

GENERAL TERMS AND CONDITIONS

These Terms and Conditions will form the basis of your relationship with Southern Cross Building Society through all the accounts that you currently operate with us. Southern Cross Building Society may be referred to throughout as "the Society", "SCBS", "we", "us" or "our".

1. Acceptance

Prior to operating any accounts held with the Society, we advise that you read through these Terms and Conditions. In commencing the use of the accounts with the Society, you acknowledge your acceptance of these Terms and Conditions. These Terms and Conditions are to be read in conjunction with the specific terms and conditions of any account or service provided with an account. If there is a conflict between such specific terms and conditions and these Terms, then the specific terms and conditions will prevail.

The Society is bound by the Consumer Guarantees Act 1993. However, any products and services provided by the Society for the purposes of a business are not covered by the Consumer Guarantees Act 1993.

2. Jurisdiction

Your relationship and all your accounts held with the Society is governed by New Zealand law and is subject to the exclusive jurisdiction of the New Zealand courts.

3. Opening and Operating Account

- 3.1 The Society may elect not to approve an application submitted by you to open up an account with the Society. The Society need not provide a reason for declining the application. The Society may require you to credit a minimum amount of funds to your account immediately upon opening.
- 3.2 The Society requires proof of identification on the opening of a new account. Two forms of identification is needed, one of which must be photo identification.
- 3.3 You will be required to complete and sign an application form and elect how many signatories are required to be able to operate the account. The same number of signatories will apply regardless of the service you are using or the amount of the transaction.
- 3.4 You may authorise in certain circumstances for another person to act on your behalf. The Society will honour your request as long as you have put your request in writing and sign the written request.
- 3.5 The Society will not be liable to you or any other person for any transaction(s) carried out by an authorised authority to operate on your account.
- 3.6 Any variation to the signing authority will not be effective until the branch where your account(s) are held receives it.
- 3.7 You may be required to complete or use the Society's standard forms, or forms approved by the Society, when using an account or service provided by us.
- 3.8 To protect your property and information, we may require you to prove your identity to our satisfaction at any time.
- 3.9 On your request, a joint account will be opened for you to be able to operate on a jointly and severally trading basis. Terms and Conditions will apply in relation to these accounts and are identified later in this document
- 3.10 You may authorise the Society to act on your behalf as long as the Society receives your request in writing and the instruction received will only be actioned once your signature is verified.
- 3.11 An account is able to be operated by deposits, withdrawals, transfers, direct credits, direct debits or automatic payments.

- 3.12 Payments will be declined or reversed if there are insufficient funds in your account or for other reasons. Funds paid into your account may not be available for you to withdraw until the payment is cleared.
- 3.13 If the Society permits you to draw against uncleared funds, we are providing credit and will require to be repaid (including interest and charges) if the payment/s into your account are reversed out.
- 3.14 In the event that money is owed by you to the Society, you authorise the Society at any time without your prior approval to set-off what is owed against funds to the credit of any account that is in funds, or any other amount the Society owes you. For this purpose you authorise us to transfer funds from one account to another and to break any term deposit, without prior notice to you.

Statements will be posted to your last recorded address either on a monthly, quarterly or annual basis depending on your request when you are opening your account. You should check all entries in your account statement/s and report immediately to the Society any apparent errors or transactions you have not authorised. Please refer to our dispute section of these Terms and Conditions for our investigation procedures.

- 3.15 You agree to pay all fees and other charges relating to the use of the Society's accounts and services as stated on our relevant product guide, which may change from time to time.
- 3.16 The Society may without notice withdraw from any of your accounts all fees, government charges and any other amounts owed by you to the Society. This includes any recovery/collection costs (the cost of enforcing or attempting to enforce our rights in relation to any of your Accounts) and any service provided to you (including legal expenses). The Society may use any credit balance in any of your Accounts to meet any unpaid amounts.
- 3.17 The Society is legally required to deduct withholding tax directly from any interest credited or paid directly to you. If you have not supplied your IRD details, we may have to make the deductions at a higher tax rate.
- 3.18 If you are non-resident for New Zealand tax purposes, SCBS is legally required to deduct from any interest credited or paid to you either by non-resident withholding tax at the relevant country rate, or non-residents approved issuer levy and pay such amount to the Inland Revenue Department. You are required to inform SCBS when your non-resident status changes and/or you obtain residency in New Zealand.
- 3.19 Any cheques lodged in your account will take 5 working days to clear.
- 3.20 Any drafts or overseas cheques lodged in your account will take 30 days to clear.
- 3.21 You may end your banking relationship with the Society at any time as long as the Terms and Conditions of the service are being adhered to.
- 3.22 We will not normally close your account or withdraw any of the services/products unless we have good reason to and we will give you 14 days notice prior to any action being enforced.
- 3.23 When an account is closed, any funds remaining in your account at time of closure will be returned to you, less fees and plus/minus interest applying to those funds.
- 3.24 Your rights in any account including credit balances, cannot be assigned, mortgaged or charged except in favour of the Society, or with our written consent.

4. Changes to General Terms and Conditions

- 4.1 These Terms and Conditions will apply and remain enforceable and may be altered by us by giving you 14 days notification of the changes. These changes will be communicated to you either directly through mail, email, fax or telephone or indirectly through the Internet or the media.

5. Your responsibility

- 5.1 You must check your accounts to ensure that they are correct and advise the Society of any error, discrepancy or unauthorised transactions. Please refer to our dispute section of these Terms and Conditions for our investigation procedures.
- 5.2 You must ensure that there are sufficient funds available to meet debit deductions from an account.
- 5.3 In addition to any specific terms and conditions in relation to any telephone or Internet banking service we provide to you, you are responsible for ensuring the security of your password by:
 - not keeping a written copy of it;
 - not choosing a password which consists of readily accessible personal data like birthdates, telephone numbers; and
 - not sharing your password with anyone.

6. Our responsibility

- 6.1 We will not be liable for any claim that arises from acting reasonably in accordance with your instructions.
- 6.2 We will not be liable for any loss suffered by you or any third party due to matters outside the Society's control.
- 6.3 We accept no liability for the loss or destruction of, or delay in processing, cheques or other instructions of documents.
- 6.4 We accept no liability for any delay in transferring funds to or from your accounts.
- 6.5 We will not be liable for either refusing to act on contradictory instructions given in respect of any account or for acting on any such contradictory instructions.
- 6.6 We may decline to act or delay in acting on any instructions given where we consider that we have good reason to do so, and may, where your account can be accessed by any telephone or by any electronic means, assume that any telephone or electronic instructions received using your password or ID Code are authorised by you.

7. Joint Accounts

- 7.1 All customers in a joint account are both individually and jointly liable for any money owing on the account and any one of the joint account holders can operate the account separately (including making any withdrawal) unless you instruct the Society to the contrary.
- 7.2 Where the Society receives a deposit in favour of one customer of a joint account, we may credit it to the joint account, unless instructed in writing by that customer to pay it into a separate account in that customer's name.
- 7.3 If one customer of a joint account should die, the other remaining partner is granted full authority to operate the account. Any liability will be the responsibility of the remaining partner to the joint account.
- 7.4 Unless it has been specified that two signatories are required to operate the account, the Society will close the account on the instruction of one account holder. The Society in doing so will not be held liable to the other account holder for their actions.
- 7.5 All other changes effecting the general operation of a joint account will be actioned upon the authority of either one or both customers, whichever had been specified on the account application form.

- 7.6 We may suspend the joint account if there is a dispute between the joint account holders and this has not been resolved satisfactorily; or if one of the account holders has been declared a bankrupt.

8. Estate and Trustee Accounts

- 8.1 It is assumed that the opening of an estate or trustee account and the operation of the account in accordance with these Terms and Conditions has been authorised by the trustees, executors and administrators, and that the operation of the account complies with the terms of the relevant trust deed, will or other authority. The Society shall not be liable in any way if that assumption is not correct.
- 8.2 All trustees and all executors or administrators of an estate who are authorised to operate an account have joint and individual liability to the Society for any money owing on the account.
- 8.3 The Society must be informed immediately in writing of the resignation or appointment of any trustees, executors or administrators. In the case of a trust, the trustees will not allow the trust deed to be amended unless the Society agrees.

9. Personal Information

- 9.1 The Society collects personal information about you, in accordance with its Privacy Policy.
- 9.2 You can obtain a copy of the Society's Privacy Policy from any of our Branches.

10 Disputes

- 10.1 If any dispute arises concerning any transaction carried out using your account/s you should contact your local branch or call **0800 657 935**
- 10.2 We may ask you to put the details of your dispute in writing.
- 10.3 If the matter cannot be resolved immediately we will aim to investigate and report back to you within 7 days or, if there is likely to be a delay, will advise you of the reason for this delay and the expected timeframe for resolution.
- 10.4 If you are still not happy with the results of our investigation, you can contact **the Branch Operations Manager at policyofficer@southerncrossbuilding.co.nz**
- 10.5 When you have a problem with our Telephone Banking service please contact the Policy Officer on 0800656600 or email at policyofficer@buildingsociety.co.nz.

11. Telephone Banking

- 11.1 Our Telephone Banking service is available on a 24 hour a day, 7 days a week from a touchtone phone anywhere in the country or the world. You must however, apply for the Telephone Banking facility before you can access it.
- 11.2 Telephone Banking can only be utilised on accounts where only one authorised signatory is required to operate the account.
- 11.3 You must be at least 16 years of age before you can apply for Telephone Banking.
- 11.4 By using your customer number and a 4 digit identification code ("**ID Code**"), you can access your savings account balances, request the most recent 10 transactions, transfer funds between your accounts and to nominated accounts, and have the ability to pay your bills from the Current Saver Account.

12. Instructions – Telephone Banking

- 12.1 We will endeavour to effect any telephone bill payment without any responsibility or liability for any inaccuracy of the information you supply to us when setting up, changing or deleting bill payees or when processing the payment instructions.

- 12.2 We will determine the order of priority in which authorised bill payments are made, may stop or alter the bill payment without notice, and shall have no responsibility to ensure that funds are available, and in the absence of funds, have no obligation to make payments.
- 12.3 All payments made in good faith will remain in full force and effect notwithstanding your death or bankruptcy, or the receipt by us of the revocation of any instruction by you.
- 12.4 We may at any time with written notice withdraw your access to Telephone Banking.
- 12.5 We are irrevocably authorised to act on all instructions given using your ID Code, without taking any further steps to authenticate the instructions.
- 12.6 We are not liable for any loss arising from any unavailability or unauthorised use of the Telephone Banking service, except where the loss results directly from our negligence.
- 12.7 We are also not responsible for:
- any dispute between you and a merchant;
 - any losses caused by occurrences beyond our control, including where you cannot use the Telephone Banking service due to machine or communication line failure; or
 - any losses which arise where you have acted negligently or have acted fraudulently, either alone or together with any other person(s).
- 12.8 You are not liable for losses arising from your use of the Telephone Banking service:
- where it is clear that you have not contributed to those losses;
 - that they are caused by the fraudulent or negligent conduct of our employees or agents; or
 - resulting from faults occurring in our online systems or software (other than as noted above).
- 12.9 The Society may as part of its security procedures, record and retain telephone instructions.

13. Security – Telephone Banking

- 13.1 You will need to select a 4-digit identification ID Code to access Telephone Banking. The ID Code that you select is your “electronic signature” and must remain confidential to you alone.
- 13.2 The ID Code that you choose to access Telephone Banking must not be the same as, or similar to, any other personal identification that may easily be guessed or identified as relating to you, or an obvious combination of letters and numbers such as:
- birth dates, months or years;
 - sequential numbers;
 - number combinations which may be easily guessed; and
 - parts of your telephone number.
- 13.3 You must safeguard your ID Code by:
- memorising your ID Code;
 - not writing down your ID Code;
 - not disclosing your ID Code (or any password or PIN) to anyone; and
 - reporting any disclosure or possible disclosure of your ID Code (or any password or PIN) as soon as you are aware or suspect that your ID Code has been disclosed.
- 13.4 You may change your ID Code at any time by following the relevant prompts on the phone when using the Telephone Banking service. We encourage you to change your ID code regularly.