

DIRECT DEBIT PREFERRED 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 Preferred 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 Preferred 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 definition of "Direct Debit Service" is deleted and replaced with:

Direct Debit Service means the Standard Service and/or the Preferred 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) A new definition is inserted as follows:

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, the Authorisation Code has been blocked."

2.3 Obtaining and Retaining Direct Debit Authorities

- (a) The first paragraph of clause 5.4 is renumbered "(a)" and a new clause 5.4(b) is inserted as follows:

"(b) The Customer will, in respect of the Preferred 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."

2.4 Loading

- (a) A new clause 5.5(c) is inserted as follows:

"(c) In respect of the Preferred Service:

- (i) 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; and
- (ii) the Customer agrees and acknowledges, 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, 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

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.”

2.7 Termination

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

“5.10(a) Termination

Either party may terminate a Preferred Service without terminating the Standard Service.”

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

“5.10(b) 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.”