

T's And C's.

**Credit card
terms and conditions**

Effective April 2016

**Kiwi
bank.**

**It's
Ours.**

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These terms apply to:

Kiwibank Low Rate MasterCard®

Kiwibank MasterCard Zero®

Kiwibank MasterCard Gold®

Air New Zealand Airpoints Low Fee MasterCard®

Air New Zealand Airpoints Standard MasterCard®

Air New Zealand Airpoints Platinum MasterCard®

Kiwibank Business MasterCard®

What does the shading mean?

It's important for you to read all of these terms, but we have shaded the parts we think are particularly important for our customers to be aware of.

Kiwibank Credit Card Terms and Conditions

These are the specific terms for your Kiwibank credit card account. They make an agreement between you (primary cardholder or joint cardholder) and us (Kiwibank Limited). They take effect from the time your card or card account is first used.

Our agreement with you also includes our General Terms and Conditions, along with any extra terms and conditions provided by us in writing, either with your card, or as part of a promotion or special offer you sign up for.

1. Responsibility for your use and others who may use the credit card account

Every card account has a primary cardholder, and may have one or more joint cardholders. When we issue your card, we will open a card account in the name of the primary and any joint cardholders.

You can also ask us to add an additional cardholder, which requires our approval. If approved, we will issue an additional card to that person, linked to your card account. This does not create a customer relationship between us and the additional cardholder. The customer relationship is between us and the primary and any joint cardholder/s. An additional cardholder is able to make transactions on the card account and enquire as to the balance and transaction history for all cardholders, but is not entitled to make changes to the card account.

The primary and any joint cardholder/s are responsible (together and also individually) for:

- all amounts owing on the card account
- any breaches of these terms, and
- the actions of each additional cardholder, as if their actions were your own.

We can treat the primary or any joint cardholder as having full authority over the card account. For example, they can add or remove an additional cardholder, without other cardholders being notified.

If your card account is a joint account, and a primary or joint cardholder tells us that he or she wants to withdraw from it or close it, we will either:

- suspend the operation of the card account; or
- close the card account and open a new one in the remaining holder's name (with a new card).

In both cases, the primary and joint cardholders will be notified as soon as possible. However, the primary and joint cardholders continue to be responsible (together and individually) for all amounts owing to us (including transactions made but not processed) at the date we suspend or close the card account until the amounts owing are paid in full.

If there is a dispute between the cardholders, you must tell us immediately. We can suspend the card account until we are satisfied that the dispute has been resolved.

2. Changes

We can change these terms, or the interest rates and fees for your card account, at any time by giving notice. The ways we can give notice are set out in section 18 below.

These changes, including to interest rates and fees, will normally take effect automatically 28 days after notification or any longer period that we set out in the notice. But if the change is in your favour, or our reason for the change is to enable us to comply with law or with rules imposed by MasterCard, we can set a shorter notice period.

The change will not apply to you if you close your card account and pay off all amounts owing before the change takes effect. If you do this because we have made a change that would substantially increase the burden or substantially decrease the benefit of the card account, then if you ask us when you close your card account, we will give you a proportional refund of any account fees that you have pre-paid for any period beyond the date that the changes would have taken effect for you.

The features of the card are described in our product brochures and/or on the relevant product webpages at kiwibank.co.nz. These features are not part of these terms, and may change from time to time, normally without notice. But if we make a change to these features that substantially reduces the benefit of the card, then we will treat this in the same way as a change to these terms. If your card is an Air New Zealand Airpoints Credit Card, please note that this does not apply to any change in Air New Zealand's Airpoints Terms and Conditions (see section 22 below for more detail).

3. Repayment and closing the card account

At any time we can close the card account and/or require you to immediately pay us all or any part of the amounts owing on your card account. We will do this by giving you notice using any of the direct communication methods in section 18.

We will give you at least 28 days' notice before doing so, except in situations where our General Terms and Conditions say we can close or cancel without prior notice. These situations are outlined in clause 7 and clause 20 of our General Terms and Conditions.

If we close your card account for any other reason, then we will give you a proportional refund of any account fees that you have pre-paid for any period beyond the date that your card account is closed and paid off.

You can close your card account and pay off the amount owing at any time. Closure of the card account will also end any card-related services.

If a transaction is made on the card before the card account is closed, then you will still be liable for the transaction if we are required to pay the merchant, even if the transaction is processed and posted to your card account only after it has been closed. The same applies if you knowingly make a transaction on the card after the card account is closed. In cases where we are not required to pay the merchant, but you specifically ask us to do so and we agree, then you will be liable for the transaction.

4. Using your card and telling us if there is an error

When you get a card, you will need to choose a PIN. Each cardholder must have his or her own PIN. When you receive your card you must sign it immediately, with your usual signature, in the space provided on the back. You must not use it before you have signed it. Unless suspended or expired, your card can be used wherever MasterCard® is accepted.

If your card, card and PIN, card details or electronic banking service details (e.g. phone banking details) are used in a transaction (for example, a purchase, cash advance, balance enquiry or balance transfer), you authorise us to carry out that transaction and reflect it in your card account without further verification or authentication.

You cannot cancel or reverse transactions made by you or someone acting with your permission. Generally, you cannot cancel or reverse a transaction because the merchant fails to deliver goods or services. You cannot cancel or reverse a transaction because you are unhappy with your purchase or if you made a payment in error. Where we (or another bank or financial institution) make a payment into your card account in error, you agree that we can reverse the payment without giving you notice.

Your liability for unauthorised transactions is outlined in section 14 below. You must check each monthly statement and tell us within 60 days from its closing date if it shows an error or unauthorised transaction. Otherwise we cannot reverse the transaction and you will have to pay for it even if it was unauthorised.

There are maximum and minimum amounts for transactions on your card, and these are subject to change. Transactions outside these limits may be declined. Details of current maximums and minimums are available from kiwibank.co.nz. A number of payment systems (e.g. ATMs and EFTPOS terminals) have their own maximum and minimum transaction limits, and may also charge you additional transaction fees. We do not control those fees and limits.

Please note, we can suspend your card account where allowed by clause 8 of our General Terms and Conditions, and also where specifically allowed by these terms.

5. Foreign exchange rate

When you use your card for foreign currency transactions, your transactions will be converted to NZ\$ at a rate of exchange determined by MasterCard on the date it sends the transaction details to us.

6. Your credit limit

We set the initial credit limit for your card account based on the information you gave us. We can change your credit limit by agreement with you, or otherwise as allowed by the terms below. If your chosen card type has a minimum credit limit, you cannot reduce your credit limit below that level, although you could transfer your balance to one of our other card types. To find out whether this applies to your card, visit kiwibank.co.nz.

You must not use your card if the transaction would result in you exceeding your credit limit. Your credit limit applies to all cards on your credit card account combined, not separately for each card. Hold amounts (explained further below) are counted against your credit limit, along with all amounts owing on your card account.

We can still charge fees, costs and interest to your card account, even if this would mean your credit limit is exceeded. We can choose to honour a transaction even if it means you will exceed your credit limit. However, you may ask us not to honour electronic transactions where the merchant can check the available balance in real time if it means you will exceed your credit limit.

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

We can reduce your credit limit or card limit at any time by giving you notice. Notice can be by any of the direct communication methods in section 18 below. The reduction will normally take effect 28 days after notification, but we can apply the reduction immediately if you fail to meet your payment obligations or if we have any other reason to believe your creditworthiness has weakened.

7. Business card limits

If you have a business credit card with a card limit, you must not use your card if the transaction would result in you exceeding your card limit. Hold amounts (explained further below) are counted against your credit limit and card limit, along with other past transactions.

8. Hold amounts

Some merchants (such as hotels, car rental agencies and others) may impose hold amounts on your card account. This freezes a portion of your available credit for a limited time. For example, a hotel might apply a hold amount of \$100 until you have paid for extra expenses like mini bar snacks – meaning that until the hotel releases the hold, \$100 of your available credit is reserved for any charges from the hotel, and is not available for other transactions. We do not control the amount or period of any hold. Before using your card, you should check with the merchant to see whether they are asking you to authorise a hold.

9. Balance transfers

If you transfer a debt (e.g. the balance from another credit or store card) onto your card account, it is subject to your credit limit. Unless we state otherwise, only transfers from accounts with another bank, financial institution or store card are counted as balance transfers. Transfers of amounts owing on other Kiwibank credit cards are treated as purchases if transferred to your card account. This is important as there may be different interest rates for a balance transfer compared to a purchase.

10. Minimum repayment

On or before the due date set out in your monthly statement, you must repay at least the minimum payment. You can make additional payments over and above the minimum payment at any time. We can change the minimum payment amount from time to time under section 2 above. You can find out the current minimum repayment amount at kiwibank.co.nz.

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 card account is in credit. This does not affect the charging of interest.

11. Fees

We will charge fees on your card account, including for any related services that we provide. A list of our current fees is available from your local Kiwibank and at kiwibank.co.nz. We can change our fees from time to time under section 2 above. Note that fees may continue to apply during any period where your card account is validly suspended.

12. Interest

We will charge you interest on amounts owing on your card account, as follows:

- Our current interest rates are available at kiwibank.co.nz. We can change these rates from time to time under section 2 above.
- All interest will be calculated on a daily basis on each transaction, at the relevant daily interest rate for that transaction type.
- Unless we advise otherwise, interest will not be charged on any fees or costs charged to your card account, or on any unpaid interest.
- Interest will be charged on any cash advance or balance transfer from the date the advance or transfer is made until the date it is repaid in full, except where stated otherwise in any specific terms that we publish as part of any applicable promotion or special offer. Cash-like transactions, such as the purchase of gambling chips or foreign cash, are treated as cash advances.
- For all other transactions, no interest will be charged on the transactions shown in a particular monthly statement if (1) you pay the closing balance of the statement by the due date shown in the statement, and (2) you also paid the closing balance of the previous monthly statement by the due date shown in that previous statement. Otherwise, interest will be charged on all transactions shown in the monthly statement from the date each transaction was made until the closing balance of the monthly statement has been paid in full.

13. Order of payments

For the purpose of calculating interest and balances, your payments are generally applied to the amounts owing on your card account in the following order:

- First to amounts from your existing monthly statement, as follows:
 - interest, fees and costs, then
 - balance transfers, then
 - cash advances, then
 - purchases with a special or promotional interest rate, then
 - other amounts, then
- Second, to amounts due to appear in your next monthly statement, as follows:
 - interest, fees and costs, then
 - balance transfers, then
 - cash advances, then
 - purchases with a special or promotional interest rate, then
 - other amounts.

Within each of these categories, we can determine the order of payments, and payments will not necessarily be applied against the oldest amounts first. Also, when your monthly statement shows an amount that is due immediately, your payments will be applied to that amount before being applied to your minimum payment.

14. Your liability for unauthorised transactions

You will be liable for all amounts charged to your card account, except as specified below.

You will not be liable for unauthorised transactions that occur before you receive your card, so long as you have notified us of your current address.

If you have reason to think that (1) your card may have been lost or stolen, or (2) your card details may be known by someone not authorised to use the card, or (3) there may have been an unauthorised use of your card account (including by way of unauthorised use of internet, mobile or phone banking), then:

- You must let us know about the issue as soon as reasonably possible. Once you have let us know, you will not be responsible for any unauthorised use of your card that occurs after that time, except if you have acted fraudulently or negligently.

- You will not be responsible for more than \$50 of unauthorised transactions that occur before you let us know, but this \$50 limit will not apply if (1) you have acted fraudulently or negligently or (2) if you have contributed to the unauthorised use of your card (for example by failing to comply with the rules in the General Terms and Conditions for safeguarding your card, card details and PIN, or by unreasonably delaying letting us know about the issue).
- If you have contributed to the unauthorised use of your card, your maximum liability for unauthorised transactions will be limited to the lower of (1) the total amount of the transactions that occur before you let us know about the issue, or (2) the maximum amount that you would have been entitled to charge to your card account before you let us know about the issue, taking into account your credit limit and card limit (if any).

You are not liable for loss caused by (1) fraudulent or negligent conduct by employees or agents of Kiwibank or parties involved in the provision of electronic banking services, (2) faults that occur in machines, cards or systems used, unless the faults are obvious or notified by a sign or message displayed to users, or (3) unauthorised transactions where it is otherwise clear to us that you could not have contributed to the loss.

15. Safeguarding your card, card details, PIN and passwords

Details on how to safeguard your card, card details, PIN and passwords are set out in the General Terms and Conditions, under the section headed “Cards”. You must follow those rules to keep your card, card details, PIN and passwords safe.

16. Your liability for third party claims

You will pay us on request for any liability we may have for third party claims made against us as a result of your breach of these terms. You will also pay us on request for all costs and expenses that we reasonably incur in defending or settling those claims. We can charge these amounts to your card account as costs.

17. Your liability for our costs of enforcement

You will pay us on request for all costs and expenses that we reasonably incur in enforcing these terms against you and/or pursuing and collecting any amounts owing on your card account. This may include debt collection fees that we pay to debt collection agencies. We can charge these amounts to your card account as costs.

18. How we can give you notices and send disclosures

For the purposes of these terms, we can give notices by:

- direct communication with you (for example, by letter, email or text message, by secure message when you log in to internet banking, in an account statement, or by fax or telephone)
- displaying information at Kiwibank branches
- publishing information in the media (including public notices)
- posting information at kiwibank.co.nz, or
- posting information on any of our electronic banking services (for example, internet banking, phone banking, ATMs or EFTPOS terminals).

You are responsible for informing us of any change of address, including email address. You will be taken to have received any notice that we send to your most recent contact address that we have on file for your card account.

We are responsible for sending you certain information required by any law. We call these disclosures. So that we can provide your disclosures (including monthly statements), you:

- agree to register for internet banking if you're not already registered and consent to your monthly statements being made available to you through internet banking
- consent to us emailing your monthly statements to you in electronic form to the email address we hold for you (or any email address you give us in future)
- consent to us making disclosures or giving notices under any law to you in electronic form by email, or by emailing you a website link, to the email address we hold for you (or any email address you give us in future).

If you are a joint cardholder, you specify that disclosures (including monthly statements) can be made available to the primary cardholder (on your behalf) in whatever way the primary cardholder chooses from time to time.

19. Travel insurance

If your card benefits include travel insurance, this is arranged by Kiwibank but provided by TOWER Insurance Limited under a separate contract between you and TOWER Insurance Limited. TOWER Insurance Limited is solely responsible for any claims under that insurance. Kiwibank Limited does not guarantee the obligations of, or any products provided by, TOWER Insurance Limited. Important terms, conditions and exclusions are set out in the Travel Insurance for Kiwibank Credit Cards policy wording, available at kiwibank.co.nz. TOWER may change the policy wording in accordance with its terms.

20. Invalidity

If at any time a part of the terms applying to your card account is found to be illegal, invalid or otherwise unenforceable, then this will not affect the rest of those terms. In addition to any other rights to change those terms, we can also change them at any time where we reasonably consider the changes are necessary to correct any illegality, invalidity or unenforceability. If we do this, we will give at least 14 days' notice, using one or more of the methods set out in section 18.

Additional Terms for Air New Zealand Airpoints Credit Cards

The terms under this heading apply only in relation to Air New Zealand Airpoints Credit Cards issued by Kiwibank.

21. Airpoints membership

To hold an Air New Zealand Airpoints Credit Card, you must be a member of Air New Zealand's Airpoints programme. If your Airpoints membership expires or is cancelled for any reason, your card account may also be cancelled without notice, and without any refund of card account fees that you have already paid.

22. Air New Zealand benefits

Airpoints Dollars™, Status Points and other Air New Zealand benefits associated with your card are provided by Air New Zealand under a separate contract between you and Air New Zealand, on the Airpoints Terms and Conditions available at airnewzealand.co.nz/airpoints-terms-and-conditions. Air New Zealand may change the Airpoints Terms and Conditions in accordance with those terms.

23. Electronic communications

Air New Zealand and Kiwibank may communicate with you including by email, text message or other electronic means. If the electronic communication includes marketing or promotional material it will include an unsubscribe facility.

24. Collection, use and sharing of your information

You agree that Kiwibank and Air New Zealand may collect, use and share information about you and your use of the Airpoints credit card (for example, transaction information) or Airpoints membership, as described in this section 24.

We will collect and use your information primarily for the purposes of opening, operating and administering your Airpoints credit card. Air New Zealand will collect and use your information primarily for the purposes of administering the Airpoints programme, crediting you with Airpoints Dollars and Status Points and/or providing you with Airpoints programme rewards and benefits.

Your information may also be used by Kiwibank and/or Air New Zealand (and shared between them and their respective third party partners) for the purposes of:

- improving services and/or benefits offered to you in respect of the Airpoints credit card
- furthering the relationship between you and Kiwibank and/or Air New Zealand, including by identifying and presenting offers for products, services or promotions from Kiwibank and/or Air New Zealand
- identifying and marketing the products, services or promotions of Kiwibank and Air New Zealand's third party partners that may be of interest to you (or allow such third party partners to do so)
- carrying out aggregated statistical data analysis on Kiwibank, Air New Zealand or their respective partners' behalf, and/or
- conducting market research.

Your information may also be collected, used and shared in accordance with our General Terms and Conditions. In particular, please be aware of the following:

- Our General Terms and Conditions allow us to collect information about you from others for certain purposes (for example, credit checking you, or checking the accuracy of information you have provided).
- We may credit check you. We may provide information about you (such as your repayment history) to credit reporting agencies. This information may be recorded in those agencies' databases and be available when other parties use those agencies' services. Kiwibank may receive information about you from credit reporting agencies and may use their services – including monitoring services, to obtain updates on any information a credit reporting agency holds about you.
- Our General Terms and Conditions allow us to disclose your information to various third parties, including our related entities, organisations conducting market research, third parties that provide services to us, credit reporting agencies and debt collection agencies.

Please refer to the Air New Zealand Airpoints Terms and Conditions for the terms covering the collection, use and sharing of your information in the context of your Airpoints membership.

25. Monthly prize draw terms

The prize draw terms at airnz.co.nz/airpoints-credit-card-competitions apply to the monthly prize draw run by Air New Zealand in relation to the Airpoints credit cards. You agree to these prize draw terms, for our benefit and also for the benefit of Air New Zealand. Any rights you have under these prize draw terms are rights against Air New Zealand.

All You Need.

Kiwibank offers a full range of other accounts and services to suit your needs. To find out more:

 | **Call us**

0800 11 33 55

or +64 4 473 11 33 from overseas

 | **Visit us**

At your local Kiwibank

 | **Go online**

kiwibank.co.nz

Kiwibank Limited
Private Bag 39888
Wellington 5045

BR5153 APR16

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