

# DIRECT DEBIT PAPERLESS SERVICE SCHEDULE NEW ZEALAND

## 1. APPLICATION

In addition to the Direct Debit Terms and Conditions – New Zealand, the provisions of this Service Schedule apply where ANZ is providing the Paperless Service (as defined below) to You.

## 2. SUPPLEMENTAL TERMS AND CONDITIONS

The Direct Debit Terms and Conditions - 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 Services, an approved ‘Authority to Accept Direct Debits’ form which the Acceptor signs to indicate their consent to allow You 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 Preferred Service, means such consent in the form of an Authority and, in respect of the Paperless Services, means such consent in the form of a Paperless Instruction.”

**“Direct Debit Service** means the Standard Service, the Preferred Service and/or Paperless Service as set out in the Application Form provided by ANZ and the Participating Banks allowing You 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 You to the Acceptor confirming the content of their relevant Paperless Instruction.”

**“Paperless Instructions** 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 ANZ allowing You 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 ANZ allowing You 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 You to submit such Authority to the Acceptor’s Bank.”

### 2.2 Obtaining and Retaining Direct Debit Authorities

- (a) Clause 5.1 is deleted and replaced with:

#### **“5.1 Obtaining and Retaining Direct Debit Authorities**

- (a) You will:
- (i) in respect of the Standard Service and Preferred Services, 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 sending the Paperless Confirmation must comply with the relevant Manual;
- (b) You 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. You 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;
  - (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, You will provide them with an Authority under the Standard Service or Preferred Service.”

## 2.3 Loading

- (a) Clause 5.2 is deleted and replaced with:

### “5.2 Loading

- (a) In respect of the Standard Service, You will submit the original of each Acceptor’s Authority to the Acceptor’s Bank at least 10 Business Days before You submit a Direct Debit Instruction in respect of that Acceptor to allow the Acceptor’s Bank to load Your 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, You are not required to send an Acceptor’s Direct Debit Authority to the Acceptor’s Bank for loading.
- (c) You agree and acknowledge 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’s records. The Acceptor’s Bank is under no obligation to provide You with a reason for such refusal.
- (d) You agree and acknowledge, in respect of the Preferred Service and Paperless Service, that an Acceptor’s Bank may by written notice refuse to load Your 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 You with a reason for such refusal.”

## 2.4 Changes, Cancellations and Reversals

- (a) A new sub-clause 5.4(a)(iii) is inserted as follows:

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

## 2.5 Processing of Direct Debit Instructions

- (a) A new sub-clause 6.3(c)(iii) is inserted as follows:

“(iii) in respect of the Preferred Service and Paperless Services, the Authorisation Code has been blocked.”

## 2.6 Disputes

- (a) A new clause 6.5(b) is inserted as follows:

“6.5(b) In respect of the Preferred Service, if ANZ advises You of a dispute You will send a copy of the relevant Acceptor’s Authority to ANZ to be sent to the relevant Acceptor’s Bank in accordance with the rules and standards of the Direct Debit System. You agree and acknowledge the Acceptor’s Bank may, in accordance with the rules and standards of the Direct Debit System:

(i) return the relevant Transaction to ANZ, in which case ANZ will reverse the Transaction from your account; or

(ii) direct the Acceptor to raise a dispute directly with You.”

- (b) A new clause 6.5(c) is inserted as follows:

“6.5(c) In respect of the Paperless Service, if ANZ advises You of a dispute You will send a copy of the relevant Acceptor’s Paperless Instruction and relevant Paperless Confirmation to ANZ to be sent to the relevant Acceptor’s Bank in accordance with the rules and standards of the Direct Debit System. You agree and acknowledge the Acceptor’s Bank may, in accordance with the rules and standards of the Direct Debit System:

(i) return the relevant Transaction to ANZ, in which case ANZ will reverse the Transaction from your account; or

(ii) direct the Acceptor to raise a dispute directly with You.”

## 2.7 Effect of Termination

- (a) A new clause 13.4(e) is inserted as follows:

“13.4(e) Either party may terminate a Preferred Service and/or Paperless Service without terminating the Standard Service.”

- (b) A new clause 13.4(f) is inserted as follows:

“13.4(f) In respect of the Paperless Service, You 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 ANZ on request; and

(v) where You have also terminated the Preferred Service, forward all Paperless Instructions loaded under Your Authorisation Code before the date of termination to ANZ, together with relevant Paperless Confirmations.”

- (c) A new clause 13.4(g) is inserted as follows:

“13.4(g) In respect of the Preferred Service, You will on termination forward all signed Authorities (including originals, if any) loaded under Your Authorisation Code before the date of termination to ANZ.”