

kiwi bank It's ours

Credit card terms and conditions

For personal banking – Effective November 2009



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What are these terms about?

1. What are these terms?

These terms

When you use our **credit card account**, these terms will apply.

Your banking relationship with us is governed by the **general terms** and specific terms and conditions that apply to particular accounts or services. **These terms** are specific terms and conditions that apply to **credit card accounts**. If there is any conflict between any part of the **general terms** and **these terms**, then **these terms** will apply. You and we may agree in writing to other terms and conditions and the law may imply terms and conditions.

Throughout **these terms** you will see words that are in bold. These are words with a specific meaning. You can find out the meaning of these words at the back of **these terms**.

In addition:

- "You" means the person holding a **credit card account** with us. If there is more than one of you, it means each of you jointly and individually, unless the context requires otherwise. "Your" has a corresponding meaning. Unless the context requires otherwise, you and your includes any other authorised user of your **credit card account**, including an additional cardholder.
- "We" means Kiwibank Limited and our successors, assignees and authorised agents. "Our" and "us" have corresponding meanings.

Please familiarise yourself with **these terms** and keep them in a safe place for future reference.

Please ensure that you also read the **general terms**, as they contain important information about your responsibilities and liabilities and our responsibilities and liabilities in relation to your **card**, your **credit card account** and **electronic banking**, including how to keep your **card** and **PIN** safe. Copies of our general terms are available from any Kiwibank branch and at www.kiwibank.co.nz

2. When will these terms apply?

Application of these terms

You agree to be bound by **these terms** (and the **general terms**) as soon as you have either signed or used your **card**.

3. When can these terms change?

Changing these terms

We may change any of **these terms** by giving you notice at least 14 days before we make a change. We can, however, change any interest rate by giving you notice before we make a change.

What about your card?

4. What must you do when you receive your card?

When you receive your card

When you receive your card you must sign it immediately, with your usual signature, in the space provided on the back of the card. You must not use your card before you have signed it.

5. Who owns your card?

Our property

Your card is our property. Your card may not be copied or reproduced in any circumstances. You must return your card to us or destroy your card if asked to do so by us.

6. How can you keep your card safe?

Card safety

You must keep your card safe in accordance with the general terms. Your liability if your card is lost or stolen is set out in the general terms.

7. How can you authorise an additional card for your credit card account?

Additional cardholder

If you would like someone else to have access to your credit card account with a card, we can (at our discretion) issue an additional card to that person. You can apply for an additional card at any Kiwibank branch. You will be responsible for the additional cardholder's use of that card and for ensuring that the additional cardholder complies with these terms (and the general terms).

An additional cardholder is not liable to pay any of the outstanding debit balance on your credit card account.

You will be liable for all debts incurred on your credit card account by any additional cardholder. You will also be liable for any breach of these terms (or the general terms) by any additional cardholder or any loss that you or we suffer in connection with any additional card issued on your credit card account.

We will cancel the additional card if you ask us to do so in writing. The cancellation will happen when the additional cardholder returns that card to us at any Kiwibank branch, unless we agree to cancel the card earlier.

8. What if your card expires, or is lost or stolen, or damaged or faulty?

Expired cards

We will send you a new card automatically when your current one is about to expire. You must destroy any expired card. You must not use an expired card.

Lost or stolen cards

You must notify us immediately if your card has been lost or stolen. This also applies if the details on your card (such as card number and expiry date) are or might have been disclosed to an unauthorised party. We will issue you a new card on request.

Damaged or faulty cards

You must notify us immediately if your card has been damaged or is faulty. You must destroy any damaged or faulty card. We will issue you a new card on request.

9. What can you do with your card?

Purchasing goods and services

You may use your card to purchase goods or services from any merchant accepting MasterCard transactions. You can do this by way of EFTPOS, by signing a sales voucher, by using mail order, by fax, over the phone, at a secure internet site, or by authorising any other use of your card details.

Cash advances

You may use your card to obtain a cash advance at any ATM, bank or financial institution displaying the MasterCard logo.

Balance enquiries

You may use your card to make a balance enquiry at any ATM.

Balance transfers

You may use your card to make a balance transfer.

10. What about your credit limit and approved credit limit?

Credit limit exceeded

You must not use your card if your purchase (plus the hold amount, if any), cash advance or balance transfer would mean that you exceed your credit limit. Remember that your credit limit applies to all cards issued for your credit card account combined, and not to each one separately.

If you exceed your credit limit, you must pay the excess amount to us immediately.

Changes to approved credit limit

We may increase or reduce your approved credit limit at any time by giving notice to you at your last known address. You may decline an increase to your approved credit limit if you do not want it.

If you want to apply to increase or reduce your approved credit limit, you must contact us.

Managing your credit limit

You may manage your credit limit by increasing or reducing it within the approved credit limit.

11. What are the maximum and minimum transaction amounts?

Maximums and minimums

Different ATMs and EFTPOS terminals have specific maximum and minimum amounts for withdrawals and purchases. As well, we will set total maximum limits for your transactions in New Zealand and overseas in any day or 24-hour period. Those limits do not affect your obligation to pay immediately any amounts which are debited to your credit card account in excess of your credit limit. Details of our current total maximum limits are available at any Kiwibank branch and at www.kiwibank.co.nz. We will give you notice of any changes to our limits.

12. What other restrictions may apply?

Restrictions

Banks and merchants may determine the types of transactions permitted and the transaction limits, and may charge you a fee for using their ATMs or EFTPOS terminals or other payment services.

Some merchants (for example, hotels, motels and car rental agencies) may impose a hold amount.

13. When are your card transactions effective?

No stopping or altering transactions

You authorise us to debit the amount of each card transaction to your credit card account. You cannot stop or alter transactions that you make with your card. This means that if you give someone your card details or allow a transaction to be processed before you receive goods or services, and you then do not receive those goods or services or are unhappy with them, you may not be able to reverse the transaction. You should always consider the security and standing of the merchant before you make the transaction.

14. How does your card work for foreign currency transactions?

Rate of exchange

When you use your card for foreign currency transactions, your transactions will be charged to your credit card account in New Zealand dollars at a rate of exchange determined by MasterCard on the date it sends the transaction details to us.

What about your personal identification number (PIN)?

15. What is your PIN?

PIN

If you want a PIN on your card, you will be asked to select a PIN.

Multiple users

If there are joint credit card account holders for your credit card account, then each holder may choose to have a PIN. You will be able to specify whether a PIN should be loaded on any card issued to an additional cardholder. However, each cardholder must have his or her own PIN.

16. How can you keep your PIN safe?

PIN safety

You must keep your PIN safe in accordance with the general terms. Your liability if your PIN is disclosed is set out in the general terms.

What about your credit card account?

17. What is your credit card account?

Your credit card account

When we issue you a card, we will establish and maintain a credit card account to be held in your name. All transactions that are made using your card, and all payments that you make in respect of those transactions, will be processed through your credit card account.

18. When do you authorise any transaction on your credit card account?

Purchasing goods or services

If your card, card and PIN, or any other details of your card, are used to purchase goods or services, you authorise us to debit your credit card account with the amount of the transaction and to credit that amount to the relevant merchant's account without further verification or authentication.

Cash advances

If your card, card and PIN, or any other details of your card, are used at an ATM, bank or financial institution for any cash advance, you authorise us to debit your credit card account with the amount of the cash advance without further verification or authentication.

Balance enquiries

If your card and PIN are used at an ATM for any balance enquiry, you authorise us to reveal the balance of your credit card account without further verification or authentication.

Balance transfers

If your card, card and PIN, or any other details of your card, are used for any balance transfer, you authorise us to debit your credit card account with the amount of the balance transfer and to credit that amount to the relevant account with us or another bank or financial institution without further verification or authentication.

What do you pay?

19. How do you keep track of the balance of your credit card account?

Monthly statements

We will send you **monthly statements** to your last known address. Generally, **monthly statements** will be in printed form but at our discretion, and with your consent, we may provide you **monthly statements** in electronic form. You must check these **monthly statements** and tell us within 60 days from the **closing date** of your **monthly statement** if you think that there is an error on your **monthly statement** or there has been an unauthorised use of your **credit card account**. Failure to report an error or unauthorised use within this timeframe will mean that we cannot reverse the transaction and that you will have to pay for it. You should keep **monthly statements** in a safe place for future reference.

20. How and when can we require you to pay the outstanding debit balance on your credit card account?

Obligation to pay

You must pay us the **outstanding debit balance** on your **credit card account**, or any part of it, in the manner and at the times required under these terms (and the general terms).

You must pay, on or before each **payment date**, not less than the **minimum payment**, which is either 5% of the **closing balance** of the relevant **monthly statement** or \$10, whichever is greater.

Payment must be credited to your **credit card account** on or before the **payment date**.

If you are going on holiday, or will be away from home for a while, you need to ensure that a suitable arrangement is in place for payment of your **minimum payments** on or before each **payment date**, unless you have arranged with us for you to have a **repayment holiday**.

We may at any time require you to immediately pay us all or part of the **outstanding debit balance** on your **credit card account**.

Additional payments

You may at any time make additional payments over and above your **minimum payments**.

Minimum payment not required

You are not required to make a **minimum payment** if your most recent **monthly statement** has a **closing balance** of less than \$10 (unless we specifically ask you to) or indicates that your **credit card account** is in credit. However, interest will still be charged in accordance with section 24.

Applying for a repayment holiday

You can apply for a **repayment holiday** in respect of your **credit card account** at any time, provided you have at all times complied with **these terms** (and the **general terms**).

We can choose whether or not to approve your application for a **repayment holiday**. We will give you notice confirming the details of any **repayment holiday**.

Your right to make a request as set out above is in addition to any rights you may have to apply to us under section 55 of the Credit Contracts and Consumer Finance Act 2003.

Payments during and after a repayment holiday

During a **repayment holiday** you do not have to make any **minimum payments**, but interest will still be charged on any transaction as required under **these terms** (and the **general terms**).

Once your **repayment holiday** ends, you must make payments to us in the manner and times as required under **these terms** (and the **general terms**).

21. Is your credit card account secured by security given by you?

Security

Any money due by you in respect of your **credit card account** is secured by any present or future security (for example, any mortgage of land) given by you (whether or not in conjunction with any other person) to us.

The property that is the subject of that security is more fully described in the relevant security document (for example, the mortgage of land).

22. What fees and costs do you have to pay?

Fees and costs

We will charge fees on your **credit card account** and for any services we provide. We will debit those fees to your **credit card account**. A list of our current fees is available at any Kiwibank branch and at www.kiwibank.co.nz. We may change the amount of those fees or impose new fees as long as we give you notice at least 14 days before we make a change or impose a fee.

We will debit to your **credit card account** any government charges or levies that you (or we on your behalf) are required to pay.

If we incur any **costs** then you must pay us the amount of those **costs**. We will debit any **costs** that we incur to your **credit card account**.

23. What interest do you pay?

No interest on fees or unpaid interest

Unless we advise otherwise, interest will not be charged on any fees debited to your **credit card account**, or on any unpaid interest.

Cash advances and balance transfers

Interest will be charged on any **cash advance** made to you on a daily basis from the date the **cash advance** is made until the date it is repaid in full.

Interest will be charged on any **balance transfer** made by you on a daily basis from the date the **balance transfer** is made until the date it is repaid in full, unless otherwise stated due to promotions or special offers.

Other transactions

Interest on all transactions other than cash advances and balance transfers will be charged as follows.

- You will pay no interest on transactions shown in a **monthly statement** if you (1) paid the **closing balance** of the previous **monthly statement** by the **payment date** shown in the previous **monthly statement** and (2) pay the **closing balance** of the **monthly statement** by the **payment date** shown in the **monthly statement**.
- If you do not pay the **closing balance** of the **monthly statement** by the **payment date** shown in the **monthly statement**, you will pay interest on transactions shown in the **monthly statement** and on new transactions made after the **closing date**, on a daily basis from the date each transaction is made until the date of repayment in full of the **closing balance** of the **monthly statement**.

24. What rate of interest do you pay?

Rate

The rate of interest you pay is shown on your **monthly statement**.

25. What are your payment options?

Payment options

You may make payments to your **credit card account** in any of the following ways:

- By automatic payment, bill payment or direct debit. Please call us to arrange.
- Internet, mobile or phone banking. Most banks now operate systems where you can pay your **credit card account** by internet, mobile or phone banking. Please contact the bank you hold your current (cheque/savings) account with for details of this service. Allow three **business days** for your payment to be credited to your **credit card account**.
- At any Kiwibank branch.
- By mailing a cheque to us and enclosing a completed payment slip from the bottom of your **monthly statement**. Allow time for postage and up to two **business days** for your payment to be credited to your **credit card account**.

26. In what order are payments applied to your credit card account?

Order of application

For the purposes of calculation of interest and balances, your payments are applied to the **outstanding debit balance** of your **credit card account** in the following order:

1. **statemented interest, fees and charges;**
2. **statemented cash advances and balance transfers;**
3. **statemented other debit transactions;**
4. **current interest, fees and charges;**
5. **current cash advances and balance transfers; and**
6. **current other debit transactions.**

When your **monthly statement** shows an amount due immediately, your payments will be applied first to this amount, before being applied towards your **minimum payment**.

What do the words in bold mean?

Word	Definition
amount due immediately	in respect of any monthly statement , the total of any overdue amounts as at the closing date , or the amount by which your closing balance exceeds your credit limit , whichever is greater.
approved credit limit	the maximum amount your credit limit can be at any time as advised by us.
ATM	automatic teller machine accepting cards and displaying the MasterCard logo.
balance transfer	a payment from one of our credit card accounts to a different account with us or an account with another bank or financial institution.
business day	any day other than a Saturday, Sunday or public holiday in Wellington.
card	a card issued by us which is linked to a credit card account and including the card information contained on the magnetic strip.
cash advance	a withdrawal of cash.
closing balance	in respect of any monthly statement , the outstanding debit balance as at the closing date of that monthly statement .
closing date	in respect of any monthly statement , the last day of the period covered by that monthly statement .
costs	all costs, losses (including indirect, economic and consequential losses), fees, expenses, claims, actions, suits, judgments, damages, penalties, obligations or liabilities incurred in connection with the protection, enforcement or clarification of our rights in respect of your credit card account or any services we provide or under these terms (or the general terms), including legal costs on a solicitor client basis and any receiver's costs and expenses.

credit limit	the maximum outstanding debit balance permitted on your credit card account at any time as advised by us or as managed by you within the approved credit limit.
current	since the closing date of your most recent monthly statement .
EFTPOS	electronic funds transfer at point of sale.
electronic banking	banking services that we provide in an electronic form, including internet banking, mobile banking, phone banking, text banking, banking through ATMs or EFTPOS terminals, automatic payments, bill payments and direct debits.
general terms	our General Terms and Conditions for personal banking (as changed, updated or replaced).
hold amount	an amount a merchant may hold to cover expenses incurred by you. If no such expenses are incurred, the hold amount will be released at the end of the hold period.
MasterCard	MasterCard International Inc., the licensor of the right to use the MasterCard brand and, in relation to a card , the registered designs and trade marks used on or in connection with it.
minimum payment	in respect of any monthly statement , the minimum amount you must pay on or before the payment date .
monthly statement	a statement which will be sent on a monthly basis, showing your opening balance , all your credit card account transactions since the closing date of your previous monthly statement , and your closing balance .
notice	letting you know about something by public notice, press release, notice in Kiwibank's branches or at www.kiwibank.co.nz , mail to your last known address, or otherwise as we see fit.
opening balance	in respect of any monthly statement , the outstanding debit balance as at the opening date of that monthly statement .
opening date	in respect of any monthly statement , the first day of the period covered by that monthly statement .
outstanding debit balance	the total unpaid debit balance of a credit card account , including interest and fees.

overdue amount	an amount that you are required to pay us under these terms that has not been paid by its due date (but not including an amount due under section 10 because you have exceeded your credit limit).
payment date	the personal identification number combination you are required to input before using your card .
PIN	the personal identification number combination you are required to input before using your card .
repayment holiday	the period during which we may allow you to stop making minimum payments .
these terms	the terms and conditions contained in this document (as changed, updated or replaced).

Check out what else we have to offer

Kiwibank offers a full range of other accounts and services to suit your needs. To find out more, you can call us on 0800 11 33 55, visit your local Kiwibank, or go online www.kiwibank.co.nz.

Pick up a brochure

We have a full range of brochures to help you choose the solution that's right for you. Ask for a copy at your local Kiwibank.



■ Everyday banking

Check out our range of great value accounts and services that can help you manage your money and make life easier.



■ Home loans

Like to be mortgage free quicker? Find out how to choose the right loan and repayment plan.



■ Credit cards and personal loans

We have all the options you need to help make things happen in your life; a wide range of credit cards, personal and vehicle loans, and overdrafts.



■ Tertiary and graduate packs

Whether you're a tertiary student or recent graduate, Kiwibank has the best value banking package for you.



■ Savings and investments

Make your money work harder for you with a Kiwibank savings account or investment.



■ Business banking

Kiwi banking for Kiwi businesses. We have all the accounts and services, competitive fees and rates, the technology you'd expect and more.



■ Personal banking fees

A comprehensive guide to all Kiwibank's charges for our personal banking products – make sure you get a copy.

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