

Card Terms and Conditions

Effective 14 February 2011

Important

- Southland Building Society operates under the brands "SBS Bank" and "HBS 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 web site, 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 use of your Card, these Terms and Conditions will prevail to the extent of that inconsistency.
 - By using your Card you agree to comply with these Terms and Conditions.
 - We are happy to explain anything that is not clear to you.
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Your Card and its Use

- You must sign your Card with your usual signature as soon as you receive it. You must not use your Card until you have signed it.
- Your Card belongs to the Bank at all times and you agree to return it if asked or if any of your accounts are closed.
- You must keep your Card in your possession or in a safe place at all times. Never allow anyone else to use your Card.

Your PIN

- You will either be issued with your own PIN when you are issued with your Card or if you prefer, you can call at one of our Branches with your Card and relevant identification to select your PIN. If your PIN is sent to you, you will need to contact our Contact Centre on 0800 502 442 (SBS Bank) or 0800 427 2265 (HBS Bank) or call at one of our Branches to activate your Card.
- If you wish to change your PIN, simply call at one of our Branches.
- You should take care when selecting your PIN, please refer to the General Terms and Conditions for further information.
- Your PIN identifies you and allows you access to your account(s). The Bank will not take any further steps to verify that the person using your Card and your PIN is you, so anyone else using your Card and your PIN will be allowed access to your account(s) whether or not you have given your permission.

Lost or Stolen Cards

- You must notify the Bank immediately if you know or suspect your Card is lost or stolen, someone else knows your PIN or you discover an unauthorised use of your Card has occurred.
- Within New Zealand, you should freephone 0800 727 227. Outside New Zealand you should telephone 64 3 211 0845.
- You may also need to advise the Police and you may be asked to complete a written report of the loss or theft.

Liability if your Card is Lost or Stolen

- Once you have notified the Bank that your Card has been lost or stolen, your PIN has been disclosed to someone else, or your Card has been used by an unauthorised person or you suspect that one of these events has occurred, either in New Zealand or overseas, you will not be liable for any unauthorised transactions carried out after that time unless you have acted fraudulently or negligently. You will only be liable to pay up to \$50.00 for any unauthorised transactions that have taken place before you notified the Bank unless you have:
 - unreasonably delayed notifying the Bank;

- selected an unsuitable PIN;
- disclosed your PIN to anyone else, either deliberately or inadvertently, such as if you failed to take reasonable steps to prevent disclosure of your PIN when keying in your PIN;
- failed to reasonably safeguard your Card;
- allowed someone else to use your Card; or
- written your PIN on your card or kept a written record near or with your Card.

- If any of the above apply you will be liable for all transactions up until you notified the Bank up to the maximum amount that you yourself could have withdrawn from your account(s) during that time.
- To the extent permitted by law the Bank will not be liable to you for any loss or claim that results directly or indirectly from an unauthorised use of your Card or PIN or failure of any machinery used or system involved in a transaction.

Accessing Your Account(s)

- When you apply for your Card, you nominate which account(s) you wish to access using your Card.
- If you wish to make a change to your nominated account(s) phone the Contact Centre on freephone 0800 502 442 (SBS Bank) or 0800 427 2265 (HBS Bank) or visit your nearest Branch.
- The Bank may restrict which of your account(s) you can nominate for access.

Transactions

- All instructions given using your Card and your PIN give the Bank irrevocable authority to carry out your instructions provided that the Bank may refuse to act upon any instruction for any reason it sees fit.
- You cannot cancel an instruction once it is given.
- Any disputes relating to goods and services purchased using your Card must be resolved with the merchant.
- Transfers of funds to or from your account(s) will be debited or credited as per your instructions on the day the instructions are given or as soon as possible thereafter.
- Transactional information about your account(s) such as the last 10 transactions will be given at the close of business on the previous banking day. All EFT and/or telephone banking transactions carried out since then will be included in account balances obtained using your Card unless otherwise advised.
- You agree not to use your Card beyond your available credit on any nominated account (including any overdraft limit) unless you have made a special arrangement with the Bank.

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- Unless you are advised otherwise, your maximum daily transaction limits are:

EFT transactions	\$5,000.00
Off-line transactions	\$500.00

subject to any applicable limit imposed by a merchant where you use your Card to purchase goods or services.

- The acceptance of an EFT or Off-line transaction by the Bank is not confirmation that there are enough funds in your account(s) to carry out the transaction. It is your responsibility to ensure that there are enough funds in your account(s) to meet any transfers, withdrawals or payments you require. Where any transfer, withdrawal or payment overdraws your account, normal overdraft charges will apply.
- You will not be able to draw on any cheques and/or deposits until they are cleared.

Card Acceptance and Limitations

- Your Card will be accepted in New Zealand by most Electronic Funds Devices.
- Your Card may also be used overseas at any automatic teller machine displaying the "Cirrus" logo and at merchants displaying the "Maestro" logo.
- The Bank will not however be liable to you if any Electronic Funds Device, bank or merchant refuses to accept your Card for any reason.
- Use of your Card overseas may be subject to additional requirements such as exchange controls and additional transaction fees. All charges, purchases and/or cash withdrawals will be converted to New Zealand currency at the rate of exchange fixed by MasterCard International from time to time.

Replacement/Additional Cards

- The Bank will replace your Card if it becomes damaged or faulty.
- The Bank may also issue an additional Card to a person nominated by you if you want that person to have access to your account(s).
- These Terms and Conditions (as amended or replaced from time to time) will apply to that additional Card as if that additional Card was your own. You will be liable for any breach of these Terms and Conditions (and any general terms and conditions) by any additional cardholder.
- You will be liable for all debts incurred on your account by any additional cardholder.
- You should ensure that any nominated person is familiar with these Terms and Conditions.
- The Bank may charge you for any replacement or additional Card it issues.

Fees/Charges

- You agree to pay all fees and other charges relating to the use of your Card including the fees for any replacement Card in addition to any applicable account and transaction fees.
- 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 Operating Authority.
- When you use your card to make a foreign currency transaction, your transaction will be converted to New Zealand dollars at a rate of exchange determined by MasterCard. MasterCard will charge a fee being 1.00% of the foreign currency transaction amount. The total converted amount will appear on your statement.

- Fees and charges are subject to change

Cancellation of Your Card

- If you no longer wish to use your Card, cut it in half and return both halves to the Bank.
- The Bank may cancel your Card at any time without notice.
- If your Card is cancelled or suspended you will still be liable for all transactions made up to that time.

Changes to these Terms and Conditions

- We may change these Terms and Conditions from time to time.
- 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:
 - impose or increase charges for the use of your Card;
 - increase your liability for losses; or
 - impose, remove or adjust daily or other periodic transaction limits applying to the use of your Card.
- 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.
- 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.
- 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 Cards or individual accounts.
- 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 your Card. However, you may instruct us not to share your information by giving us written instructions to that effect.

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**" includes the loss of capacity, receivership, liquidation, removal from the register, winding up, 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.
- "**Card**" means the Bank's ATM / EFTPOS card.
- "**Electronic Funds Device**" means in New Zealand, any automatic teller machine approved by the Bank or point of sale terminal and overseas, any electronic funds device displaying the "Cirrus" logo and any point of sale terminal displaying the "Maestro" logo.
- "**EFT**" means the transfer of funds processed using your Card and your PIN at an Electronic Funds Device.
- "**General Terms and Conditions**" means the Bank's general terms and conditions.
- "**Off-line**" means the transfer of funds from your account(s) where an Electronic Funds Device is out of operation.
- "**PIN**" means a confidential 4 digit personal identification number to prevent unauthorised access to and use of your Card.
- "**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.