

Transaction Account

TERMS AND CONDITIONS OF OPERATION

(between First Credit Union and our members)



Pursuant to the PRIVACY ACT 1993 First Credit Union advises that:

- i) This form collects personal information about you. The information is being collected to enable you to open and operate a transaction account with First Credit Union and to obtain use of other First Credit Union products and services;
- ii) The intended recipients of this information is First Credit Union and the New Zealand Association of Credit Unions who provide account management facilities for administering and settling those financial transactions that you initiate through the Transaction account or other accounts from time to time;
- iii) The information is being collected by First Credit Union and held at their address. The member and each authorised signatory acknowledges that this information may be used by First Credit Union and other Credit Unions or the New Zealand Association of Credit Unions to offer or provide their products and services and those of selected third parties;
- iv) Failure to provide this information or giving incorrect information may result in your application being declined, or you being unable to open an account with First Credit Union;
- v) You do have rights of access to the information held by First Credit Union and to correct any information that is wrong;
- vi) If you apply for credit from First Credit Union, you authorise other credit providers, and credit reference agencies to release at any time all personal information held by them and also any previous or current employers to release information about your employment history and level of income.
- vii) In the event of any default, First Credit Union may:
 - a) list the member as a defaulter with credit reference agencies (prior notice to the member will be given)
 - b) use the services of enquiry agents;
 - c) place the debit with a debt collection agent.

First Credit Union does not need to inform the member of above matters in any future dealings First Credit Union may have with the member.

GENERAL TERMS

- 1) The applicant requests and authorises First Credit Union to provide financial services on the terms of this mandate and authority. Where there is any conflict between the terms of this authority and the terms of a particular service, these terms will prevail, unless indicated otherwise in respect of a particular service.
- 2) The applicant agrees to be bound by the Rules of First Credit Union.
- 3) The member and each authorised signatory acknowledge that this authority is valid and has been executed correctly and is thus a legally binding contract between First Credit Union and the member.
- 4) Use of accounts are governed by the terms and conditions as varied by First Credit Union from time to time.
- 5) Each member and authorised signatory agrees that:
 - a) they have each read and understood the section of this application form titled "Accessing Accounts";
 - b) utilisation of the Transaction Account product by the depositing and withdrawing monies by any of the methods provided constitutes acceptance of these Terms and Conditions;
 - c) First Credit Union may use this information to advise the member about any of its products and services;
 - d) if the applicant is under the age of 18 years First Credit Union may contact their parents/guardian to dispose or collect information to assist First Credit Union in contacting

the member and/or obtaining repayment from the member for any amount they may owe to First Credit Union;

- e) First Credit Union may disclose on request any account information to any person who is specified as an authorised signatory from time to time.

JOINT ACCOUNTS

If more than one person is named in joint ownership of an account then unless otherwise agreed by First Credit Union in writing, each will be joint and severally liable to First Credit Union for services provided by First Credit Union including repayment of any debit balances plus interest, fees and charges.

DISPUTES AFFECTING ANY ACCOUNT

If any dispute arises concerning any of the member's accounts First Credit Union may refuse to allow the account to be operated until the member confirms in writing that the dispute has been resolved.

SET-OFF

First Credit Union may at any time without notice, set-off, combine or apply any other credit balance of the member to meet the member's obligations to First Credit Union even if the term of any credit balance has not expired.

VERIFICATION

First Credit Union will provide regular statements showing all transactions on your account(s). The member must check statements issued for each account held with First Credit Union, to ensure the entries recorded on those statements are correct, if not correct agree to notify First Credit Union, in writing, within 14 days from the date that account statement is sent to the member. Failure to notify First Credit Union will, to the extent permitted by law:

- a) be deemed to be acceptance by the member that the balance of the account and all transactions recorded are lawful and correct; and
- b) provide First Credit Union with a full defence against any action taken by the member for claims of any nature including claims for breach of contract, negligence, wrongful debiting of funds and any other tort, equitable remedy or any other course of action brought against First Credit Union in relation to the account or transactions recorded in the account statement.

RIGHTS OF CREDIT UNION

The member agrees that nothing in this agreement shall be treated as constituting an 'implied agreement' restricting or negating any lien, charge, pledge, right of set-off or other right First Credit Union may have existing or implied by law.

ACCESSING ACCOUNTS

Authority to Operate

Any dealing with First Credit Union will be properly authorised and binding on the member if signed or initiated in accordance with the "Signing Authority" section of this application form. If any authorised signatory to a joint account dies, First Credit Union may permit the surviving authorised signatory to operate the account.

Signing Authority Variations

Any new authority which varies the current signing authorities will not be effective until received by First Credit Union.

Balances of Accounts

Balances of member accounts may be subject to alteration by reversal of unpaid debits or credit processed within the last few business days of the date of the original transaction(s).

Deposits

- a) Deposit items (including Direct Credits) of any description other than notes and coin will be provisionally credited to the account but are not to be drawn against until cleared.
- b) Collection of cheques, bills of exchange etc is undertaken by First Credit Union at the member's risk and on the understanding that no responsibility is attached to First Credit Union for any loss or destruction or for delay in presentment.
- c) First Credit Union does not receive deposits marked to be applied for any specific purpose. Should such deposits be received the member accepts First Credit Union will not be responsible for mis-application.

Withdrawals

First Credit Union will comply with any orders or instructions given by the member or authorised signatory to withdraw any money from but not limited to this account by way of cheque form, electronic instruction including but not limited to debit card, direct debit or automatic payment.

Automatic Payments

First Credit Union will pay automatic payments in accordance with the authority held subject to there being sufficient cleared funds to meet the payment amount on the due date. If there are insufficient funds in the account First Credit Union will continue to check the account thereafter and if funds subsequently deposited to the account are sufficient to meet the amount of the unpaid automatic payment then this payment will be made from those deposit proceeds. First Credit Union, at its sole discretion, may make deductions for future automatic payments from proceeds of deposits which are processed to the members account prior to the automatic payment falling due.

Revolving Credit

To the extent that your account(s) are or may at any time be in debit with the consent of First Credit Union, this is a revolving credit contract and continued disclosures will be made in terms of Section 18 of the Credit Contracts Act 1981 provided that the maximum amount of credit permitted to you at any time shall be the limit set by First Credit Union.

Insufficient funds

Unless otherwise arranged by the member with First Credit Union the account must at all time be maintained in credit funds equal to the minimum required in the Rules of First Credit Union. First Credit Union, may at its discretion, dishonour or refuse any transaction that causes or will cause the members account to go into an overdrawn position unless previously arranged and in accordance with the terms and conditions of any Overdraft Facility Agreement. Notwithstanding the presence of any Overdraft Facility Agreement First Credit Union may at its sole discretion require any outstanding debit balance to be repaid on demand by notice given in writing or personally delivered to the member at the member's usual or last known place of abode.

Use and Return of Cheque Forms

Cheque forms and other forms encoded by First Credit Union with an account number must not be used to access or operate any other account except that account nominated for such use. Where you would be entitled to the return of a cheque form First Credit Union may at its discretion provide you with a copy instead.

Fees and Charges

First Credit Union is authorised to debit the account(s) periodically or on closure with all appropriate accrued interest, fees, charges and commissions as fixed by First Credit Union from time to time. The applicant acknowledges that a copy of First Credit Union's fees and charges have been brought to their attention.

Costs

The member will pay all expenses (including GST) which may be incurred in connection with the operation of any account. If First Credit Union incurs any liability or expenses in the course of enforcing or attempting to enforce its rights in relation to any of its accounts (including legal expenses between party and party and solicitor and client) that amount may be debited by First Credit Union

to any of the accounts, and will immediately upon demand be payable by the member to First Credit Union. The member will be required to pay any Government charges, duties or taxes existing or subsequently imposed, relating to the account.

Electronic and Telephone Instructions

Where First Credit Union allows the member to operate accounts by telephone or by other electronic processes (including internet and facsimile instructions) the following General Terms and Conditions will apply in addition to the General Terms and Conditions of this authority and any express terms applying to specific financial products and services:

- a) the members correct password, PIN or code must be used to initiate telephone transactions made from the member's account with First Credit Union (for which First Credit Union holds an authority to sign severally by an authorised signatory) to other accounts held by the member with First Credit Union or to an account which First Credit Union holds written authority from the member;
- b) any password, PIN or code used in conjunction with telephone or electronically initiated instructions must not be disclosed to any person not authorised to carry out the telephone or electronically initiated instructions and must not be permitted by the member to be copied or recorded in any form, the security for the passwords, PIN or codes being the sole responsibility of the member;
- c) First Credit Union may rely and act on instructions or requests initiated electronically or by telephone using the correct password, PIN or code or (in the case of a facsimile) bearing a signature appearing to be that of the authorised signatory;
- d) the member will ensure that telephone and electronically generated instructions are clear and unambiguous;
- e) First Credit Union may debit to any member accounts all sums which the member has requested to be paid (including all charges payable by the member);
- f) to the extent provided by law, the member indemnifies First Credit Union against all liabilities incurred by First Credit Union resulting from First Credit Union, other Credit Unions or the New Zealand Association of Credit Unions acting or omitting to act in accordance with a telephone or electronically generated instruction which is or purports to have been given by or on behalf of the member in relation to the member accounts. First Credit Union and the New Zealand Association of Credit Unions may, as part of its security procedures, record and retain telephone or electronically generated instructions for a period of 7 years.

CLOSURE OF ACCOUNTS

Accounts may be closed upon written request by the member but acceptance of such a request does not negate or reduce the member's liability to pay to First Credit Union all amounts outstanding at that time together with interest due, charges and debits that may be subsequently processed.

CHANGES TO CONDITIONS

First Credit Union may change these terms and conditions of use (including the frequency and payment dates for interest and other charges) at any time and will give the member 30 days notice prior to the date of change. Such notices may be included in monthly statements or by other means First Credit Union thinks fit, including by public notice advertisement in newspapers.