

Telephone Banking Terms & Conditions

Effective 14 February 2011

Important

- Southland Building Society operates under the brand "SBS Bank". The name of the registered bank is Southland Building Society (referred to as "the Bank")
- Please read carefully and then keep this document in a safe place.
- These Terms and Conditions (as amended or replaced from time to time) apply in addition to the Bank's General Terms and Conditions and any additional terms and conditions applying to your account(s). Copies of the specific terms and conditions for your account(s) may be obtained from our website, from any of our Branches or by ringing our Contact Centre.
- In the event that there is any inconsistency between these Terms and Conditions and any other terms and conditions applying to your account(s) or any service, these Terms and Conditions will prevail to the extent of that inconsistency.
- By using Telephone Banking you agree to comply with these Terms and Conditions.
- We are happy to explain anything that is not clear to you.

1. User Directions

- 1.1 Whenever you use Telephone Banking you must follow the Directions contained in the "Guide to Telephone Banking".

2. Touch-Tone Telephone

- 2.1 To access Telephone Banking you must have access to a touch-tone telephone.
 2.2 All charges relating to that telephone including tolls are your responsibility.

3. Your PIN

- 3.1 You will be asked to select your own PIN for accessing your account(s) via Telephone Banking.
 3.2 Your PIN may be altered at any time by following the procedure set out in the "Guide to Telephone Banking".
 3.3 You should take care when selecting your PIN. Please refer to the General Terms and Conditions for further information.
 3.4 To the extent permitted by law, the Bank will not be liable for any claim or loss that results directly or indirectly from an unauthorised use of your PIN.
 3.5 You must notify the Bank immediately if you know or suspect that someone else knows your PIN or if you discover an unauthorised use of your PIN has occurred. Within New Zealand you should telephone the Bank on freephone 0800 727 2265. Outside New Zealand you should telephone 64 3 211 0700.

4. Accessing Your Accounts

- 4.1 You can only use Telephone Banking to access those accounts you have nominated.
 4.2 The procedure for nominating, changing and cancelling the accounts you wish to access is set out in the "Guide to Telephone Banking".
 4.3 The Bank may restrict which of your accounts you can nominate for access.

5. Fees/Charges

- 5.1 You agree to pay all fees and other charges relating to Telephone Banking in addition to any applicable account and transaction fees.
 5.2 The Bank may deduct such fees and other charges from your account(s) in accordance with the "Deductions" section of the Bank's General Terms and Conditions, contained within the Account Mandate.
 5.3 Fees and charges are subject to change.

6. Transactions

- 6.1 All instructions given by you will be acknowledged by the Bank. The Bank will then act on your instructions, provided that the Bank may refuse to act upon any instruction for any reason it thinks fit.
 6.2 You cannot cancel an instruction once the Bank has acknowledged it unless the Bank agrees otherwise.
 6.3 The Bank may set minimum and maximum limits for transactions carried out via Telephone Banking.

- 6.4 Transfers of funds from or to your account(s) will be debited or credited as per your instructions as at the time your instructions are given.
 6.5 Transactional information about your accounts such as the last ten transactions and account balances will reflect all transactions processed at the time the information is given.
 6.6 It is your responsibility to ensure that there are enough funds in your account(s) to meet any transfers or bill payments you require.
 6.7 You will not be able to draw on any cheques and/or deposits until they are cleared.

7. Telephone Payments

- 7.1 The Bank has made arrangements with a number of major businesses, local bodies and utilities (phone and power companies) to receive telephone payments via Telephone Banking.
 7.2 Payment/s authorised after 7.00pm on weekdays to External Accounts, will be debited from your account on the day of authorisation but may not be processed by the receiving bank until the next business day. Payments authorised on weekends will not be processed until the next business day.
 7.3 You can set up telephone payment facilities with any other person or organisation that does not already have an arrangement with the Bank provided that that person or organisation agrees to accept payment via Telephone Banking.
 7.4 The Bank will not have any responsibility or liability for the accuracy of any information given by you or anyone acting on your behalf relating to telephone payments.

8. The Bank's Liability

- 8.1 To the extent permitted by law, the Bank will not be liable to you or any other person for any claim or loss that arises directly or indirectly from your use or the unavailability, delay or malfunction of Telephone Banking.
 8.2 Although Telephone Banking will normally be available 24 hours a day, maintenance of the system will be required from time to time with the result that the service may not be available from time to time.

9. Cancellation

- 9.1 You can cancel or suspend your access to Telephone Banking by calling the Bank or by contacting one of our Branches.
 9.2 The Bank can cancel or suspend your access to Telephone Banking at any time without notice if you do not follow these terms and conditions.
 9.3 If your access is cancelled or suspended, you will still be liable for all transactions made up to that time.

10. Changes to Telephone Banking and these Terms and Conditions

- 10.1 We may change these Terms and Conditions from time to time or vary the Telephone Banking service provided to you.
 10.2 We will notify you by notice in our newsletter or statement or by an individual notice at least 30 days before the effective date of change if it will:

- a. impose or increase charges for the use of Telephone Banking or for issuing additional or replacement PINs;
 - b. increase your liability for losses; or
 - c. impose, remove or adjust daily or other periodic transaction limits applying to the use of Telephone Banking.
- 10.3 If the change reduces your obligations to the Bank we will notify you when we next correspond with you, either by a notice in our newsletter or in your statement of account.
- 10.4 We will notify other changes which affect you no later than the day the change takes effect by advertisement in national or local media, notice in our newsletter or your statement of account, or individual notice sent to you.
- 10.5 We are not obliged to give you advance notice if an immediate change to these Terms and Conditions is deemed necessary for the security of Telephone Banking or individual accounts.
- 10.6 You authorise us to give information about you and any of your account(s) to others in order to execute your instructions to us via Telephone Banking or where we reasonably think it necessary for the provision of that service. However, you may instruct us not to share your information by giving us written instructions to that effect.

11. Restrictions and Termination of Access to Telephone Banking

- 11.1 We reserve the right to restrict your access to Telephone Banking.
- 11.2 You may cancel your access to Telephone Banking at any time by giving us written notice or contacting us during Business Hours. You will remain responsible for any transactions made on your accounts via Telephone Banking up until the time of cancellation.
- 11.3 We may suspend or withdraw your access to Telephone Banking at any time without prior notice if:
- a. you have breached these Terms and Conditions or have acted fraudulently;
 - b. we learn of your death, Bankruptcy or lack of legal capacity or that you have committed an act of Bankruptcy or that a Bankruptcy petition has been presented to you;
 - c. there are insufficient funds to cover payments or payment instructions given;
 - d. we consider that we have other reasonable grounds to do so (in which case all reasonable efforts will be made to advise you of the circumstances of withdrawal or suspension);
 - e. we are complying with a Court order;
 - f. we are notified by any party of a dispute over either the ownership of funds or the operating account; or
 - g. we are protecting one of all of the parties to the account, us or a third party who has reasonably claimed an interest in the account.

12. Definitions

- **“Bank”, “we” or “us”** means Southland Building Society trading as SBS Bank and HBS Bank – a registered bank with a mutual building society structure.
- **“Bankruptcy” or “Bankrupt”** includes the loss of capacity, insolvency, receivership, liquidation, removal from the register, statutory management or any similar occurrence, and petition for bankruptcy includes any step taken for or towards these.
- **“Branch”** means one of the Bank’s branches in New Zealand and “Branches” has a corresponding meaning.
- **“Business Hours”** means the hours of operation of the Bank’s freephone number 0800 727 2265 is 8.30am – 5.30pm local standard time.
- **“Customer Number”** means the identification number issued to you by the Bank. This enables us to identify you when you access Telephone Banking.
- **“External account”** means an account not held with the Bank or any of its operating brands.
- **“General Terms and Conditions”** means the Bank’s general terms and conditions.
- **“Nominated Account”** means the bank account(s) you hold with the Bank that have been nominated by you to be accessed via Telephone Banking.
- **“PIN”** means a confidential 4 digit personal identification number to prevent unauthorised access to and use of your accounts, used with your Customer Number it gives you access to Telephone Banking.
- **“Telephone Banking”** means the telephone banking service provided by the Bank to provide access to Nominated Accounts for customers using a unique Customer Number and PIN.
- **“Terms and Conditions”** means these terms and conditions.
- **“you” or “your”** means the account holder, including (as may be applicable) any holder of a joint account, any company, firm, partnership, trust, estate, society (whether incorporated or unincorporated), lodge, club or user of Internet Banking.