

These Personal Banking Terms and Conditions will apply to all personal accounts and services that are opened or utilised with TSB Bank.

**Effective from October 2010**

## A. Account conditions - General

1. If TSB Bank Limited ("Bank") requests a minimum opening balance, that minimum balance may have to be maintained in the account until the relevant account is closed. If any such minimum balance is not maintained, the Bank may make service charges (as specified from time to time in the Bank's Account and Service Fees brochure (which may be obtained from any branch of the Bank or from the Bank's website [www.tsbbank.co.nz](http://www.tsbbank.co.nz))).
2. The account(s) should not be used for trading or business purposes.
3. The Bank may, at any time, require the Account Holder (and any authorised signatory) to prove their identity and their authority to operate the accounts.
4. Funds deposited into the account may not be able to be withdrawn until they have been cleared. However, if the Bank permits the Account Holder to draw against uncleared funds, the Bank is providing credit and will require to be repaid (including interest and charges) if the payments into the account are reversed out. If a transfer of funds (electronic or otherwise and whether in New Zealand or foreign currency) into an account is, at any time, and for any reason, reversed or dishonoured, the Bank will debit that account for the amount reversed or dishonoured.
5. The Account Holder may not transfer, assign, or grant any security interest over any rights in an account except in favour of the Bank or with the Bank's prior written consent.
6. Interest will be charged and service charges will be made on accounts that become overdrawn without the Bank's prior authorisation and, if cheques are unpaid because there are insufficient funds in an account, or because they contain irregularities, the Bank may at its discretion, demand immediate payment of any overdrawn amount and require the account to be closed and all unused cheques, Bank forms or cards returned.
7. The Bank may, at any time, without notice apply the whole or any part of any balance that may now or at any time in the future stand to the credit of any account(s) (including Term Investment accounts (whether or not they have reached maturity)) to payment of any balance that may be in debit in any other account(s) held in the name of the Account Holder (or any one of them severally) and to close any such account(s) and whether any book entries shall or shall not have been made, to treat such credit balance as having been applied.
8. If the Account Holder:
  - (a) holds funds on trust or otherwise for third parties; and
  - (b) opens an account for, or performs any transaction involving, those funds which is not authorised by the terms of the trust or otherwise by the third parties, to the fullest extent provided by law:
  - (c) under no circumstances is the Bank liable to the Account Holder or any third party for the Account Holder's unauthorised actions; and
  - (d) the Account Holder is to indemnify the Bank from and against all liabilities, losses and consequences arising from the Account Holder's unauthorised actions.
9. The Bank may, at its discretion, rely on and act on instructions or requests initiated electronically or by telephone or, in the case of facsimile, bearing the signature(s) appearing to be that of the authorised signatories.
10. To the fullest extent permitted by law, the Account Holder is to indemnify the Bank against all liabilities or losses incurred by the Bank resulting from the Bank acting or omitting to act in accordance with an instruction which is or purports to have been by or on behalf of the Account Holder, whether by telephone, electronically or by any other method, in relation to the account within the agreed range of services.
11. The Account Holder will be liable to the Bank for any loss resulting from unauthorised access to an account that is caused, or contributed to by the Account Holder (including failing to keep account and account operating information confidential).
12. The Bank will deduct withholding tax in respect of any interest credited to an account or paid out and, if the account is a joint account, the highest withholding tax rate applicable to the Account Holders will be applied. If no IRD number is provided, resident withholding tax will be deducted at the default rate.
13. The Account Holder shall be liable for all costs or charges of any nature incurred by the Bank (including collections and legal fees) as a result of any debt recovery. Any costs or charges incurred will be added to the amount of the original debt.
14. The Bank may at its discretion suspend the operation of an account (including, if any dispute arises about the operation of that account, until an amicable agreement has been reached between the disputing parties and so notified in writing to the Manager of the relevant branch of the Bank).
15. Any interest payable on an account will be calculated at the rates and at the intervals prescribed by the Bank from time to time and such rates are subject to change, without notice. Details of current interest rates may be obtained from any branch of the Bank or the Bank's website [www.tsbbank.co.nz](http://www.tsbbank.co.nz).
16. Unless requested otherwise by the Account Holder (or an authorised signatory), statements for accounts (excluding Term Investment accounts) will be made available at least every six months, in printed or electronic form.
17. The Bank may make, and debit from an account, the relevant charges (as specified from time to time, in the Bank's Account and Service Fees brochure (which may be obtained from any branch of the Bank or the Bank's website [www.tsbbank.co.nz](http://www.tsbbank.co.nz))) in respect of any account.
18. The Bank may provide the Account Holder with additional products and services (including Cashflow cards, HomeBank Internet, HomeBank Phone, authorised overdrafts and electronic payments). Those additional products and services are provided subject to additional conditions which the Bank may amend from time to time. Where such additional conditions are different to these Account Conditions, those additional conditions take precedence (unless the additional conditions expressly state otherwise). The Account Holder's use of these products and services constitutes the Account Holder's acceptance of the relevant conditions. Copies of the current conditions for the additional Bank products and services are available from any branch of the Bank, or the Bank's website [www.tsbbank.co.nz](http://www.tsbbank.co.nz).
19. The same base number may be used for any further accounts opened by the Account Holder under the same name(s), and the same conditions will apply to such further accounts.
20. Joint Account Holders are jointly and severally liable in respect of any money owing on an account.
21. The Bank may, from time to time, offer additional benefits to the Account Holder. If the Bank makes any additional benefits available, it will then provide the Account Holder with all appropriate details.
22. The Bank may vary all or any of these account conditions, including fees and charges, at any time. When informing the Account Holder of these variations the Bank will:
  - (a) give at least 14 days' notice of such variation, and
  - (b) communicate such variations, either by direct communication or display in all the Bank's branches and/or by notice in the media (including public notices).In addition, where conditions are displayed on the Bank's website, variations will be noted there.
23. The Bank may close an Account Holder's account or withdraw generally an account or other product or service at any time, and will usually give at least 14 days' notice setting out the relevant details. However, there may be circumstances where the Bank may close an account or withdraw an account or other product or service without prior notice, such as if the Account Holder has acted:
  - (a) unlawfully or in breach of these, or any other applicable conditions, or
  - (b) abusively to Bank staff.
24. The required number of authorised signatories for the accounts may:
  - (a) give the Bank instructions regarding the disbursement of funds from the account or any other matter relating to the account, and
  - (b) authorise the Bank to close the account.The authority of the authorised signatories shall remain in full force and effect until the relevant branch of the Bank receives notice in writing from the authorised signatories of the cancellation of such authority or some other person authorised (proven to the Bank's satisfaction) to act on behalf of the Account Holder.
25. The Bank is not liable for any consequence of the failure of any machine or system, or for any strike or dispute, or any circumstances beyond its control.

## B. Personal Cheque - Additional Account conditions (NOT AVAILABLE FOR CLUBS AND SOCIETIES)

1. The Bank will deduct Government stamp duty from cheque accounts by debiting the account for the complete cheque book when the first cheque in a new cheque book is debited against the account.
2. The Bank may refuse to pay out on a cheque that has not been correctly completed, or where there are insufficient cleared funds in the account. If this occurs, the Bank may make and debit from the account, the relevant service charge.

## C. On Call - Additional Account conditions

1. Statements will be available in electronic form only.

## D. Premier Cheque - additional Account conditions

1. A minimum deposit is required to open a Premier Cheque Account. No transaction or account management fees are charged for any calendar month in which the balance in the account is never less than the amount required for the minimum opening deposit. These include no cheque, eftpos, or ATM transaction fees. The Bank's normal fees relating to cheque accounts will apply.
2. Interest rates payable on the Premier Cheque Account are available on request. Interest at the Bank's current rates is calculated on the minimum calendar monthly balance in the account. Interest rates are tiered so that different rates apply to the portion of your monthly minimum calendar balance within each specified band. Interest is paid annually on each March 31st and interest rates can change from month to month without notice.
3. If the balance of the account falls below the minimum deposit amount for any part of a month, then a standard Account Management fee will be charged for that month and for any subsequent month in which the balance is less than the minimum deposit amount at any time. This fee is deducted from the account at the end of each applicable calendar month (refer to Accounts and Service Fees brochure).
4. The Premier Cheque Account is not a term investment, so there are no early termination charges. However, because interest is calculated on the minimum calendar monthly balance of the account, opening or closing an account can result in no interest being paid for that month.

## E. Term Investment - Additional Account conditions

1. An Account Holder may only terminate or partially withdraw the Term Investment deposit before its maturity date with the consent of the Bank. Termination or partial withdrawal will result in a recalculation of interest such that:
  - (a) if the deposit is terminated or withdrawn in the first 30 days of the initial term, no interest will be paid;
  - (b) for any other early termination or withdrawal, the applicable interest rate will be half that applying for the current term;
  - (c) consequently, if the interest already paid to the Account Holder is more than the interest then due to the Account Holder on the altered term, the Bank may deduct the excess payment from the principal amount of the Term Investment; and
  - (d) any withholding tax payments may also be affected.
2. If the Bank has not received instructions from the Account Holder about what to do with the deposit at maturity, the Bank will renew the Term Investment at the then current rate for the specified term.
3. The Account Holder should present the Term Investment certificate to the Bank:
  - (a) to redeem the deposit (close the account);
  - (b) to make a partial withdrawal that has been agreed with the Bank; and
  - (c) to alter the term or interest rate on maturity.

## F. Horizon Plan - Additional Account conditions

1. Payments may be made to the Horizon Plan account by automatic payment, direct credit, salary deduction or other payment arrangements agreed to by the Bank.
2. Withdrawals from the Horizon Plan account will incur a fee (refer to Accounts and Service Fees brochure) and may only be made at a branch of the Bank (and not through EFTPOS, electronic transfers, ATM or HomeBank).

## G. Cashflow card conditions

1. If the Bank allows an account to be operated by way of a Cashflow card, the Account Holder's use of a Cashflow card constitutes the Account Holder's acceptance of the separate conditions under which Cashflow cards are issued (which may be amended from time to time). A copy of the Cashflow card Terms and Conditions is available at any branch of the Bank.
2. The selection of a Personal Identification Number (PIN) is the responsibility of the Account Holder. Birthdates, telephone numbers and other personal information that may be easily identified must not be selected.

## H. Verification clause

1. The Account Holder is to:
  - (a) check each bank statement for the account to ensure that the entries recorded in that statement are correct, and
  - (b) notify the Bank in writing within 60 days from the date of the statement of any incorrect entry in the statement.
2. If the Account Holder fails to so notify the Bank, to the fullest extent permitted by law:
  - (a) the Account Holder is deemed to accept that the balance in the account and all transactions recorded in the statement are true, lawful and correct, and
  - (b) the Bank has a full defence against any action taken by the Account Holder for any claims of any nature including claims for breach of contract, negligence, wrongful debiting of funds and any other tort, equitable remedy or any other cause of action whatsoever brought against the Bank in respect of the account and any transaction recorded in the statement.

## I. TSB Bank Prize Draw Promotions - Conditions

1. From time to time, TSB Bank may make available prize draw promotions in respect of some or all of its products and services.
2. Currently, TSB Bank customers could be in to win in the Saver Plus Prize Draw promotion and/or the TSB Bank Monthly Cash Draw promotion.
3. For each prize draw promotion, TSB Bank will specify the amount of the cash prize, or the non-cash prize.
4. TSB Bank reserves the right to suspend a prize draw promotion, amend the prize draw promotion conditions (including setting a period for the promotion) or withdraw a prize draw promotion completely at any time.
5. Entry into the TSB Bank prize draw promotions:
  - (a) Saver Plus Prize Draw: Each complete \$100 in a Saver Plus account at the time of each draw entitles the account holder to five entries in the Saver Plus Prize Draw, and
  - (b) TSB Bank Monthly Cash Draw:
    - Each complete \$1,000 in a Premier Cheque account at the time of each draw entitles the account holder to one entry in the TSB Bank Monthly Cash Draw, and
    - TSB Bank may, from time to time, give other users of TSB Bank products and services chances to win in the TSB Bank Monthly Cash Draw. Details of requirements for entry for these other Bank products and services will be advertised when relevant.
6. The prize draws will take place on the last business day of each month during the period of the promotions.
7. TSB Bank will take all reasonable steps to contact the winner(s) of the prize draws. If the winning account holder(s) cannot be contacted by TSB Bank within 30 days of the prize draw, their prize will be forfeited.
8. Winners must agree to publicity in a manner determined by TSB Bank. Should they not agree to such publicity, their prize will be forfeited.
9. The following are ineligible for entry into the prize draws: all TSB Bank employees including Realty agents and Trustees and employees of TSB Bank Community Trust, Directors of TSB Bank, spouses, partners and children of the above including children of partners or spouses, parents of TSB Bank management, auditors and employees of auditors appointed to oversee the prize draws, Directors, Principals and employees of any company providing prizes for any TSB Bank promotion.
10. TSB Bank will only accept instructions from those persons notified to TSB Bank as authorised to act as signatories on the relevant account.
11. Prizes (other than cash) cannot be redeemed for cash.
12. TSB Bank's decisions on all matters relating to the prize draw promotions shall be final and binding.