

The finer details

ANZ Foreign Currency Account

Terms and Conditions

ANZ Foreign Currency Term Deposit

Investment Statement



The better we know you the more we can do.

Everything you need to know about the terms and conditions of your ANZ Foreign Currency Account, plus the investment statement for your ANZ Foreign Currency Term Deposit.

Thank you for choosing an ANZ Foreign Currency Account or Term Deposit. This booklet explains the terms and conditions that define the rights, responsibilities and obligations of both you and ANZ.

The Foreign Currency Account Terms and Conditions apply to:

- › ANZ Foreign Currency Call Account
- › ANZ Foreign Currency Investment Account

In addition, this booklet also contains the investment statement applicable to ANZ Foreign Currency Term Deposits.

The ANZ Foreign Currency Term Deposit Investment Statement applies only to the:

- › ANZ Foreign Currency Term Deposit

You may need to refer to this booklet in the future, so please file it with other important documents. If you need help understanding any of the terms and conditions, or the investment statement, please talk to your solicitor, a financial advisor, or the helpful staff at any ANZ branch.

This booklet does not contain our current foreign currency interest rates or our fees. This information is available from any branch of ANZ.

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1. ANZ Foreign Currency Account Terms and Conditions

Foreign Currency Accounts

Foreign Currency Call Accounts and Foreign Currency Investment Accounts (together, FCAs) are domiciled in New Zealand at ANZ, part of ANZ National Bank Limited (the Bank).

1. Deposits

Deposits to your FCA may be made by depositing foreign currency by way of foreign cheques, drafts, telegraphic transfers, foreign cash and travellers cheques or in any other manner acceptable to the Bank from time to time – ask the Bank for details.

a) For deposits made by foreign cheque or draft:

- i) All foreign cheques or drafts presented to the Bank by you for deposit to your FCA are subject to the rules and regulations of the country in which they are drawn.
- ii) The Bank will not pay interest on any funds deposited to your FCA by way of foreign cheque or draft until these funds are deemed available for withdrawal by the Bank. The period before the funds are deemed available will depend on the currency of the funds.
- iii) Even where the Bank has deemed that funds deposited to your FCA are available, if a foreign cheque or draft is dishonoured or lost for any reason following deposit to your FCA, the Bank will exercise recourse against you and you will therefore be liable to repay the Bank for any amount not paid by the bank on which the foreign cheque or draft is drawn (the Drawee Bank). You acknowledge that dishonour timeframes differ and depend on the rules of the country in which the foreign cheque or draft is drawn and in some cases a Drawee Bank can dishonour items many months after the foreign cheque has been deposited by you.
- iv) The Bank reserves the right but not the obligation to re-present on your behalf any foreign cheque or draft which is unpaid on presentation to the Drawee Bank but such re-presentation does not affect the Bank's right to exercise recourse at a later date.
- v) Where the Bank has to exercise recourse, the Bank may debit your FCA or any of your accounts held with the Bank to recover from you any costs levied by the Drawee Bank together with the Bank's fees. Where the Bank has to exercise recourse in a

currency other than that of your FCA, the amount claimed may differ due to foreign exchange rate fluctuations. The Bank may also debit your accounts or recover from you any costs levied by the Drawee Bank together with the Bank's standard service fees and charges.

- vi)** Where any foreign cheques or drafts are lost, you will be responsible for obtaining replacement documents if requested by the Bank. However, the Bank agrees to use its reasonable endeavours to assist you in obtaining replacement documents.
- vii)** Where deemed necessary by the Bank, or upon your request, certain foreign cheques or drafts may be sent 'on collection' to the Drawee Bank. Where a foreign cheque or draft is sent 'on collection' available funds will be credited to your FCA as soon as payment is received from the Drawee Bank and will not be subject to recourse.
- b)** Where funds are credited to your FCA other than by way of foreign cheque or draft, they will be available for withdrawal on the day of receipt of in a form deemed suitable by the Bank, or on the value day of any authenticated advice from a remitting bank, whichever is the later, so long as it is a business day in New Zealand, and in the country of the relevant currency being deposited.
- c)** If you deposit funds into your FCA in a different currency to that of your FCA or the Bank is required to effect any dishonour or return of funds in a currency other than that of your FCA, the relevant funds will be converted at the Bank's prevailing rate of exchange on the day of the transaction (or subsequent dishonour or return).

2. Withdrawals

- a)** All instructions from you for withdrawals from your FCA must be received in writing on the Bank's application form or as otherwise agreed by the Bank from time to time.
- b)** All instructions from you for withdrawals for value on any day must be received by the Bank prior to the Bank's cut-off time for the relevant currency as advised from time to time. Instructions for withdrawals received after the Bank's cut-off time will be processed on the next business day. A schedule of the Bank's cut-off times for each currency can be obtained from any branch of the Bank.
- c)** If you draw against funds that are not available, you will be charged default debit interest on the amount withdrawn as though that amount was an unarranged overdraft, as per Paragraph 8 (Unarranged Overdrafts) below.

3. Fees and Charges

- a) In addition to any fees and charges which are specifically referred to in these Terms and Conditions, other fees and charges applicable to FCAs may be payable.
- b) The Bank's standard service fees and charges for depositing or withdrawing foreign currency from your FCA (International Transactions) will also apply. Other banks involved in International Transactions may also require you to pay fees and charges. You will need to check with the relevant bank as to what these are.
- c) Any fees or charges quoted to you in a different currency than that of your FCA, will be charged to your relevant FCA (or, in the case of standard service fees and charges, such account as you nominate) at the Bank's prevailing exchange rate on the day of the International Transaction.

A copy of the fees and charges relating to FCAs and standard service fees and charges that the Bank will charge you for International Transactions can be obtained from any branch of the Bank, or via our website, anz.co.nz.

4. Interest

- a) Where payable, interest is calculated daily on the available balance of the FCA at the applicable interest rate for the currency in which your FCA is held and is paid on the first day of the next month. Interest may not be payable on some FCA's. Details of the interest rates paid by the Bank on FCAs can be obtained from any branch of the Bank.
- b) FCAs are subject to interest rate tiers which are quoted in New Zealand Dollars and calculated by the Bank from time to time for the relevant currency of your FCA at the prevailing rate of exchange. Interest rate tiers applicable to FCAs may be altered at any time by the Bank.

5. Tax

Payment of interest will be subject to such deductions and taxation as may be required by law.

6. Unarranged Overdrafts

- a) The Bank may in its absolute discretion permit at any time an unarranged overdraft on any Foreign Currency Call Account. This may be as a result of you:
 - i) drawing on funds on your Foreign Currency Call Account which are not available in accordance with these Terms and Conditions and no overdraft facility has been arranged with the Bank, or
 - ii) drawing on funds on your Foreign Currency Call Account which are not available in accordance with these Terms and Conditions beyond any overdraft facility limit which has been previously agreed with the Bank.

- b) Such overdrawn amounts shall be repayable by you upon demand together with default debit interest on that amount. Interest on overdrawn amounts is calculated for the period from the date that the Foreign Currency Call Account is overdrawn until sufficient funds are credited and are available to repay the overdrawn amount, at a default debit interest rate determined by the Bank from time to time.
- c) A fee may apply to any such unarranged overdraft on a Foreign Currency Call Account and will be debited to the Foreign Currency Call Account in accordance with the Bank's standard practice.
- d) Details of the Bank's fees and charges relating to unarranged overdrafts on your Foreign Currency Call Account, and the applicable default debit interest rate can be obtained from any branch of the Bank.

7. Statements

Statements will be provided to you in accordance with your requirements. You must independently verify all entries on your statements and advise the Bank of any discrepancies. If you fail to do so, all entries shall be treated by the Bank as properly authorised by you.

8. Limitation of Liability

- a) To the extent permitted by law, the Bank shall not be liable for:
 - i) any circumstance or event which affects the operation of any FCA, or the funds held in an FCA, and which is beyond the control of the Bank. This shall include, without limitation:
 - › any teletransmission mode or system;
 - › computer malfunction or error;
 - › any form of government intervention;
 - › regulatory control;
 - › strikes, lockouts, civil disturbances, acts of war, epidemics, fire, equipment failure; or
 - › communication line failures, power failures, earthquakes or other disasters.
 - ii) any consequential, indirect or special damages or losses, however caused, suffered or incurred by you.
- b) The Bank will act in good faith and exercise reasonable care in its handling of deposits to your FCAs. To the extent permitted by law, the Bank assumes no liability or responsibility for the consequences arising out of delay and/or loss in transit of any foreign cheques, drafts or similar instruments relating to any such deposits and used for obtaining the payment of money or any messages or letters pertaining thereto.

9. Foreign Currency Transactions

If you decide to buy or sell foreign currency the Bank accepts no responsibility whatsoever for your decision, and you hereby acknowledge that you will not hold the Bank responsible in any way whatsoever for such a decision. Foreign exchange transactions can be complicated and expose you to risk. The risk of a particular foreign exchange transaction will depend on the nature of the transaction you enter into. You should note the following general risks:

- › Foreign exchange can be volatile and the prices of the underlying rates, currencies or commodities may fluctuate rapidly over wide ranges, and may reflect unforeseen events or changes in conditions.
- › You may suffer substantial losses as a result of those fluctuations. The Bank will not be liable for these losses in any circumstance.

It is your responsibility to understand the nature of the transactions you enter into, the risks associated with those transactions, and to monitor the transactions. You should not enter into transactions if the transactions or the risks are not understood.

10. Operation of these Terms and Conditions

- a) The Bank's usual terms and conditions for operating transaction and savings accounts, including (but not limited to) those contained in the signing authority you provide to the Bank, will apply to your FCAs together with these Terms and Conditions. These Terms and Conditions are to apply in the event of any conflict with any other of the Bank's terms and conditions.
- b) These Terms and Conditions shall survive closure of your FCA's and will apply irrespective of any indulgence granted by the Bank.
- c) These Terms and Conditions are not exclusive of any rights, powers and remedies provided by law.
- d) The Bank may add, cancel or amend any of these Terms and Conditions at any time including variations to the amount or the manner of payment of any fees or charges. The Bank will give at least 14 days' notice of any variation of these Terms and Conditions, except for interest rate and other variations that are subject to market fluctuations. You will be advised of any changes to these Terms and Conditions by means of the following:
 - › by direct communication with you; or
 - › by advice on display at any of the Bank's branches; or
 - › by public advertisements.
- e) In relation to these Terms and Conditions, no delay or failure or act will be construed as a waiver of or in any way prejudice, any of our rights. No waiver will be effective unless it is in writing. A waiver of a breach will not waive any other breach.

- f) If any of these Terms and Conditions is held to be invalid, illegal or unenforceable, that Term and Condition will be severed and the remaining Terms and Conditions will be enforceable.
- g) New Zealand law governs and New Zealand courts have non-exclusive jurisdiction.

11. Assignment of Rights

You may not assign or transfer any of its rights or obligations in relation to any FCA but the Bank will be free to do so at any time.

12. Privacy

Information you provide to the Bank will be kept strictly confidential and will be securely held by the Bank and/or within the companies in the ANZ Group. You have a right to access the information by enquiring at any branch of the Bank and you may also request that it be corrected. A fee may be payable.

So the Bank can ensure your information is accurate, please let us know of any changes in your personal details, such as your address.

The Bank may use this information to:

- › consider your application for facilities, products or services;
- › administer, manage and monitor any facilities, products or services provided to you;
- › conduct market research, data processing and statistical analysis; and
- › unless you disagree, provide you with information about other facilities, products or services including select third party products or services.

The Bank may disclose information about you to the ANZ Group, agents or contractors for the above purposes.

The Bank may disclose information about you to credit reference agencies for the purpose of obtaining credit reports on you. Those credit reference agencies may retain that information and provide it to their customers who use their credit reporting services.

If you default in any obligations to the Bank, then the Bank may disclose information about you to credit reference or debt recovery agencies and it may be retained by them. Those agencies may provide that information to their customers who use their credit reporting services. The Bank may also disclose account information to any authorised signatory to your accounts.

If you are under 18 years old, the Bank may contact your parent(s)/ guardian(s) to disclose, or to collect, information about you that will help the Bank contact you, or to obtain repayment of any amount you owe the Bank.

The Bank may obtain information and make such enquiries about you as the Bank may consider warranted from any source including the ANZ Group and credit reference agencies for the above purpose.

13. General

- a) The Bank may at any time and without notice to you apply the whole or any part of any credit balance on any of your accounts in any currency towards payment of any indebtedness by you to the Bank. If any amount is contingently due or not quantified the Bank may withhold the repayment of any credit balance pending the amount becoming due or being quantified and may set off the maximum liability which may at any time be or become owing. This right is without prejudice and in addition to any rights of set-off, combination of accounts, lien or other rights to which the Bank is otherwise entitled to by operation of law, contract or otherwise. In order to apply its rights of set-off, the Bank is authorised to affect any necessary conversion of amounts held in any accounts you have with the Bank at the prevailing exchange rate on the day such set off is applied.
- b) Where you are a business (or have held yourself out as acquiring goods or services for the purpose of any business) any rights or remedies under the Consumer Guarantees Act 1993 shall not apply in respect of goods or services supplied pursuant to any agreement between you and the Bank.

14. Disclosures

A current disclosure statement published by ANZ National Bank Limited under section 81 of the Reserve Bank of New Zealand Act 1989 may be obtained from any branch of the Bank or via our website at anz.co.nz.

2. ANZ Foreign Currency Term Deposit Investment Statement

For the purposes of the Securities Act 1978

This investment statement is dated and has been prepared as at 18 June 2007.

IMPORTANT INFORMATION

(The information in this section is required under the Securities Act 1978)

Investment decisions are very important. They often have long-term consequences. Read all documents carefully. Ask questions. Seek advice before committing yourself.

Choosing an investment adviser

You have the right to request from any investment adviser a written disclosure statement stating his or her experience and qualifications to give advice. That document will tell you:

- › whether the adviser gives advice only about particular types of investments;
- › whether the advice is limited to the investments offered by one or more particular financial organisations; and
- › whether the adviser will receive a commission or other benefit from advising you.

You are strongly encouraged to request that statement. An investment adviser commits an offence if he or she does not provide you with a written disclosure statement within five working days of your request. You must make the request at the time the advice is given or within one month of receiving the advice. In addition:

- › if an investment adviser has any conviction for dishonesty or has been adjudged bankrupt, he or she must tell you this in writing; and
- › if an investment adviser receives any money or assets on your behalf, he or she must tell you in writing the methods employed for this purpose.

Tell the adviser what the purpose of your investment is. This is important because different investments are suitable for different purposes.

What sort of investment is this?

Description of securities

This investment statement invites customers of ANZ to make foreign currency deposits for a fixed term with ANZ National Bank Limited (the “Bank”). Each ANZ foreign currency term deposit (“Term Deposit”) offered in this investment statement is a deposit:

- › made for such fixed term as the Bank permits; in respect of which interest is fixed for, or for specified periods during the term of the deposit; and
- › denominated in such specified foreign currency as the Bank permits.

Who is involved in providing it for me?

Name and address

The name and address of the issuer is ANZ National Bank Limited, 215-229 Lambton Quay, Wellington.

Activities

The Bank is a registered bank under the Reserve Bank of New Zealand Act 1989. It is the continuing entity from the amalgamation of ANZ Banking Group (New Zealand) Limited and The National Bank of New Zealand Limited. It has carried on the business of banking in New Zealand since 1840.

How much do I pay?

Money payable by you

You are required to pay to the Bank in respect of a Term Deposit:

- › the principal amount of the Term Deposit; and
- › any charges applicable to the Term Deposit (see “What are the charges?” below).

The Bank will from time to time prescribe minimum and/or maximum principal amounts which may be deposited for specified terms and/or at specified interest rates and/or in specified currencies.

Details are available from any ANZ branch or by phoning 0800 863 863.

To make a Term Deposit with the Bank you must visit any branch and arrange for the principal amount of the deposit to be charged directly to a nominated bank account, or to be paid in any other manner acceptable to the Bank.

What are the charges?

Types of charges

You do not pay any charges when you apply for a Term Deposit.

If the Bank permits you to terminate your Term Deposit before the date on which it would otherwise have matured:

- › the Bank will deduct from the principal amount of the deposit all break costs associated with such termination; and
- › the Bank may, at its discretion, reduce the interest rate payable, to a rate appropriate for the actual term of the deposit, based on market rates and the amount of the deposit at the time of the initial deposit.

You can ascertain the amount of these charges prior to terminating your Term Deposit by contacting any ANZ branch or by phoning 0800 863 863.

What returns will I get?

Returns

The returns payable to you from a Term Deposit consist of:

- › the repayment of principal; and
- › the payment of interest on the principal amount of the deposit, in the currency in which you invested. The key factors that determine the returns to you are:
 - › the amount of principal deposited;
 - › the term of the deposit, whether the deposit is terminated early, the interest rate applicable to the deposit (which may be reduced following early termination) and whether or not New Zealand resident or non-resident withholding tax or amount equivalent to the approved issuer levy are withheld or deducted; and
 - › the deduction of break costs, if the Bank permits you to terminate your Term Deposit prior to its maturity date.

Interest is not compounded during the term of your Term Deposit. However, any interest payable at maturity can be automatically added to the repaid principal amount for the purposes of making a new Term Deposit.

No amount of returns, quantifiable as at the date of this investment statement and legally enforceable by you, has been promised by the Bank.

The deduction or withholding of New Zealand resident or non-resident withholding taxes or amounts equivalent to the approved issuer levy will affect the returns.

No reserves or retentions apply to Term Deposits.

The principal amount of your Term Deposit, together with any interest, will be due and paid within two business days of the maturity date of the deposit. Any break costs associated with an early termination of the Term Deposit will be deducted prior to payment of the principal amount.

The Bank may withhold the repayment of the principal amount of, and the payment of interest on, your Term Deposit where:

- › the Bank is entitled to apply the amount of your Term Deposit in payment of any liability to ANZ by way of security, right of set-off or otherwise;
- › your Term Deposit account is stopped or suspended for any reason;
- › the Bank is aware of illegal activity concerning the Term Deposit;
- › the Term Deposit is subject to a property order under the Protection of Personal and Property Rights Act 1988 or the Bank considers that you lack the mental capacity to operate a bank account; or
- › the Bank is required by law, including any Court order, to do so.

The Bank is legally liable to pay the returns on your Term Deposits. However, the repayment of principal and the amount of any returns are not guaranteed by the Bank, its related companies, or any other person.

What are my risks?

Risks

The principal risks of the money paid by you not being recovered in full by you or of you not receiving the returns referred to in “Returns” are:

- › the insolvency or statutory management of the Bank in circumstances where the assets of the Bank are insufficient to meet claims ranking ahead of, and equally with, your claim;
- › the Bank receiving an order from Inland Revenue requiring the Bank to deduct from the amount of your Term Deposit, a sum which you owe as a taxpayer;
- › the Bank exercising any security rights, or its rights to combine your accounts or to set off amounts that you have deposited with the Bank against amounts that you owe to the Bank; and
- › the Bank paying to you in New Zealand dollars the returns on a Term Deposit denominated other than in New Zealand dollars in circumstances where, since you made the deposit, the New Zealand dollar has appreciated in value against the currency in which the deposit is denominated.

There is no risk of you being required to pay more money to the Bank, in addition to the principal amount of your Term Deposit. However, the amount of returns may be reduced by the reduction of interest rates or the deduction of break costs, as described in ‘What are the charges?’.

Consequences of insolvency

As the holder of a Term Deposit, you will not be liable to pay money to any person as a result of the insolvency of the Bank except in certain circumstances where you may have to forego amounts payable to you, or to repay amounts you have received, because certain transactions may be voidable under the Companies Act 1993.

Term Deposits are unsecured and unsubordinated liabilities of the Bank. The claims on the assets of the Bank that will or may rank ahead of your claim as a holder of a Term Deposit in the event of the Bank being put into liquidation or wound up are:

- › the claims of any secured creditors;
- › the claims set out in the Seventh Schedule to the Companies Act 1993 (being in general terms, the liquidator's fees, some salary and wages and tax payable); and
- › any other claims preferred by law.

The claims on the assets of the Bank that will or may rank equally with your claim on the assets of the Bank as the holder of a Term Deposit in the event of the Bank being put into liquidation or wound up are all other claims in respect of unsecured and unsubordinated liabilities of the Bank other than such claims as are preferred by law.

Can the investment be altered?

Alteration of Term Deposits

If the Bank agrees to allow you to terminate your Term Deposit prior to the maturity date, then the Bank has the right to reduce your interest rate and to deduct break costs, as described in 'What are the charges?'

Subject to those rights, neither you, the Bank, nor any other person may change the terms of your Term Deposit once you have made it.

How do I cash in my investment?

Early termination

You may not terminate, cancel, surrender or otherwise make or obtain payment of the returns from your Term Deposit, other than:

- › where the law confers such a right; or
- › with the Bank's consent. You may, with the consent of the Bank, terminate your Term Deposit before the date on which it would otherwise have matured. If you do this, the Bank:
 - will repay you the principal amount less any break costs incurred by the Bank; and
 - will pay interest on the amount repaid at a lower rate than the rate that would have applied if you had not terminated your Term Deposit early. (See "What are the charges?" for further details).

The Bank may exercise its power at law to combine your accounts and to set off credit funds against debts you owe to it.

Right to sell Term Deposits

Your term deposit is not transferable. You may not sell your Term Deposit to any other person.

However, you may be able to sell an interest in your Term Deposit to another person. There is no established market for such sales.

Who do I contact with enquiries about my investment?

Enquiries about Term Deposits

You can make enquiries about Term Deposits at any ANZ branch or by phoning 0800 863 863. Alternatively, you can write to ANZ by writing to ANZ International Payment Operations, PO Box 1492, Wellington.

Is there anyone to whom I can complain if I have problems with the investment?

Complaints about Term Deposits

You can make complaints about Term Deposits at any ANZ branch. Alternatively you can call our customer service staff on 0800 ANZ 2 YOU (0800 269 296). If you are not satisfied with how the Bank has dealt with any complaint you have made, you may refer your complaint to the Banking Ombudsman. The Banking Ombudsman's contact details are:

The Banking Ombudsman, P O Box 10573, The Terrace, Wellington (telephone: (04) 471 0006 or 0800 805 950).

What other information can I obtain about this investment?

Disclosure Statement and financial statements

Other information about Term Deposits or about the Bank is contained or referred to in the Bank's most recent Disclosure Statement published under section 81 of the Reserve Bank of New Zealand Act 1989 and in the financial statements of the Bank. You can request a copy of that Disclosure Statement and those financial statements, can be obtained, free of charge from any New Zealand branch of the Bank or from the Bank's head office at 215-229 Lambton Quay, Wellington.

The financial statements and other documents of or relating to the Bank are filed on a public register at the Companies Office of the Ministry of Economic Development and are available for public inspection. A fee may apply.

Annual Information

The only type of information that is required to be, or otherwise will be, given annually to you by the Bank is, if applicable, a certificate stating the amount of resident or non-resident withholding tax deducted from interest paid to you in respect of your Term Deposit.

On request information

The type of information that is required to be, or otherwise will be, available on request from the Bank is:

- › a copy of the last annual report of the Bank;
- › a copy of the most recent financial statements of the Bank required to be registered under the Financial Reporting Act 1993, together with all documents that are required to be registered with those financial statements;
- › a copy of any current investment statement published by the Bank;
- › a copy of the Bank's most recent Disclosure Statement;
- › details of current interest rates, minimum and maximum principal amounts and the consequences of early termination; and
- › certain information concerning each of your Term Deposits (such as its principal amount, maturity date and the next date on which interest is payable).

A request for any of this information may be made by contacting any ANZ branch or by phoning 0800 863 863.

Notes

