispute between the Customer and any Cardholder; or
- e. The actions of any merchant or any Supplier; or
- f. Any losses caused by occurrences beyond the Bank's control, including non-delivery of mail and failure of an ATM or communication linkage resulting in a Cardholder being unable to use a Card; or
- g. Any action taken by the Bank, where a Card has been reported lost or stolen, which results in a merchant refusing a transaction because the merchant suspects that the Cardholder is not authorised to use the Card; or
- h. Any action taken against the Customer in connection with the fraudulent use of a Card.

### 10.2 Where the Bank is not liable:

- a. Will not be liable for any claim that arises from acting reasonably in accordance with the Customer's or a Cardholder's instructions;
- b. Will not be liable for any loss suffered by the Customer or any third party due to matters outside the Bank's control (including, without limitation, non-delivery of mail, machine failure, system failure, strikes third party Suppliers, or communication linkage failure resulting in the Customer or a Cardholder being unable to use a Card or Visa account);
- c. Accepts no liability for the loss or destruction of, or delay in processing, instructions or other documents;
- d. Accepts no liability (except interest for the period of the delay) for any delay in transferring funds to or from a Visa account;
- e. Will not be liable for any action taken by the Bank, where a Card has been reported lost or stolen, which results in a merchant refusing a transaction because the merchant suspects that the Cardholder is not authorised to use the Card;
- f. Will not be liable for any losses which arise where the Customer or a Cardholder acted negligently or fraudulently, either alone or together with any other person(s);
- g. Will not be liable for either refusing to act on contradictory instructions given in respect of a Visa account or for acting on any one only of such contradictory instructions; and
- h. Will not be liable for, in respect of any Virtual Dynamic Funding Card transaction, any input errors by the Customer or any Supplier.

### 10.3 Acting on instructions: Irrespective of anything else stated in these Conditions of Use, the Bank:

- a. May decline to act or delay acting on any instructions given where the Bank considers that the Bank has good reason to do so; and
- b. May, where a Visa account can be accessed by telephone or by any electronic means, assume that any telephone or

electronic instructions received using a PIN for a Card or secure password are authorised by the Customer.

#### **10.4 Customer's indemnity to the Bank**

Where the Bank acts upon a facsimile, telephone, email or other electronic instruction from the Customer or a Cardholder regarding a Visa account and that instruction appears to the Bank's reasonable satisfaction to have been made in accordance with authorities held by the Bank, to the extent permitted at law the Customer indemnifies the Bank against all losses, claims and expenses that the Bank may incur by reason of acting upon the instruction. Without further authority or enquiry the Bank will debit any Visa account with all such claims and expenses whether or not the Visa account may exceed its credit limit(s) as a result. As a result, an over limit fee may be charged as explained in **clause 6.1 f** of these Conditions of Use.

## **11 Suspending or closing Visa accounts or cards**

### **11.1 By the Bank**

The Bank may at any time suspend operation of any Visa account (including, but not limited to, limiting or suspending the number, types and/ or amounts of transactions the Bank authorises on a Visa account) or close any Visa account. The Bank may at any time cancel the right to use a Card. As soon as the Visa account(s) is/are closed or a Card is cancelled the Customer must destroy the relevant Card(s) issued on the Visa account(s) by cutting them (including any chip on the Card(s)) in half and destroying any evidence of the Card Details. If a Card is cancelled the Customer must then immediately pay the entire balance of the Visa accounts that the Bank has specified.

### **11.2 By the Customer**

The Customer can apply to cancel any Card or Cards and close the associated Visa account(s) by destroying the Card and any evidence of its Card Details:

- a. Completing the appropriate form, which is available from the Customer's BNZ Cards representative;
- b. In the case of cancellation of a particular Card, by such other communication accepted by the Bank in its sole discretion; or
- c. Sending written advice to: Bank of New Zealand, Corporate Cards, Private Bag 39806, Wellington Mail Centre, Lower Hutt 5045.

The Customer must destroy all Cards and any evidence of Card Details. Physical Cards must be destroyed by cutting them (including any chip on the Cards) in half.

### **11.3 Customer's liability**

If a Visa account is closed, whether by the Bank or the Customer, the Visa account will be immediately repayable by the Customer on demand by the Bank, together with all other amounts payable in relation to the Visa account by the Customer under these Conditions of Use. Also, the Customer will still be liable for:

- a. Payment of the debit balance of the Visa account;
- b. All fees and charges and any transactions made on the Visa account up to and after the time that the Visa account is closed and the Card and all evidence of its Card Details are destroyed. This is so even if transactions made have not

been debited due to negotiation delays by a merchant or other parties dealing with the transaction;

- c. Use of the associated Card number or Visa account for any mail, telephone, electronic or remote transactions prior to or after the destruction of the Card, destruction of evidence of the Card Details or prior to the closure of the Visa account;
- d. Any legal fees (on a solicitor/client basis) or other costs which the Bank may incur in recovering amounts owing on the Visa account;
- e. Any recurring transactions, any fees or other costs associated with any recurring transactions, or cancellation of any recurring transactions, arranged with a merchant or another bank; and
- f. Interest on the Visa account, and all fees, charges and insurance premiums on the Visa account, if, for any reason, they are not paid off immediately.

Any indemnity given by the Customer to the Bank will survive closure of the Visa account.

#### **11.4 Repayment in other circumstances**

The entire debit balances on the Visa accounts together with all other amounts owing on those accounts (including interest) shall become immediately due and payable to the Bank:

- a. If a resolution is passed, or an order is made for the winding-up of the Customer if a company;
- b. If a receiver is appointed of all or any part of the undertaking of the Customer if a company;
- c. At the Bank's discretion, if the Customer is in breach of any of the terms of these Conditions of Use; or
- d. Upon the termination of these Conditions of Use.

#### **11.5 Unused credit**

If the Bank suspends the operation of a Visa account, the Bank will not be obliged to provide any unused credit on the Visa account.

## **12 Errors or discrepancies**

### **12.1 Customer's obligation to notify the Bank**

The Customer must notify the Bank in writing within 30 days of the Customer's statement closing date if the Customer thinks that:

- a. A statement shows an incorrect charge;
- b. A transaction is incorrectly recorded on the statement or is unauthorised; or
- c. The Customer has lost funds because an ATM or EFTPOS terminal is not working properly during the period to which the statement relates.

### **12.2 Checking statements**

The Customer is responsible for checking the Customer's statements to ensure their accuracy and advising the Bank of any error, discrepancy or unauthorised transaction. If the Customer does not write to the Bank within 30 days of the Customer's statement closing date at the address set out in these Conditions of Use, the charge or the record of the transaction will remain.

### **12.3 Information required**

If the Customer thinks an error or mistake has been made the Customer must tell the Bank:

- a. The Customer's name;

- b. The relevant Card number(s) and the numbers of the Visa accounts the Customer thinks have been affected; and
- c. What happened, when it happened, how much the Customer thinks has been lost and, if relevant, who the merchant is or where the ATM or EFTPOS terminal is located.

#### **12.4 When the Bank will respond**

The Bank will acknowledge receipt of the Customer's enquiry and advise the Customer of the expected time that it will take to obtain the necessary information.

#### **12.5 Action the Bank will take**

The Bank will correct a Visa account if the Bank is satisfied that an ATM or EFTPOS terminal was not working properly, if the Bank has made an error, or if the Card used was forged or faulty, or, subject to the exceptions set out in these Conditions of Use, if the Card has been used fraudulently. If, as a result of the Bank's investigation, the Bank believes that the charge or transaction should remain, the Bank will write to the Customer setting out the Bank's reasons for this conclusion. A fee will be charged for this service.

#### **12.6 If the Customer is not satisfied**

If the Customer is not satisfied with the Bank's response, the Customer should refer the Customer's complaint to Complaint Resolution, BNZ Complaint Resolution Team, PO Box 995, Auckland 1140, telephone **0800 788 999**. If the Customer is unhappy with the Bank's investigation, the Bank can refer the matter to the Banking Ombudsman, PO Box 10-573, The Terrace, Wellington 6143, telephone **+64 4 471 0006** or call **0800 805 950**.

## **13 Personal information**

### **13.1 Application**

This clause applies if the Customer is an individual i.e. a natural person and to Cardholders.

#### **a. Information about you**

Information about the Customer and Cardholders which, at any time, the Customer provides to the Bank or is collected by the Bank 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 the Bank (each a BNZ Company), or which the Customer or a Cardholder provides, at any time, in connection with a Visa account to Visa and any insurance underwriters or insurance agents used in relation to a Visa account (collectively the 'Parties') may be stored, used or disclosed in accordance with this **clause 13**. Each of the BNZ Companies and the Parties may rely on this **clause 13** pursuant to the Contracts (Privity) Act 1982.

#### **b. Storage of Information**

Information about the Customer and Cardholders may be stored physically or electronically, including in offshore facilities, by the Bank, 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 the Customer and Cardholders is protected securely by safeguards as required by the Privacy Act 1993 and any other applicable laws. No BNZ Company will disclose information about the Customer and Cardholders to any person, except in connection with a purpose described

below, or as authorised by the Customer or as required or authorised by law.

c. Use and Disclosure of Information

Information about the Customer and Cardholders will be used primarily for administering the Customer's Visa accounts and offering or providing banking and other financial services to the Customer. 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 the Customer 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 information about any products, services or promotions offered or distributed by any BNZ Company, the Parties or a third party. The information may also be disclosed to any person who has given a guarantee or security in respect of the Customer's obligations to the Bank.

d. To seek the Customer's views on their services and the products they offer, a BNZ Company or a Party may provide the Customer's name, address and telephone number to reputable market research organisations. The information is selected at random and places the Customer 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 the Customer does not wish to be involved, the Customer must advise the Bank.

e. In respect of opening and reviewing Visa accounts, applications and offering the Customer relevant products and services, the Customer authorises the BNZ Companies to make credit references and other enquiries within its normal procedures. For this purpose, the BNZ Companies may seek from any such source information concerning the Customer. In the event that the Customer is in default under any loan or facility from the BNZ Companies, the BNZ Companies are authorised to disclose all relevant personal information to and for the use of credit reference agencies, debt collection agencies and law firms.

f. Pursuant to the Privacy Act 1993 and other applicable laws, the Customer and Cardholders have rights to see and request correction of personal information about the Customer and Cardholders held by a BNZ Company.

g. If the Customer does not wish to provide all the information requested on an application form, the Customer shall notify the Bank. If the Customer does not provide all the information requested on the application form, the Bank may restrict the products, facilities and services available to the Customer.

h. To obtain more information about how the Bank manages information about Customers and Cardholders or if you would like a copy of the Bank's relevant privacy policies please contact the Bank.

## 14 General

### 14.1 New Zealand law

Visa accounts, the banker/customer relationship between the Bank and the Customer and these Conditions of Use are governed by New Zealand law. Any disputes in respect of these Conditions of Use shall be heard and determined by the New Zealand courts.

### 14.2 Financial difficulty

The Customer should notify the Bank immediately if it is in financial difficulty and believes it may not be able to meet its obligations to the Bank. Call the Bank on **0800 800 667**.

### 14.3 Promotions

The Bank may, in association with any merchant, company or person, run various schemes to promote the Bank's goods and services or those of that other party. The Customer will be advised of the nature and benefits of any such promotion.

### 14.4 More information

The Customer may at any time ask the Bank for information about the Customer's Visa accounts.

This includes copies of previous statements, details of transactions, details of the current fees and charges or copies of the Bank's current Conditions of Use. The Bank may charge a fee for these services.

### 14.5 Changes to these Conditions of Use

The Bank may change, add to, delete or replace these Conditions of Use at any time. If the Bank does so, the Bank will tell the Customer about those changes at least 14 days before the change becomes effective. The Bank will tell the Customer about changes to these Conditions of Use in one or more of the following ways, by:

- a. writing to the Customer's last known address;
- b. display in our branches and partners centres;
- c. notice in the media (including public notices); or
- d. display on our website, **bnz.co.nz**

### 14.6 Customer's contact details

The Customer must notify the Bank promptly of any change to the Customer's contact details (including address, telephone details and email address if applicable). Until the Customer gives such notice, the Bank may assume that the contact details the Bank holds for the Customer are correct.

### 14.7 Internet banking and telephone banking

The Bank's Internet banking and telephone banking terms and conditions apply when the Customer or a Cardholder uses 24 Hour Banking to access a Visa account. The Bank may modify, add to or delete any of the Bank's Internet banking and telephone banking terms and conditions from time to time.

### 14.8 Electronic communications

The Bank may communicate with the Customer electronically, including by email or the Bank's website, and in particular may:

- a. Maintain (at all reasonable times) a website that allows the Customer access to a statement recording transactions using Cards for any reasonable statement period specified by the Bank; and
- b. Send the Customer an electronic communication that allows the Customer to access a statement recording transactions using Cards from the Bank's website or by means of the Internet.

#### 14.9 Notice

Except as otherwise provided in these Conditions of Use, any notice which shall be required to be given in terms of these Conditions of Use shall be deemed to be given on the day after the date of posting to the Customer of notice properly addressed to the last address of the Customer known to the Bank.

#### 14.10 Management Tools

The Bank provides electronic data, expense and communication management tools subject to the terms and conditions that apply to the provision of those products.

## 15 How to contact the Bank

### 15.1 The Customer may contact the Bank as follows:

- a. For any queries WITHIN NEW ZEALAND, contact any of the Bank's branches or call any one of the Bank's customer solutions advisors on **0800 275 269**.  
Visit [bnz.co.nz/contact](http://bnz.co.nz/contact) for opening hours.
- b. For queries WHILE OVERSEAS:
  - i. Within Australia freephone any one of the Bank's customer solutions advisors on **1800 127 277**.
  - ii. From overseas except Australia, reverse charge **+64 4 470 9201**.
  - iii. Visit [bnz.co.nz/contact](http://bnz.co.nz/contact) for opening hours.
- c. To report a lost/stolen Card, disclosure of PIN or unauthorised use of a Card:
  - i. In New Zealand call **0800 275 269**.
  - ii. From overseas call collect **+64 4 470 9201**.  
Visit [bnz.co.nz/contact](http://bnz.co.nz/contact) for opening hours.
- d. Further information and copies of the Bank's current disclosure statement may be obtained from any branch or agency of the Bank.
- e. To write to the Bank concerning the Customer's Visa account(s):

Bank of New Zealand  
Corporate Cards  
Private Bag 39806  
Wellington Mail Centre  
Lower Hutt 5045

The Customer can also visit the Bank on the Internet at **[bnz.co.nz](http://bnz.co.nz)** to send a secure email via the Internet Banking site.

