



Terms & Conditions



SBS Bank Deposit Term Investments

21 August 2026

A. About these terms and conditions

Thank you for considering SBS Bank for your Deposit 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 Deposit 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.

You can find all of our terms and conditions at 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. You can call us for a free copy on 0800 727 2265.

B. How our Deposit Term Investments work

Our Deposit Term Investments allow you to earn a fixed rate of interest on your money over a fixed period of time:

- 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 will give you back your principal investment as well as your interest, less any tax.

(See section D '*Receiving your interest*' for more information on your interest.)

Remember, a Deposit 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 Deposit Term Investment.

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

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

Holders of Share Term Investments are issued redeemable shares and become a Member of SBS Bank. This means they 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.

Holding a Deposit Term Investment does not give you 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 Deposit 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 Deposit 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 Deposit 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.

The interest on your Deposit Term Investment will be paid as one lump sum at the end of your term.

We can let you know how much interest you could earn if you apply with us at a branch or over the phone.

Our current Deposit Term Investment interest rates and terms are available on request from any SBS Bank branch, or by calling 0800 727 2265.

E. What happens when your Deposit 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 tell us what to do when you first apply for your Deposit 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 Deposit Term Investment

You can apply for a Deposit Term Investment over the phone or at an SBS Bank 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 Deposit Term Investment immediately.

If you have no accounts with SBS Bank, you will need to complete extra steps before you can open a Deposit Term Investment. You will need to:

- Complete your identify verification, which is a legal requirement when opening a Deposit Term Investment. If you are completing your identity verification 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 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 Deposit Term Investment. We'll let you know when it's done.

G. Minimum and maximum investment amounts

The minimum amount for a Deposit 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 Deposit Term Investment

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

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

I. Cooling-off period

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

During this time, you can ask us to cancel your Deposit 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 Deposit Term Investment early.

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

If you have held your Deposit 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 Deposit 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 Deposit Term Investment, we will close the Deposit 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 Deposit 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 Deposit Term Investments are available on request from any SBS Bank branch, or by calling **0800 727 2265**.

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

We may change our fees in accordance with this section.

We issue our investments in accordance with the "Rules of Southland Building Society."

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

We're happy to help with any aspect of your Deposit Term Investment. To find more information, please visit 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 Deposit Term Investment. You can find full details of our complaints process in our General Terms and Conditions.

N. Copyright

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