



# Terms & Conditions



## SBS Bank Share Term Investments

21 August 2026

### A. About these terms and conditions

Thank you for considering SBS Bank for your Share Term Investment.

We are Southland Building Society, a registered bank, and we operate under the brand name SBS Bank. In this document, we call ourselves '**SBS Bank**', '**we**', '**us**' or '**our**'.

Our General Terms and Conditions cover all of our products and how we work with you. This document has extra terms and conditions specifically for Share Term Investments. If there are any conflicts between the two, these terms and conditions are the ones that apply. Please take a moment to read them. We're happy to discuss anything that isn't clear.

By applying for any of our products and services, you agree to comply with our terms and conditions.

For details of how we manage your privacy, please refer to our full Privacy Statement on our website: [sbsbank.co.nz/sbs-privacy](https://sbsbank.co.nz/sbs-privacy).

You can find all of our terms and conditions at [sbsbank.co.nz/terms-conditions](https://sbsbank.co.nz/terms-conditions).

You can see our latest disclosure statements and our Annual Report on our website at [sbsbank.co.nz/About-Us/Annual-Reports-and-Disclosures](https://sbsbank.co.nz/About-Us/Annual-Reports-and-Disclosures). You can call us for a free copy on 0800 727 2265.

### B. How our Share Term Investments work

We are a building society and also a registered bank. As a result, when you invest in our Share Term Investments, we issue you with redeemable shares equal to the amount of money you invest. On the maturity date of your Share Term Investment, we pay you back the original value of your Share Term Investment (less any early withdrawals you may have made) and your interest. Our Share Term Investments have the following key features:

- They are issued for a fixed term, and carry the right to a fixed dividend, which is the same as interest you receive on any term deposit. The term 'interest' in this Terms & Conditions document includes dividends.
- As a holder of redeemable shares, you are a Member of SBS Bank and have additional rights. Please see section C '*The difference between Share Term Investments and Deposit Term Investments*' for these rights.

In every other way, our Share Term Investments work just like any standard term deposit.

- You invest a fixed amount of money with us for a fixed period of time.
- This fixed period of time is called the term.
- During the term your money earns interest at a fixed interest rate.
- The day your fixed term ends is called the maturity date.
- On the maturity date we give you back your principal and any unpaid interest, less any tax.

You can choose how you receive your interest at the time you open your Share Term Investment. See section D '*Receiving your interest*' for more information.

Remember, a Share Term Investment locks in your money. You can't add more money to this account, and you can't normally withdraw your money early. We recommend you seek financial advice before committing to a Share Term Investment.

## C. The difference between Share Term Investments and Deposit Term Investments

We also offer Deposit Term Investments to qualifying customers. They are different to our Share Term Investments.

As a holder of the Share Term Investments, you are issued redeemable shares and become a Member of SBS Bank. This means you have the right to:

- Vote at meetings of Members of SBS Bank, subject to our Rules; and
- Participate equally with all other Members in surplus assets of SBS Bank on a liquidation.

If you have appointed a custodian to hold the Share Term Investment on your behalf, it is the custodian who would have the rights as a member of SBS Bank.

Deposit Term Investments do not give the holder membership status in SBS Bank.

In the unlikely event of a liquidation of SBS Bank, Deposit Term Investments will rank ahead of Share Term Investments. Please see section K '*Ranking on liquidation of SBS Bank*' for more information.

## D. Receiving your interest

Your Share Term Investment earns interest on every day of your term, excluding the day your term ends. We apply the interest rate you choose when you open your Share Term Investment, and this rate does not change.

We pay your interest after deducting any taxes or levies required by law.

We apply the tax rate you tell us when you open your Share Term Investment. If you don't tell us a rate, we will apply the default tax rate. This may be higher than your usual tax rate.

If, when you receive your interest, you think you may have overpaid your Resident Withholding Tax, speak to the IRD, your accountant or tax adviser.

When you open your Share Term Investment you choose how to receive your interest:

- In one lump sum at the end of your term
- As regular monthly or quarterly payments during your term
- By adding it to your Share Term Investment every quarter.

Regular interest payments and compounding options may not be available on some terms.

Adding your interest to your Share Term Investment will earn you more interest overall. That's because you will be earning interest on your interest.

You can see how much interest you could earn with each option when you apply for your Share Term Investment online. We can also let you know how much interest you could earn if you apply with us at a branch or over the phone.

Our current Share Term Investment interest rates and terms are available at [sbsbank.co.nz/investing](https://sbsbank.co.nz/investing). We update these rates regularly, without notice.

## E. What happens when your Share Term Investment matures

At the end of your term, you can:

- Have us pay your money into your bank account.
- Choose a new term and rate and reinvest your money.
- Have us reinvest your money for a similar term at the interest rate on offer at the time.

You can set your reinvestment instructions online or tell us what to do when you first apply for your Share Term Investment. If we don't receive any instructions from you, we will reinvest your money for you at the end of the term. We will invest it for a similar term at the interest rate we are offering at the time.

We will notify you before your maturity date, so that you can set or update your instructions.

## F. How to open your Share Term Investment

You can apply for a Share Term Investment through our mobile banking service or online at [sbsbank.co.nz/investing](https://sbsbank.co.nz/investing). You can also open a Share Term Investment over the phone or at a branch. We'll let you know if we can't accept your application for any reason.

If you already have accounts with SBS Bank, we can usually open your Share Term Investment immediately.

If you have no accounts with SBS Bank, you will need to complete extra steps before you can open a Share Term Investment. We can help you with these steps through our mobile banking service, online, over the phone or at one of our branches. You will need to:

- Complete your identify verification, which is a legal requirement when opening a Share Term Investment. If you are completing your application online, you will need your New Zealand or Australian passport, or your NZ Driver's Licence for identification purposes. You will also need an approved document that shows your residential address. These requirements can change from time to time. You can see which items you'll need for both our online and in person processes on our website.
- Open an SBS Bank savings or transactional account.
- Once your funds are in your SBS Bank account, we will put them into your Share Term Investment. We'll let you know when it's done.

## G. Minimum and maximum investment amounts

The minimum amount for a Share Term Investment is \$1,000.

The maximum is usually \$5,000,000. Please contact us if you want to invest more than this

## H. There are no opening or operating fees on your Share Term Investment

There are no fees to open your Share Term Investment, and no ongoing fees either.

We may charge a fee if you need to break your Share Term Investment early. See section J, *'Applying to withdraw your money early'* for more information.

## I. Cooling-off period

After you have opened your Share Term Investment, you have a 'cooling-off period' of 30 days.

During this time, you can ask us to cancel your Share Term Investment. If you do, we will return your funds without any penalty. However, you will not receive any interest on your funds.

## J. Applying to withdraw your money early

You can ask to break your Share Term Investment early.

You can close your Share Term Investment in full within the first 30 days without penalty. We will close your Share Term Investment and return your funds without penalty and without interest.

If you have held your Share Term Investment for more than 30 days, you can request the return of all or some of your funds before the maturity date. We need to approve your request. Any approval will be at our absolute discretion and if we do approve it, we will impose a fee.

- This fee is 1.5% per annum of the amount you withdraw.
- The minimum fee is \$25.
- We will tell you the fee before proceeding.
- We will deduct the fee from your principal on the day of your withdrawal.
- We may change our Early Withdrawal Fee in accordance with section L *'Changes to these terms and conditions.'*

We will credit you any interest earned on your Share Term Investment up to the date of the withdrawal, less any tax.

If we approve a partial request, the remaining funds in your account will continue earning interest at the same rate for the rest of the term. If your partial withdrawal will leave less than \$1,000 in your Share Term Investment, we will close the Share Term Investment account and return your funds in full.

## K. Ranking on liquidation of SBS Bank

In the unlikely event of liquidation of SBS Bank, repayments will be made in the following order, with each ranking equally amongst themselves:

- First, creditors preferred by law and secured creditors (for example, Inland Revenue and our employees);
- Second, all holders of unsecured and unsubordinated debt securities not issued as redeemable shares, including the holders of Deposit Term Investments;
- Third, all holders of unsubordinated redeemable shares, including the holders of Share Term Investments;
- Fourth, all holders of subordinated redeemable shares (like our Capital Bonds); and
- Last, equity holders.

If there are still funds left over, all Members will participate equally in the surplus assets of SBS Bank.

## L. Changes to these terms and conditions

We may need to change these terms and conditions from time to time. This might be because we have changed our Share Term Investments, or the way we operate.

We will let you know what is changing and when, by any of the following:

- Email, if you have given us your email address.
- Letter.
- Branch notice.
- A notice on our website.
- A notice on our internet banking platform or mobile banking app.
- A public notice, when required by law.

We will let you know at least 14 days before the changes happen.

Sometimes we may have to make changes immediately. This might be due to security or fraud issues, for example. If that happens, we'll let you know what has changed as soon as possible.

Our interest rates can change at any time and without notice. Our current interest rates for Share Term Investments can be found at [sbsbank.co.nz/rates](https://sbsbank.co.nz/rates).

Any changes to the interest rates will not affect existing Share Term Investments.

We may change our fees in accordance with this section.

We issue our Share Term Investments in accordance with the "Rules of Southland Building Society." These Rules may be altered by a 75% majority of our Members voting at a meeting.

## M. Who to contact if you have a question or complaint

We're happy to help with any aspect of your Share Term Investment. To find more information, please visit [sbsbank.co.nz](https://sbsbank.co.nz), call into one of our branches, or call us on 0800 727 2265.

Please let us know if you're unhappy with our service or your Share Term Investment. You can find full details of our complaints process in our General Terms and Conditions.

## N. Copyright

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