

1. Who are we, what do these Terms and Conditions do and who oversees us?

RaboDirect is part of Rabobank New Zealand Limited. Our physical address is at Level 23, 157 Lambton Quay, Wellington.

These Terms and Conditions govern the legal relationship between you and us, concerning RaboDirect. There may be other terms and conditions (e.g. on the RaboDirect website and in promotional material) applying to products and services you receive from us and you agree to be bound by those as well.

Some words (whether beginning with a capital letter or not) are defined at the end of these Terms and Conditions.

Because we are a registered bank under the Reserve Bank of New Zealand Act 1989, we are supervised by the Reserve Bank of New Zealand.

In addition, the Financial Markets Authority regulates conduct in New Zealand's financial markets, including the conduct of financial market participants such as us. The Financial Markets Authority's main objective is to promote and facilitate the development of fair, efficient, and transparent financial markets.

2. General Requirements for Accounts

2.1 Accounts are only available in New Zealand dollars.

2.2 You must own a RaboSaver Account at all times while you are a RaboDirect customer.

2.3 At any point in time you can only own:

- one RaboSaver Account individually
- one Multi-owner RaboSaver Account with the same owners.

2.4 For each RaboSaver Account, you can own up to five PurposeSaver Accounts at any one time and there is no restriction on the number of Term Deposits or Managed Fund investments you can own. We note, however, that since 23 February 2018 we have stopped offering Managed Fund investments and so while you can hold your existing Managed Fund investments until they mature you are not able to acquire new Managed Fund investments.

2.5 Only natural persons may own PremiumSaver Accounts and only one PremiumSaver Account per person is allowed.

2.6 We may set maximum amounts that may be deposited with RaboDirect, for you or any classes of customer (which may include you).

2.7 When opening an Account and during the lifetime of an Account, you must provide us with (or procure that any Intermediary of yours provides us with) any documentation and information, about you or any Related Person, that we request in order for us to undertake any action to comply with any Applicable Laws or for Operational Purposes, including on behalf of another member of the Rabobank Group. You also agree to such documentation and information provided to us being disclosed to any other person or body to enable it to be reported and used in compliance with the relevant Applicable Laws or for Operational Purposes. Where Applicable Laws or Operational Purposes require your identity or that of an Authorised Signatory to be verified and you are using an Intermediary, we may at our election direct the Intermediary to verify your identity and the identity of any Authorised Signatory on our behalf for these purposes.

2.8 All information you supply to us must be accurate and complete. If you provide us with information on behalf of any Related Person you warrant that the Related Person has consented to you providing the information to us.

2.9 If it ever becomes unlawful for us to comply with our legal promises relating to your Account (including as a result of you becoming subject to any international financial or economic sanction), we will make reasonable efforts (consistent with our legal responsibilities) to protect your interests

but will have no liability for failing to comply with any such promise and will not be liable for any losses you may incur as a result.

2.10 You agree to use the Internet Banking Services strictly in accordance with all Applicable Laws.

3. Account owner restrictions

3.1 We may decline to accept anyone as a RaboDirect customer, without giving any reason.

3.2 Accounts are not available to managed investment products, financial institutions (including fund managers), central or local government entities or insurance companies.

3.3 When you become a RaboDirect customer you must provide to us evidence that:

- your residential and postal addresses are in New Zealand,
- you are a New Zealand tax resident; and
- (if applicable) your trust is a qualifying trust for tax purposes.

3.4 If your residential or postal address ceases to be in New Zealand or you cease to be a New Zealand tax resident or the trust of which you are a trustee ceases to be a qualifying trust you must inform us immediately.

You must tell us immediately if you again have a residential or postal address in New Zealand or you again become a New Zealand tax resident or if the trust of which you are a trustee again becomes a qualifying trust.

3.5 Each Account owner of a business Account must be aged 18 years or over.

3.6 In addition to our rights under clause 16 of these Terms and Conditions we can close or block your Account if you cease to be a New Zealand tax resident or if your residential and/or postal address are no longer in New Zealand.

4. Minors

4.1 If you are under the age of 12, you may own an Account but an Authorised Signatory must open and operate the Account in your name and you have no authority on the Account. After you turn 12, if you elect to remove the Authorised Signatory from your Account the Authorised Signatory must instruct us to close your Account and transfer all funds into a new Account that you will need to open. To open a new Account you will need to provide us all the information requested by us. The Authorised Signatory's Device will cease to operate and you will be issued with a new Device and PIN.

4.2 If you are aged between 12 and 17 inclusive, you may own an Account with or without an Authorised Signatory.

4.3 If you are/were a minor and own an Account with an Authorised Signatory then, after you turn 18, we may request (and if requested you must provide) your Instructions on what should happen to the Account, including any Managed Fund investments. Depending on the nature of your Instructions, we may require you to provide further information as required under the Applicable Laws or for Operational Purposes.

If you fail to provide to us Instructions or the information that we request within a reasonable period determined by us, the Account may be:

- blocked until Instructions and/or the requested information are provided to us; or
- closed.

5. Authorised Signatories

5.1 An Authorised Signatory must be at least 18 years of age.

5.2 An Authorised Signatory has full authority on the Account, as if they were the Account owner. Devices, PINs and most notices will be sent to the Authorised Signatory. The Authorised Signatory is responsible for the Account along with the Account owner, as if they were the Account owner, and also for the performance of any obligation the Account owner has.

6. Multi-owner Accounts

6.1 Except where an Account has an Authorised Signatory, each Account owner may give us any Instructions relating to the Account and communications (including notices) given to just one of you are deemed to be given to all of you.

6.2 You must notify us promptly of any change in the ownership of a Multi-owner Account. These Terms and Conditions will continue to bind you despite any such change, and will continue to bind the partners of a partnership's Multi-owner Account even where the partnership ceases to carry on business.

6.3 Each owner of a Multi-owner Account is jointly and severally liable and responsible for the Account.

7. Use of Internet Banking Services

7.1 You must comply with our requirements and directions from time to time for use of the Internet Banking Services.

7.2 In addition to other rights we have under these Terms and Conditions, we may impose any conditions or restrictions on your use of the Internet Banking Services, and we may alter, suspend or terminate the Internet Banking Services if such action is necessary to:

- maintain the security or integrity of our banking system or the Internet Banking Services;
- limit or prevent a suspected or potential fraud;
- comply with Applicable Laws, and/or
- meet our Operational Purposes.

8. Security and Duty of Care

8.1 You must safeguard your PIN. For instance, you must memorise it, not record it anywhere, not disclose it to anyone (including the police, bank staff and your family). You must ensure that no one can see your PIN when you are entering it.

8.2 Certain PINs are unsuitable and must not be used. They include the following:

- birth dates, months or years;
- sequential numbers (e.g. 34567);
- number combinations that may be easily guessed (e.g. 11111);
- parts of your telephone number;
- parts of numbers in the order in which they are printed on any of your cards; or
- other easily accessible personal data (e.g. driver's licence, locker number or other numbers easily connected with you).

You should consider using a different PIN for different cards, internet services and equipment.

8.3 A Device remains our property. You must return it to us at any time, including on closure of your Account, if we request.

8.4 You must treat a Device with reasonable care and must not make it available to others.

8.5 You must report the disclosure or possible disclosure of your PIN, or the theft, loss, abuse, change or replication of a Device, as soon as you are aware of or suspect such a thing.

8.6 We may take any appropriate measures in the interests of security.

9. Instructions and Other Transactions

9.1 Instructions must be given to us in accordance with our requirements and we may assume they have been. We will accept Instructions from an Intermediary where you have signed an authority acceptable to us that permits that Intermediary to give the Instruction to us on your behalf. The Intermediary must be identified and approved by us before we can accept Instructions from them on your behalf.

- 9.2 You are the final decision maker with regard to Instructions and an Intermediary is acting on your directions when placing Instructions on your behalf.
- 9.3 An Intermediary must not have any authority from you to give an Instruction without your specific authority. The decision to place your Instruction must be by way of your affirmative direction to the Intermediary.
- 9.4 We may refuse to act on any Instruction (which may involve delaying, intercepting, blocking or refusing to make any payment) where we consider the Instruction may be invalid, not given in accordance with our requirements, contrary to Applicable Laws or not clear, or if we believe there is a dispute between Account owners or with an Authorised Signatory. In such cases, we are not liable for non-execution or any delay in execution.
- 9.5 You may, at any time and in writing, revoke any authorisation given to an Intermediary. Unless we have received a written revocation of an authority (and we have acknowledged receipt), we will assume that the Intermediary is authorised to place Instructions on your behalf.
- 9.6 We may, at any time, withdraw our recognition and/or approval of an Intermediary, in which case we will inform you as soon as practicable that we have done so, and we no longer accept Instructions from that Intermediary on your behalf.
- 9.7 If we receive a communication (including an apparent Instruction) relating to your Account other than via a secure message through Internet Banking Services, we may choose to either act or not act on that communication, at our complete discretion. In deciding whether to act on such a communication, we may take such action and impose such requirements as we see fit. Any such action and requirements may include satisfying ourselves that the communication is genuine and properly authorised by you, and that we and you are otherwise adequately protected.
- 9.8 We may put limits on certain Instructions or types of Instructions.
- 9.9 The recording by us, in whatever form, of an Instruction will be conclusive evidence of the contents of that Instruction.
- 9.10 Daily cut-off times are at our discretion and may vary. If an Instruction is received after the relevant daily cut-off time, it will be processed on the next Business Day or, in the case of transfers between Call Accounts, on the next day.
- 9.11 You may be able to change or withdraw an Instruction prior to it being processed, if you give us sufficient notice in the form we require.
- 9.12 We will refuse to process an Instruction if there are insufficient funds or units in your Account.
- 9.13 Funds are not available until cleared.
- 9.14 If an Instruction or other transaction falls on a non-Business Day, it may be processed on the following Business Day.

10. Advice

10.1 The information we give is not advice or part of any form of discretionary investment management arrangement. You should consider consulting a financial adviser if you are in any doubt about the suitability of any Account for you. We are not liable for any loss arising out of your Account because of the information made available by us.

11. Liability

11.1 You are responsible to us for all liabilities incurred by us directly or indirectly in relation to your Account, and you release and indemnify us from and against all such liabilities, except to the extent they arise directly from our negligence, wilful default or fraud. We are not liable for the consequences of anything beyond our reasonable control. But this is all subject to the following provisions.

11.2 If you incur a direct loss that is due to a security breach of our Internet Banking Services system as a result of our failure to take reasonable care and is not caused or contributed to by you, we will reimburse you for that loss.

11.3 We will exercise reasonable care and skill in providing you with the Internet Banking Services. However, subject to our obligations under the Consumer Guarantees Act 1993, we are not responsible if you incur a loss caused by circumstances beyond our reasonable control. In particular,

we are not responsible for a loss caused through circumstances beyond our reasonable control because of:

- your inability to access the Internet Banking Services, or any other application associated with or reliant on the Internet Banking Services, at any time, or any failure or delay in providing the Internet Banking Services; or
- a malfunction of any equipment (including telecommunications equipment) which supports the Internet Banking Services.

11.4 Your computer is not part of our Internet Banking Services system. Therefore, we cannot control, and are not responsible for, its security.

11.5 You are not liable for losses caused by unauthorised transactions before you are able to access the Internet Banking Services for the first time or during any period we prevent you from accessing the Internet Banking Services, including, if applicable, before you receive your PIN or Device or any security information, provided you have notified us of your current address. In any dispute about the receipt of your Device or PIN or security information, we will not rely on proof of despatch to your correct address as proof that the Device or PIN or security information was received.

11.6 If you advise us as promptly as is reasonably possible that your PIN or any other security information is or may be known to another person or there has been an unauthorised access to your Internet Banking Services information or Account, you are not responsible for any loss, unless you have acted fraudulently or negligently or have contributed to such disclosure or unauthorised access by not following the security information and advice we provide to you, including in these Terms and Conditions and on the RaboDirect website.

11.7 You may be liable if an unauthorised transaction occurs after you have received the means to access the Internet Banking Services if, for example (but without limitation), you have breached these Terms and Conditions by doing any of the following:

- you have a PIN of a type you have been warned not to choose
- you have voluntarily or negligently disclosed your PIN or other security information to anyone else
- you have kept a written or electronic record of your PIN or other means of access or failed to store your PIN or other means of access in a secure facility acceptable to us
- you have used a computer or device that you know or believe does not have appropriate protective software or operating system installed and reasonably up-to-date
- you have not taken reasonable steps to ensure that the protective systems installed on your computer or device such as virus scanning, firewall, anti-spyware, operating system and anti-spam on your computer are continued to be updated within a reasonable period of time
- you have not taken reasonable care to safeguard any Device
- you have not advised us as promptly as is reasonably possible that you are aware that someone other than you has accessed the Internet Banking Services or an unauthorised transaction has occurred
- you have left your computer unattended when logged on to the Internet Banking Services; or
- you have not followed our reasonable security warnings about the appropriate processes and safeguards to follow when using the Internet Banking Services.

If any of these breaches apply your maximum liability will be the lesser of:

- the actual loss at the time of notification to us; or
- the balance that would have been available for withdrawal from your Account, between the time any unauthorised access was made and the time you notified us.

This limitation of liability does not apply where an Intermediary has possession of your Device and/or PIN and the loss results from the use of your Device.

11.8 If you have used or allowed your Account to be used to process fraudulent or unauthorised transactions, you may be liable for some or all of the loss suffered by the party who has been defrauded, regardless of the balance in your Account.

12. Hyperlinks

12.1 We may make available to you hyperlinks to external sites. We are not responsible for the content or availability of such sites, or for any direct or indirect loss arising out of access or use of such sites.

13. Death of an Account owner or Authorised Signatory

13.1 If you die and you are an owner of a joint Multi-owner Account, the remaining Account owner(s) will own the Account once we have received notification of your death.

13.2 If you die and you are an individual Account owner or an Authorised Signatory, we may block the Account once we have received notification of your death until we receive appropriate confirmation of the identity of your personal representative(s) who will then be able to operate the Account.

13.3 If you are the sole Account owner but there is an Authorised Signatory for the Account, the authority of the Authorised Signatory ceases once we have received notification of your death and the Account will be blocked immediately.

14. Combination and set-off

14.1 We may combine all or any of your Accounts with us and set off any amount deposited with us against any amount you owe us. This may include Accounts held in a different capacity by you or joint Accounts. We will promptly inform you if we do so.

15. Alterations to these Terms and Conditions

15.1 We can alter these Terms and Conditions including fees, other than the interest rate or term of a Term Deposit once it has been accepted, at any time in at least one of the following ways:

- by direct communication to you, for example by email, letter or secure message available to you when you log on to the Internet Banking Services;
- by notice on our website; or
- by notice in the media (including public notices).

We will give at least 14 days' notice of alterations to these Terms and Conditions, except for variations to interest rates and other variations subject to market fluctuations.

15.2 Alterations to Managed Funds are governed by the relevant Offer Document. We will inform you of any major alterations.

16. Closure, Blocking and Repayment

16.1 We can close or block any or all of your Accounts for any reason, including if you breach these Terms and Conditions. Reasons for account closure or blocking may include any of the following:

- there is a dispute or an issue about your Account, including about who owns your Account or how your Account can be used or accessed;
- closure/blocking is necessary to protect an Account Owner or someone else who we believe has a legitimate claim to the money in an Account;
- we need to clarify or verify the authority you have, or any Authorised Signatory has, to use your Account;
- you are bankrupt or in liquidation, or something similar happens to you;
- we believe you do not have contractual capacity to use your Account e.g. due to illness you are no longer able to give us clear Instructions about how you want to use your Account, or you do not understand the nature and effect of transactions you want to complete;
- we are advised you have died or, if you are a company, you have been removed from the register;

- we have received or are about to receive a Court order requiring us to stop your Account;
- we believe or suspect you are using your Accounts in a manner that is inappropriate or contrary to Applicable Law;
- non-provision by you or any Related Person of any information required under Applicable Laws or for Operational Purposes;
- we consider that the Account is 'inactive' within the meaning of clause 16.6;
- we have assessed you as being a recalcitrant account holder (including if you are 'recalcitrant' within the meaning of any Applicable Laws);
- you are involved in, or convicted of, criminal activity and we, in our reasonable opinion, consider such an involvement or conviction may adversely impact Rabobank's reputation;
- we are unable to verify your identity or the identity of any Related Person or Authorised Signatory;
- if we are unable to verify the information we hold about you or any Related Person in order to conduct any activities required by Applicable Legislation or for our Operational Purposes; and
- we consider it necessary, in our reasonable opinion, in order to protect our legitimate business interests.

16.2 Closure of the RaboSaver Account will require closure of all your other Accounts, and any remaining funds will be credited to your Nominated Account.

16.3 We may repay to your Nominated Account, or to any other account in your name, any amount deposited with us, including any amount that exceeds any maximum deposit amount set by us.

16.4 Closure of a Managed Fund is dealt with below.

16.5 Where we close or block your Account, we will usually give you at least 14 days' prior notice. But in some circumstances it may not be feasible for us to do so, in which case we will close your account with less notice or without notice.

16.6 An Account is 'inactive' if:

- the Account balance is less than \$1000 and you have not made a deposit into the Account or withdrawn funds from the Account within the previous 2 years; or
- the Account balance has been between \$0 and \$10 for a period of six months or more.

16.7 You may request closure of the Account at any time by any means acceptable to us at the time when your request is made. We will action your request within a reasonable timeframe. All funds remaining in the Account when a request for closure is made will be paid into the Nominated Account.

17. Privacy

17.1 You consent to information relating to you, your transactions and the Account being:

- collected and held by us (our address is Level 23, 157 Lambton Quay, Wellington)
- also held by other members of the Rabobank Group and our contractors and (to the extent authorised by you) any Intermediary, both in New Zealand and in other countries;
- disclosed to other members of the Rabobank Group and contractors of such members, and also to regulators in New Zealand and overseas, to the extent necessary for you, us and other members of the Rabobank Group to comply with Applicable Laws or for Operational Purposes;
- used by us and any member of the Rabobank Group for the operation of your Accounts or for Operational Purposes and for enabling us and other members of the Rabobank Group to comply with Applicable Laws.

17.2 We and any other member of the Rabobank Group may also use the information for marketing purposes, including marketing of third parties' products and services and including by electronic means.

17.3 We are authorised under Applicable Laws to collect information about your tax status and to use it to satisfy our withholding obligations on payments made to you.

17.4 Access to personal information, including for correction, may be gained by contacting our Customer Contact Centre on the phone number found on our website www.rabodirect.co.nz.

17.5 If all the information requested by us is not provided, we may block your Account or refuse to open a new Account for you.

18. Communications

18.1 Communications with you will be electronic, via secure messages on the RaboDirect website and email, except where we send you a Device or otherwise decide to communicate by non-electronic means.

18.2 All communications with us, including Instructions, must be in accordance with our requirements and directions.

18.3 We may monitor and/or record telephone conversations for verification purposes.

19. Account Information

19.1 Statements for Call Accounts and NoticeSaver Accounts and details of Term Deposits and Managed Funds are available electronically on the RaboDirect website at any time.

19.2 Where applicable, we will also provide you with an annual withholding tax certificate and any other tax information we are legally required to provide. All such information will be available on the RaboDirect website.

19.3 We may also provide copies of your statements and other notices relating to your Account to the Intermediary unless you notify us in writing that you no longer wish for us to do this.

19.4 You must check all entries and report to us any apparent errors or transactions you have not authorised, as soon as possible.

20. Fees and charges

20.1 A fee may be payable if we allow you to terminate your Term Deposit prior to its maturity. Partial termination of a Term Deposit is not allowed. The fee is equal to our break costs (as determined by us) and reflects future cash flow losses incurred by us as a result of interest rate differentials that exist between wholesale market rates applicable to the existing Term Deposit and current wholesale market rates applicable for the remaining period of the Term Deposit, adjusted to reflect a net present value. The fee increases in line with increases in the following: interest rates, the amount withdrawn and the market margin. The fee may be deducted from the interest and/or the principal of the Term Deposit payable at the date of early termination. This fee is also payable if we exercise our right to close your Term Deposit. Please contact us on the phone number found on our website www.rabodirect.co.nz for a quote on the exact fee applicable.

20.2 Early withdrawal fees apply if you wish to withdraw an investment in the Term Advantage Fund before the investment's term is due to expire – see the Term Advantage Fund product disclosure statement for more details of the fees.

20.3 You will be charged for the repair or replacement of a Device unless it is due solely to a manufacturing fault or it expires.

20.4 If you breach these Terms and Conditions and, as a result, we incur a charge or cost, we may deduct the charge or cost from any of your Accounts.

21. Taxes

21.1 We may debit from any of your Account(s) any government charges applicable from time to time in relation to any business you have with us. For further details of current government charges, please contact the Inland Revenue Department through their website at www.ird.govt.nz, or contact us on the phone number found on our website www.rabodirect.co.nz.

21.2 You must notify us if you wish to provide a current certificate of exemption from resident withholding tax or if there is a change in your prescribed investor rate for your Managed Fund investments. You must also immediately notify us if there is a change in your tax residency status, if you are no longer exempt from resident withholding tax or if the tax details we hold about you otherwise become incorrect.

21.3 By accepting payment of an amount in respect of interest, distribution or withdrawal which has not had resident withholding tax, non-resident withholding tax or any portfolio investment entity tax liability attributable to you (as the case may be) deducted, you agree to fully indemnify us, on demand, in respect of any liability we may incur for not deducting any amount from such payment on account of such taxes and authorise us to debit the amount of any such liability to your RaboSaver Account in order to satisfy any such liability.

21.4 We may change the rate at which tax is deducted if the Inland Revenue Department advises us to make the change.

22. Governing Law and Jurisdiction

22.1 These Terms and Conditions are governed in all respects by the law of New Zealand. In the event of a dispute, the courts of New Zealand shall have exclusive jurisdiction and shall resolve any such dispute in accordance with New Zealand law.

23. Complaints Procedure

23.1 Complaints about Accounts can be made to any of our employees at Level 23, 157 Lambton Quay, Wellington, or by telephoning our Customer Contact Centre on the phone number found on our website www.rabodirect.co.nz. If you are not satisfied with how we have dealt with any complaint, the complaint may be referred to the Banking Ombudsman whose address and telephone number are Level 5, Huddart Parker Building, 1 Post Office Square, Wellington 6011, 0800 805 950.

24. Deposits, Withdrawals and Balances

24.1 All deposits and withdrawals must be done electronically. Cash and cheques are not allowed.

24.2 You can transfer funds between your Accounts.

24.3 You may receive funds into your Call Accounts or your NoticeSaver Account from any New Zealand account with any New Zealand registered bank, but from no other external account.

Transfers from overseas accounts are not allowed.

24.4 The maximum transfer and the maximum total of transfers per day to your Nominated Account is \$5 million, but you can reduce this maximum limit by giving us Instructions in the form we require.

24.5 The maximum transfer and the maximum total of transfers per day to your Call Accounts or your NoticeSaver Account is \$5 million.

24.6 The only transfers allowed to an external account are to your Nominated Account.

24.7 You authorise us to transfer funds from your Nominated Account, in order to effect Instructions. The terms and conditions of the authority can be viewed [here](#). You confirm that, if the Nominated Account is owned by more than one person, it can be operated individually by each owner. The authority will remain effective even if it is in the name of an Authorised Signatory and their authority on the Account has ceased. However, we will not accept direct debits on your Account.

24.8 The minimum initial deposit to the RaboSaver Account is \$1 and to a Term Deposit is \$1,000. After the initial deposit, a RaboSaver Account may have a zero balance. At no time may you have a debit balance on any Account.

24.9 We may limit the maximum balance of the aggregate of your Call Account, Term Deposit Account and NoticeSaver Account to \$5 million.

25. Interest on Call Accounts, NoticeSaver Accounts and Term Deposits

25.1 Interest is paid on your Call Accounts, NoticeSaver Accounts and Term Deposits.

25.2 Interest is calculated on a year of 365 days, on the basis of the number of days from and including the date of acceptance of the deposit or interest payment up to but excluding the date of maturity, withdrawal or next interest payment. Information on current interest rates is available on

the RaboDirect website. Different rates may apply depending on the balance of the particular Account and the term (if applicable).

25.3 We may, at any time, increase or decrease the interest rate on Call Accounts and NoticeSaver Accounts. Interest on Call Accounts and NoticeSaver Accounts is paid after the close of business on the last business day of each calendar month in arrears. For Call Accounts, interest is credited to the same Account. For NoticeSaver Accounts you can elect to have interest paid to any Call Account or NoticeSaver Account. Interest is also paid on closure of the Account, to the RaboSaver Account. It is calculated on the daily closing principal balance.

25.4 Interest on standard Term Deposits is paid at maturity and, for Term Deposits of 2 or more years, also annually. For any standard Term Deposit of 1 year or more, you can elect to also have interest paid during the term of the Term Deposit, as follows:

- for a Term Deposit of 1 year or 18 months or 2 years or more, you can elect to also have interest paid monthly, quarterly or six-monthly;
- for a Term Deposit of 15 months, you can elect to also have interest paid monthly or quarterly.

25.5 To earn maximum PremiumSaver interest for a month, the PremiumSaver balance must be increased by at least \$50 over the month (excluding interest paid during that month). The standard RaboSaver rate applies to the portion of the PremiumSaver balance over \$100,000 and up to \$5,000,000. If the required \$50 increase is not achieved, a rate of 1% p.a. will apply to the total PremiumSaver balance for the month.

25.6 If you apply to become a RaboDirect customer and transfer an amount to RaboDirect before the Account opening process is completed, then interest will be determined as follows:

- if your application is successfully completed, you will earn interest on the transferred amount at the RaboSaver rate from the time of the transfer;
- if your application is not completed (for whatever reason), the amount transferred will be transferred back to the account from which it came and you will earn no interest on the transferred amount;
- if your application is for a Term Deposit at a specified available rate and your application is successfully completed and the required funds are cleared within 14 days after your application is made, the Term Deposit will be made at either the specified available rate or the prevailing standard applicable rate at the time the Term Deposit is made (whichever is the higher rate);
- if your application is for a Term Deposit at a specified available rate and your application is successfully completed and the required funds are cleared more than 14 days but within 28 days after your application is made, the Term Deposit will be made at the prevailing standard applicable rate at the time the Term Deposit is made unless that applicable rate is less than the specified available rate, in which case the Term Deposit will not be made, the relevant amount will be placed in your RaboSaver Account and we will try to contact you to obtain Instructions;
- if your application is for a Term Deposit at a specified available rate and your application is not successfully completed (including if the required funds are not cleared) within 28 days after the application is made, your Term Deposit application will be cancelled and any amount you have transferred will, if your application to become a RaboDirect customer is afterwards successfully completed, be transferred to your RaboSaver Account and earn interest at the RaboSaver rate.
- If your application to become a RaboDirect customer is unsuccessful for any reason, any amounts you have deposited will be transferred back into your Nominated Account.

26. Term Deposits

26.1 Term Deposits are available for standard terms of 1, 3, 6, 9, 15 or 18 months and 1, 2, 3, 4 or 5 years, and for such non-standard terms as we may decide to offer you.

26.2 You can choose whether, on maturity, your Term Deposit will be automatically reinvested in a new Term Deposit (of the same duration or different duration) at the then-current applicable interest rate, or paid to a Call Account of your choice. If the Call Account selected by you is closed by the time of maturity, the Term Deposit will be paid to your RaboSaver Account.

26.3 If you have chosen to automatically reinvest your Term Deposit in a new Term Deposit, you can also, during the duration of your Term Deposit and before 4pm on the Business Day before the day on which the Term Deposit is due to mature:

- choose a different duration for your new Term Deposit;
- elect to add to the amount of your new Term Deposit (from a Call Account);
- change the frequency with which interest is paid on your new Term Deposit;
- change your Instructions as to the amount to be reinvested (principal and interest, or principal only); and
- choose that, instead of reinvesting in a new Term Deposit, the full amount of your Term Deposit plus interest earned should be paid into a Call Account.

26.4 If you choose to automatically reinvest a Term Deposit of one year or less, you may also choose to add the interest earned to the amount reinvested. Otherwise, the interest on any Term Deposit is paid to a Call Account of your choice. If the Call Account you chose is closed by the time of the interest payment, the interest will be paid to the RaboSaver Account.

26.5 If you Instruct us not to automatically reinvest your Term Deposit, we will pay it (and any applicable interest) to the Call Account from which the Deposit was originally made or your RaboSaver Account if that Call Account is closed.

26.6 We may, at your request, allow you to break your Term Deposit. Also, we may break your Term Deposit if you breach these Terms and Conditions, including where the amount of your deposits exceeds any maximum amount set by us. A fee may apply to any break. The principal and interest earned, less any fees, will be paid to your RaboSaver Account.

27. NoticeSaver Accounts

27.1 NoticeSaver Accounts are available with such NoticeSaver Withdrawal Periods as we may offer.

27.2 You may hold only one NoticeSaver Account for each NoticeSaver Withdrawal Period we offer, and each will be treated as a separate Account. Each type of NoticeSaver Account will have different interest rates and different NoticeSaver Withdrawal Periods.

27.3 You may at any time Instruct us to withdraw all or part of the funds from any NoticeSaver Account you hold. Starting from when we process your withdrawal Instruction, the funds will not be released from the NoticeSaver Account until the first Business Day following the expiry of the applicable NoticeSaver Withdrawal Period. Funds may be paid into any of your NoticeSaver Accounts at any time.

27.4 Once you have Instructed us to withdraw funds from a NoticeSaver Account, you may not change the Instruction, except you may cancel it at any time prior to the funds being released.

27.5 In exceptional circumstances such as financial hardship you can request immediate withdrawal of part or all of your NoticeSaver Account balance. We may accept or refuse any such request at our absolute discretion.

28. Managed Funds

28.1 We hold all your Managed Fund investments for you on bare trust as your nominee.

28.2 All distributions from a Managed Fund vest immediately and beneficially in you and will be credited to your RaboSaver Account.

28.3 You acknowledge that losses may result from investing in Managed Funds. You must continuously ensure that you can bear such losses. You acknowledge that you have been fully

informed of and know and accept the risks associated with such investing, and that we are not liable for any loss from any fall or rise in the value of a Managed Fund. Past performance is no guarantee of future performance.

28.4 You authorise us to act as your agent in your name in dealing with Fund Providers.

28.5 We do not facilitate or permit switches between Managed Funds.

28.6 We may exercise your rights against third parties including Fund Providers, if we consider this desirable for the proper administration of a Managed Fund. However, we will not be required to convene a general meeting of investors, attend or speak at such a meeting, exercise voting rights or investigate the policy or business of any legal entity. We may give you the opportunity to exercise such rights.

28.7 We will not execute a sell Instruction on a Managed Fund investment until we have received the units, free and clear (as your nominee).

28.8 We only need to hold and return to you Managed Fund investments of equivalent kind and value and not particular Managed Fund units.

28.9 We need not pay you any amount in relation to any entitlement you have to a Managed Fund payment until we have received payment of that entitlement from the Fund Provider concerned. If we pay you before we receive payment from the Fund Provider, we may (without further authority) reverse or otherwise recoup our payment to you, plus any consequent interest and exchange rate differences, if we do not receive payment from the Fund Provider.

28.10 We may execute a sell Instruction for a Managed Fund with ourselves or with others as the counterparty, at our election.

28.11 You may require us to transfer a Managed Fund investment into your own name provided you have first opened a personal account with the relevant Fund Provider, the Fund Provider is willing to allow us to transfer the Managed Fund investment to you and you have provided all the required information to us.

28.12 On termination of our Managed Fund service for you, we will sell your Managed Fund investments and pay the proceeds to your RaboSaver Account.

28.13 We need not facilitate the transfer of any investment portfolio you hold outside RaboDirect.

29. Handling of Funds

29.1 We have the following procedures for the receipt and disbursement of funds relating to your Account:

- The date of processing of a Managed Fund sell Instruction will depend on both our processing requirements and those of the Fund Provider. The date of processing is when we credit your RaboSaver Account with the Instruction amount;
- We hold Managed Fund investments as nominee for you, but not funds in a Term Deposit, NoticeSaver or a Call Account. Funds in a Term Deposit, NoticeSaver or a Call Account are on deposit with us. We continue to hold Managed Fund investments as nominee for you until they are sold. The net proceeds of a sale of Managed Fund investments will be credited to your RaboSaver Account beneficially. We hold funds in your Term Deposits, NoticeSaver or Call Accounts until they are disbursed or distributed in accordance with your Instructions;
- We keep records of your Managed Fund investments, Term Deposits, NoticeSaver and Call Accounts transactions. The Internet Banking Services and our Customer Contact Centre give you access to those records, and the other records relating to your Accounts, in accordance with these Terms and Conditions;
- The receipt, holding and disbursement of the funds by RaboDirect will be audited by our internal audit division, and also by our external auditor, Ernst & Young, to the extent Ernst & Young considers necessary to give its opinion on our financial statements; and
- We may deduct break costs on Term Deposits which are terminated early, a fee for repair or replacement of a Device and costs or charges incurred by us as a result of any breach by you of these Terms and Conditions. These deductions are the only way in which your funds can be used for our or anyone else's benefit.

30. Risks

30.1 The main risk you face is in the highly unlikely event we were to go into statutory management. If a statutory manager is appointed to us then you could face a “hair cut” of your deposits under the Reserve Bank’s Open Bank Resolution scheme. Further information on Open Bank Resolution is available here http://www.rbnz.govt.nz/regulation_and_supervision/banks/policy/obr/index.html

31. What other information can I obtain about RaboDirect?

31.1 Other information about us is contained or referred to in our most recent disclosure statement and financial statements. These documents can be obtained, free of charge, by emailing us or at Rabobank’s address at Level 23, 157 Lambton Quay, Wellington, by calling us on the phone number specified on our website www.rabodirect.co.nz or from our website www.rabobank.co.nz/about-rabobank.

31.2 The financial statements and other documents of or relating to us are filed on a public register at the Companies Office and are available through the Companies Office website www.business.govt.nz/companies.

32. Miscellaneous

32.1 We may negotiate with a Fund Provider that a portion of its management fee is paid to us. This will not result in any additional fees being payable by you.

32.2 We may pay commission to any Intermediary of yours based on the amount you invest in RaboDirect products. Such payments will not result in any additional fees/brokerage being payable by you.

32.3 You must notify us in writing immediately if the person you had nominated as your Intermediary is no longer authorised to act on your behalf. You can only revoke an authorisation you have given in relation to an Intermediary where that revocation is in writing. The revocation may not take effect until we have acknowledged its receipt. If we have not received written notice of a revocation authority, we will assume that the Intermediary is authorised to act on your behalf.

32.4 We may correct any error we make without first having to seek Instructions from you to do so.

32.5 If you have a business Account, you:

- agree that you open Account(s) with us for business purposes and that the Consumer Guarantees Act 1993 does not apply to our relationship with you; and
- must have appropriate internal controls to minimise the risks of fraud.

32.6 You must keep us informed of any changes to your personal and contact details, including to your email, postal or residential address.

32.7 None of your Accounts is allowed to be overdrawn. We may charge interest on any overdrawn amount, at such interest rate as we decide.

33. Definitions

“Account”: any and all accounts held by you with RaboDirect.

“Applicable Laws”: all laws, rules, codes, regulations, international conventions and other legal requirements in force from time to time in New Zealand and in any jurisdiction worldwide which apply to a member of the Rabobank Group including, without limitation, tax compliance, anti-money laundering and countering terrorism legislation and sanctions conventions.

“Authorised Signatory”: an individual who operates an Account on behalf of an Account owner.

“Business Day”: banking business day, or day on which the relevant Fund Provider is open for business, as applicable.

“Call Account”: a RaboSaver Account and/or any PurposeSaver Account or PremiumSaver Account you have.

“Device”: your Digipass or any other device we provide in connection with the Internet Banking Services.

- "Fund Provider": the provider of a Managed Fund.
- "Instruction": an instruction from you relating to an Account ("Instruct" has a corresponding meaning).
- "Intermediary": an authorised financial adviser or financial advisory group or individual who holds information about you, and whom you have authorised to act as intermediary between us and you, and/or to give Instructions on your behalf.
- "Internet Banking Services": the internet banking services which we offer to you through RaboDirect.
- "Managed Fund": an investment product offered through RaboDirect by a Fund Provider.
- "Multi-owner Account": an Account owned by more than one individual, including a joint Account, a trust Account where there is more than one trustee and a partnership Account.
- "Nominated Account": the external account from which funds may be debited to your Account and to which funds may be paid from your Account.
- "NoticeSaver": a type of deposit Account.
- "NoticeSaver Withdrawal Period": the period of notice (as specified by us for a type of NoticeSaver Account) that you are required to give to us in order to withdraw funds from a NoticeSaver Account.
- "Operational Purposes": purposes that in our opinion are connected with a lawful function or activity of us or any other member of the Rabobank Group, including:
- meeting our own high internal standards (as set by our Rabobank Group parent company) for verifying and ensuring the accuracy of customer information; and
 - verifying contact details so that we can contact you or any Related Person in relation to the Account and other services we provide.
- "PIN": the code(s) used to protect access to a Device.
- "PremiumSaver": a type of Call Account.
- "PurposeSaver Account": a RaboSaver sub-Account.
- "Rabobank Group": Coöperatieve Rabobank U.A. and its related entities.
- "RaboDirect": a division of Rabobank New Zealand Limited, a bank registered in New Zealand.
- "RaboSaver": your primary Call Account.
- "Related Person": any individual, group of individuals or entity related or in any way otherwise connected to you.
- "Term Deposit": a term deposit Account.
- "we"/"us"/"our": Rabobank New Zealand Limited.
- "you"/"your": an owner of an Account and any Authorised Signatory.