

Your Personal and Sole Trader TotalMoney accounts.

Terms and Conditions

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Thank you for signing up to TotalMoney.

It is important you read these terms and conditions as they will help you understand your TotalMoney account. If you would like more information on how to get the most out of TotalMoney, please go to bnz.co.nz

Important information, please read:

In these terms and conditions, when we talk about a Group Member's Accounts or Loans, we mean the Accounts or Loans of which the Group Member is an Account Holder or Loan Customer (as applicable).

Disclosure of information - other Group Members

All Group Members can view the balances, Account numbers, Account names, nicknames, and offsetting, pooling and priority settings of **all** Accounts and Loans in the Group (even those which are not their own Accounts or Loans).

However, Group Members can only view transaction details and transact against their own Accounts and Loans.

Changes to your TotalMoney entitlements and obligations

Any single Group Member acting alone can do any of the following:

- a. open new Accounts in the Group;
- b. change the Account that is charged the nominated monthly fee to one of their Accounts;
- c. close their Accounts;
- d. transfer their Accounts or Loans to another TotalMoney Group; or
- e. in limited circumstances change the offset priority of their Loans (for more information, see **clause 7.3**).

Because of the way TotalMoney works, these activities may affect other Group Members' entitlements or obligations.

All Group Members should go online regularly to check the Group information and settings, as we will not notify you of changes made by other Group Members.

1. Definitions

Account: A TotalMoney account with us in the name of the Group Member.

Account Holder: The customer(s) named in the TotalMoney registration form as the holder of the Account.

Authorised Signatory: A person authorised to operate an Account or Loan, including a limited user or additional signatory.

BNZ, we, us or our: Bank of New Zealand.

Child: A dependent or independent natural child, adopted child, step-child, or child under the care of a legally appointed guardian.

De Facto Relationship: Has the meaning provided to that term in section 29A of the Interpretation Act 1999. We will determine whether a De Facto Relationship exists in our absolute discretion.

Group: The Accounts and Loans of the Group Members.

Group Member: The customer(s) of BNZ named as members of a TotalMoney group in the TotalMoney registration form, or later joined as a member of that TotalMoney group under another TotalMoney registration form. 'Group Member' does not refer to a customer in their capacity as a member of any other TotalMoney group. For example, although a customer cannot have individual Accounts in more than one TotalMoney group, a customer can have joint Accounts in one TotalMoney group, individual Accounts in another TotalMoney group, and a sole trader Account in another TotalMoney group.

Loan: A TotalMoney loan with us in the name of the Group Member(s).

Loan Customer: The customer(s) named in a TotalMoney letter of advice as the 'Customer' under that TotalMoney loan.

Parent: The parent or legal guardian of a Child.

you and your: The Account Owner, and/or the Account Holder as the context requires.

Interpretation: The plural includes the singular and the singular includes the plural unless the context requires otherwise.

2. Standard Terms and Conditions

The Accounts are subject to BNZ's Standard Terms and Conditions as well as these TotalMoney terms and conditions.

For a copy of BNZ's Standard Terms and Conditions, please visit our website bnz.co.nz or ask at your nearest store.

3. Fees

The Accounts are subject to BNZ's standard account and service fees. For information about fees, please visit our website bnz.co.nz or ask at your nearest store for a copy of the Personal Account, Service and Facility Fees brochure.

The TotalMoney Monthly Account Fee referred to in the Personal Account, Service and Facility Fees brochure will be charged to the Group and deducted from one Account in the Group on the last business day of each month. A Group Member can choose one of their Accounts from which this monthly fee is to be paid. If no Account is chosen by a Group Member, we will choose the first Account opened as the default Account.

4. Changes to these terms and conditions

We can change these terms and conditions at any time. When we do so, we will tell you about those changes at least 14 days before the change becomes effective. However, where changes are made to protect the security of our systems or to comply with a change in the law, we can tell you after the change has become effective.

We will tell you about changes to these terms and conditions in accordance with our obligations under the Code of Banking Practice, taking into account the impact of the change to you. We will tell you in one or more of the following ways by:

- › writing to you at the last address you have provided us;
- › display in our stores and partners centres;
- › notice in the media (including public notices); or
- › display on our website.

5. General

A Group must always contain at least one Account. A Group does not always have to contain a Loan.

We can decline an application to open an Account or require an Account to be closed.

If the TotalMoney registration form is signed by more than one Account Holder, these terms and conditions apply to the Account Holders jointly and each of them separately.

6. Group criteria

A Group can only consist of the following:

- › the Accounts and Loans of one individual;
- › the Accounts and Loans of two individuals (including joint accounts with each other) who are either married, in a civil union, or in a De Facto Relationship with each other, plus the Accounts and Loans of Children of either or both of those individuals;
- › the Accounts and Loans of one sole trader; or
- › the Accounts and Loans of one sole trader and two individuals (one of whom is the sole trader acting in his or her personal capacity) (including joint accounts with each other) who are either married, in a civil union, or in a De Facto Relationship with each other, plus the Accounts and Loans of Children of either or both of those individuals.

However:

- › an individual customer may not have individual Accounts or Loans in more than one Group;
- › a joint customer may not have their Accounts or Loans in more than one Group;
- › a Group must not contain more than one sole trader's Accounts; and
- › a sole trader may not have their sole trader Accounts or Loans in more than one Group.

All Group Members in a Group must be either:

- › persons who are all residents of New Zealand for tax purposes; or
- › persons who are all non-residents of New Zealand for tax purposes.

All Accounts in a Group must be set up so that each Account Holder acting alone can transact, operate or close the Account.

Group Member(s) must notify us if at any time any or all of the requirements set out in this clause are no longer met (in which case, we may require the Group Member(s) to form new or different Groups).

Please read the 'Important Information' Section on **page [2]** of these terms and conditions in relation to the disclosure of information to other Group Members. You consent to us disclosing to all Group Members the balances, Account numbers, Account names, nicknames, and offsetting, pooling and priority settings of all your Accounts and Loans in the Group.

You may notify us at any time if you want to stop being a Group Member. If you do, you will stop being a Group Member from the beginning of the business day after we receive your notice. If you close all of your Accounts and do not have a Loan then you will stop being a Group Member automatically.

7. Interest 'offsetting' or 'pooling'

7.1 Group setting

We will set your Group to 'offsetting' if there is a Loan in the Group and to 'pooling' if there is no Loan in the Group.

7.2 Offsetting

The effect of offsetting on interest payable under your Loan is explained in your TotalMoney letter of advice.

Where your Group is set to offset, you may still be entitled to credit interest in respect of the credit balance of your Account, but only where, and to the extent that, the total credit balance of all Accounts in the Group exceeds the total balance of all Loans in the Group. This excess is treated as if it is a credit balance in an Account with a Group set to pooling, and credit interest is calculated on a daily basis in accordance with the formula in **clause 7.5**.

7.3 Priority

Where there is more than one Loan in the Group, the Loans will have a priority order under the offset as described below:

- › the Loan with the highest priority will receive the benefit of the offset first;
- › Loans of a lower priority will only be offset if, and to the extent that, the total credit balance of all Accounts is more than the balance of Loans with a higher priority.

The default priority order of the Loans will be from oldest (highest priority) to newest (lowest priority).

Only a Loan Customer (or Authorised Signatory) can change the priority order of their Loan, and they can only make their Loan have a lower priority (not a higher priority).

A maximum of nine Loans in a Group can participate in the offset.

7.4 Overdue amounts

If any amount payable under a Loan is overdue for 1 to 14 days, this overdue amount will not benefit from the offset, and interest will be charged on the overdue amount at the applicable rate under the Loan. Amounts that are not overdue will continue to benefit from the offset.

If any amount payable under a Loan is more than 14 days overdue, the offset will not be performed at all in relation to that Loan, and interest will be charged on the total amount outstanding under that Loan at the applicable rate(s) under the Loan. All other Loans in the Group (other than the Loan(s) in respect of which an amount payable is overdue) will continue to benefit from the offset. If the effect of the offset not being performed in relation to one or more Loans means that the total

credit balance of all Accounts in the Group exceeds the total balance of all other Loans in the Group, that excess will be treated as if it is a credit balance in an Account with a Group set to pooling, and credit interest will be calculated on a daily basis in accordance with the formula in **clause 7.5** (from and including the 15th day). More detail on overdue amounts is set out in your TotalMoney letter of advice.

7.5 Pooling

Where your Group is set to pooling, you will be entitled to credit interest on the credit balance in your Account. Credit interest will be calculated using the applicable annual interest rate, which is determined by reference to the total credit balance of all Accounts in the Group minus (where applicable) the balance of all Loans in the Group which have been offset.

Each Account gets a proportionate share of the daily credit interest earned by all the Accounts in the Group. We calculate this as follows for each Account in the Group:

$$\frac{a \times b \times IR}{365}$$

Where:

- a =** The 'Pooling Amount', being the total credit balance of all Accounts in the Group, **minus** (where applicable) the balance of all Loans in the Group which have been offset
- b =** The credit balance of the relevant Account, **divided** by the total credit balance of all Accounts in the Group
- IR =** The applicable annual interest rate. This is the interest rate that would apply to the Pooling Amount

7.6 Credit interest

Interest will be credited to the Account monthly on the last business day of each month less any deduction, levy or withholding taxes which are required to be deducted under any applicable law.

Interest rates, interest rate tiers and margins or bonus rates (if applicable), are available on our website **bnz.co.nz**. We can change these at any time. Any changes may be advertised by public notice in major newspapers or on our website.

7.7 Overdrawn Accounts

Any Account that is overdrawn will not be included in pooling or offsetting for the period it is overdrawn.

8. BNZ Internet Banking

8.1 Operating online

If you are 13 years or older, you must be registered for BNZ Internet Banking in order to have an Account.

If you are less than 13 years old, you do not need to be registered for BNZ Internet Banking to have an Account. If you are less than 13 years old, you can only be registered for BNZ Internet Banking if your Parent agrees to this.

BNZ's Internet Banking Terms and Conditions apply to your use of BNZ Internet Banking. For a copy of BNZ's Internet Banking Terms and Conditions, please visit our website **bnz.co.nz** or ask at your nearest store.

8.2 Opening new accounts

Group Members who have an Account in their individual, sole trader or joint names are able to open new Accounts in that name/those names online using BNZ Internet Banking. Joint Account Holders can, acting alone, open new Accounts online in that joint account name.

Any new Accounts opened will be subject to these terms and conditions, as amended from time to time. The ability to open new Accounts online will be subject to the maximum number of Accounts in a Group, as set by us from time to time.

8.3 Online statements

By choosing TotalMoney, you consent to us:

- › meeting our disclosure obligations to you under the Credit Contracts and Consumer Finance Act 2003 (if applicable); and
- › sending you other notices and communications, in electronic form and by electronic communication (if applicable) in relation to **all** transaction, savings and home loan accounts that you have with BNZ under your customer name (including, but not limited to, the Accounts and Loans).

You agree that this means that we will make available, through BNZ Internet Banking, ongoing information (for example, payments you have made during a relevant period) about your transaction, savings and home loan accounts. You acknowledge that this means you will not receive paper statements for any of these accounts.

Group Members aged under 13 who are not registered for BNZ Internet Banking, and Account Holders of Accounts with more than one Authorised Signatory, will receive paper statements.

While we will meet our continuing disclosure obligations under the Credit Contracts and Consumer Finance Act 2003 in this way, this does not prevent us meeting our other disclosure obligations under that Act (if applicable), or from sending you other notices and communications, by other forms of electronic communication.

9. Confirmations

By opening an Account, you confirm that:

- › each Account Holder has, or in the case of joint accounts, the Account Holders have, the absolute legal and beneficial interest in the Account and is or are not acting as agent, nominee or trustee in relation to the Account; and
- › in the case of a Group which contains more than one person, all Group Members fulfil the Group criteria set out in **clause 6** of these terms and conditions.

Need more information?  **0800 275 269**  **bnz.co.nz**  **Visit any BNZ Store**

Full details, standard terms and conditions, our current disclosure statement and our Qualifying Financial Entity disclosure statement may be obtained free at any store or viewed on our website.