

DIRECT DEBIT PAPERLESS SERVICE SCHEDULE NEW ZEALAND

08.2020

1. APPLICATION

- 1.1 This document constitutes a Service Schedule as referred to in the Conditions and sets out country specific terms on which the Bank provides the Customer with the Direct Debit Paperless Service in New Zealand.
- 1.2 In this Service Schedule the "Bank" means ANZ Bank New Zealand Limited which is the product issuer of all Accounts and Services in New Zealand.
- 1.3 Unless defined in this Service Schedule, capitalised terms used in this Service Schedule have the meanings given to them in the Definitions Schedule.
- 1.4 In addition to the Direct Debit Service terms and conditions contained in clause 5 of the Country Schedule New Zealand, the provisions of this Service Schedule apply where the Bank is providing the Paperless Service (as defined below).

2. SUPPLEMENTAL TERMS AND CONDITIONS

Clause 5 of the Country Schedule New Zealand shall be amended, supplemented and varied as follows:

2.1 Definitions

- (a) The following definitions are deleted and replaced with:

Authority means, in respect of the Standard Service and Preferred Service, an approved 'Authority to Accept Direct Debits' form which the Acceptor signs to indicate their consent to allow the Customer to debit their nominated account with their Acceptor's Bank.

Direct Debit Authority means the consent of an Acceptor to allow their nominated account to be debited and, in respect of the Standard Service and the Preferred Service, means such consent in the form of an Authority and, in respect of the Paperless Service, means such consent in the form of a Paperless Instruction.

Direct Debit Service means the Standard Service, the Preferred Service and/or the Paperless Service as set out in the Application Form provided by the Bank and the Participating Banks allowing the Customer to submit a Direct Debit Instruction and to debit an Acceptor's nominated account with the relevant Acceptor's Bank through the Direct Debit System.

- (b) The following new definitions are inserted as follows:

Paperless Confirmation means, in respect of the Paperless Service, written notice from the Customer to the Acceptor confirming the content of their relevant Paperless Instruction.

Paperless Instruction means, in respect of the Paperless Service, consent (whether verbally or in writing, including by electronic means) from an Acceptor to debit their nominated account with the Acceptor's Bank through the Direct Debit System in accordance with the rules and standards of the Direct Debit System.

Paperless Service means the Direct Debit Service provided by the Bank allowing the Customer to debit an Acceptor's nominated account in accordance with the Acceptor's Paperless Instruction from or on the same Business Day as the date of the Direct Debit Authority.

Preferred Service means the Direct Debit Service provided by the Bank allowing the Customer to debit an Acceptor's nominated account in accordance with the Acceptor's Authority from or on the same Business Day as the date of the Authority without requiring the Customer to submit such Authority to the Acceptor's Bank.

Standard Service means the Direct Debit Service provided by the Bank allowing the Customer to debit an Acceptor's nominated account in accordance with the Acceptor's Authority from at least 10 Business Days after providing the Authority to the Acceptor's Bank.

2.2 Authority Form & Authorisation Code

- (a) a new clause 5.3(a)(iv)(C) is inserted as follows:

"(C) in respect of the Preferred Service and the Paperless Service, the Authorisation Code has been blocked.

2.3 Obtaining and Retaining Direct Debit Authorities

- (a) Clause 5.4 is deleted and replaced with:

"5.4 Obtaining and Retaining Direct Debit Authorities

- (a) The Customer will:
 - (i) in respect of the Standard Service and the Preferred Service, obtain consent from an Acceptor by way of an approved Direct Debit Authority, ensuring the relevant

Authority is completed and signed by the Acceptor and, if requested by the Acceptor, provide the Acceptor with either a copy of that Authority or written advice as to its terms and conditions.

- (ii) in respect of the Paperless Service, obtain consent from an Acceptor by way of an approved Paperless Instruction and send a Paperless Confirmation to the Acceptor in writing within five Business Days of receipt of the relevant Paperless Instruction. The content of the Paperless Confirmation and medium and procedure for send the Paperless Confirmation must comply with the relevant manual.
- (b) The Customer will, in respect of the Preferred Service and Paperless Service, retain the original Direct Debit Authority for a minimum of seven years from the date on which the last payment is debited from the Acceptor's nominated account under the relevant Direct Debit Authority. The Customer will ensure that the Direct Debit Authority is stored in such a way that the original Direct Debit Authority:
 - (i) is easily locatable and retrievable from time to time as required;
 - (ii) is protected against loss and damage; and
 - (iii) is stored at a separate and suitable disaster recovery site; and
 - (iv) in respect of the Paperless Service, if an Acceptor requests an authority form to sign, the Customer will provide them with an Authority under the Standard Service or the Preferred Service."

2.4 Loading

clause 5.5 is deleted and replaced with:

"5.5 Loading

- (a) In respect of the Standard Service, the Customer will submit the original of each Acceptor's Authority to the Acceptor's Bank at least 10 Business Days before the Customer submits a Direct Debit Instruction in respect of that Acceptor to allow the Acceptor's Bank to load the Customer's Authorisation Code against the Acceptor's nominated account.
- (b) In respect of the Preferred Service and Paperless Service, unless requested by the Acceptor's Bank, the Customer is not required to send an Acceptor's Direct Debit Authority to the Acceptor's Bank for loading.
- (c) The Customer agrees and acknowledges that an Acceptor's Bank by written notice may refuse to load a Direct Debit Authority and Authorisation Code against an Acceptor's account for any reason, including if the Acceptor's signature on the Authority is not in accordance with the Acceptor's Bank records. The Acceptor's Bank is

under no obligation to provide the Customer with a reason for such refusal.

- (d) The Customer agrees and acknowledges, in respect of the Preferred Service and the Paperless Service, that an Acceptor's Bank may by written notice refuse to load the Customer's Authorisation Code to allow processing through the Direct Debit System for any reason, including evidence of fraud. The Acceptor's Bank is under no obligation to provide the Customer with a reason for such refusal."

2.5 Changes, Cancellations and Reversals

- (a) A new sub-clause 5.7(a)(iii) is inserted as follows:

"(iii) in respect of the Preferred Service and the Paperless Service, the Acceptor has the right to reverse all debits if the Customer cannot provide the Acceptor's relevant Direct Debit Authority to the Acceptor's Bank on request. The Bank will advise the Customer promptly if a reversal request is received from an Acceptor's Bank. The Acceptor's Bank will block any direct debits initiated by the Customer for nine months from the date of cancellation."

2.6 Disputes

- (a) The existing clause 5.9 is re-numbered 5.11 and a new clause 5.9 is inserted as follows:

"5.9 Disputes

- (a) In respect of the Preferred Service, if the Bank advises the Customer of a dispute the Customer will send a copy of the relevant Acceptor's Authority to the Bank to be sent to the relevant Acceptor's Bank in accordance with the rules and requirements of the Direct Debit System.

The Customer agrees and acknowledges the Acceptor's Bank may, in accordance with the rules and standards of the Direct Debit System:

- (i) return the relevant Transaction to the Bank, in which case the Bank will reverse the Transaction from the Customer's account; or
 - (ii) direct the Acceptor to raise a dispute directly with the Customer.
- (b) In respect of the Paperless Service, if the Bank advises the Customer of a dispute the Customer will send a copy of the relevant Acceptor's Paperless Instruction and relevant Paperless Confirmation to the Bank to be sent to the relevant Acceptor's Bank in accordance with the rules and standards of the Direct Debit System. The Customer agrees and acknowledges the Acceptor's Bank may, in accordance with the rules and standards of the Direct Debit System:
 - (i) return the relevant Transaction to the Bank, in which case the Bank will reverse the Transaction from the Customer's account; or
 - (ii) direct the Acceptor to raise a dispute directly with the Customer."

2.7 Termination

- (a) A new clause 5.10 is inserted as follows:

"5.10 Termination

- (a) Either party may terminate a Preferred Service and/or Paperless Service without terminating the Standard Service.
- (b) In respect of the Paperless Service, the Customer will on termination:
- (i) cease initiating debits based on Paperless Instructions and Paperless Confirmations;
 - (ii) cease obtaining Paperless Instructions and providing Paperless Confirmations from the date of termination of the Paperless Service;
 - (iii) continue to retain Paperless Instructions and Paperless Confirmations for at least seven years after the date of the last Transaction under the relevant Paperless Instruction;
 - (iv) forward all Paperless Instructions and Paperless Confirmations to the Bank on request; and
 - (v) where the Customer has also terminated the Preferred Service, forward all Paperless Instructions loaded under the Customer's Authorisation Code before the date of termination to the Bank, together with relevant Paperless Confirmations.
- (c) In respect of termination of the Preferred Service, the Customer will on termination forward all signed Authorities (including originals, if any) loaded under the Customer's Authorisation Code to the Bank before the date of termination."