

Terms and conditions that apply to term deposits:

1. A term deposit is a New Zealand dollar deposit that earns a fixed rate of interest for a fixed term. By investing in a term deposit you agree to invest your money for a fixed period of time.
2. To invest in a term deposit you must either be an existing customer or first comply with our account opening terms and conditions.
3. You can make a deposit in any manner agreed with us, including cash or transferring money from another account with us. The amount you invest is payable to us at the time your term deposit is made.
4. We will pay interest at the frequency and rate agreed with you at the time you make your term deposit.
5. You can invest in a term deposit for a term of between 30 days and five years. Other terms may be available from time to time.
6. You can elect for interest to be payable as set out in the table below:

Term	Minimum investment	Interest frequency options	Interest payment options	Interest calculation method
Less than 6 months	\$5,000	On maturity	Paid to your nominated ASB or other bank account in New Zealand, or invested together with the principal amount into a new term deposit.	Interest is calculated based on the annual interest rate and the number of days in the term.
6 months or greater	\$10,000	Monthly	Paid to your nominated ASB or other bank account in New Zealand.	Interest is calculated based on the annual interest rate and the number of days in the month.
	\$5,000	Quarterly; six-monthly; annually	Paid to your nominated ASB or other bank account in New Zealand, or compounded (i.e. reinvested in the same term deposit).	Interest is calculated based on the annual interest rate and the number of days in the interest period.
	\$5,000	On maturity	Paid to your nominated ASB or other bank account in New Zealand, or invested together with the principal amount into a new term deposit.	Interest is calculated based on the annual interest rate for each full year, and where applicable, as though there was an annual compound of interest on the anniversary of the initial investment. Interest for a part year is calculated based on the annual interest rate and the number of days in the part year.
Term deposits advertised as special				
As advertised for the special.	As specified in the conditions of the special.	As specified in the conditions of the special.	As above, depending on the interest frequency option or options specified in the conditions of the special.	As above, depending on the interest frequency option or options specified in the conditions of the special.

7. The minimum amount you may invest is set out in the table above. The maximum amount you may have invested, either solely or with any other person, in one or more term deposits at any one time is \$10,000,000. For a term deposit advertised as a special, the minimum and maximum amounts you may invest may differ. We may change the minimum and maximum amounts you may invest from time to time.
8. We will not change the terms of your term deposit unless:
 - we allow you to withdraw all or part of your term deposit before the maturity date;
 - we end your term deposit before the maturity date in circumstances described in condition 16; or
 - you and we agree.
9. No charges are payable in connection with a term deposit, except:
 - if we allow you to make an early withdrawal;
 - where your term deposit is ended by us before its maturity date;
 - if we exercise any of our rights to combine your accounts or to set-off part of your term deposit against amounts you owe us; or
 - if you are a non-resident investor and you elect for ASB to pay Approved Issuer Levy (AIL).
10. It is at our discretion whether we agree to you making an early withdrawal of your term deposit prior to the maturity date. Information on our process for making an early withdrawal from a term deposit is available at asb.co.nz.
11. You can ask to withdraw all or part of your term deposit before its maturity date by coming into a branch or by phoning 0800 650 506. We may agree to or refuse your request for any reason. If we agree to your request, we will adjust the returns on your term deposit as described below.

12. If we allow you to make an early withdrawal we will apply a reduced rate of interest to the amount that is withdrawn early. The reduced rate of interest will be the reference rate less 2% per annum. The reference rate is the standard interest rate for term deposits offered to the public by us on the date you made your term deposit:

- for an amount equal to the amount of your term deposit;
- for the period from the date you made your term deposit to the date of early withdrawal (the completed term).

If you have reinvested your term deposit at any time the date you made your term deposit is the date of reinvestment.

13. The adjusted interest payable on the amount withdrawn early will be interest at the reduced rate for the completed term, using the interest calculation method for the 'on maturity' interest frequency option set out in the table above.

14. We will deduct any gross interest already paid on the amount that is withdrawn early from the interest payable. If this is more than the interest at the reduced rate for the completed term we will deduct from the amount that is withdrawn early an amount equal to the difference.

15. In the event that we adjust the interest payable on your term deposit due to early withdrawal, then this may result in an overpayment of any withholding tax previously deducted from interest paid on the term deposit. You can generally apply for a refund of overpaid withholding tax (if any) by filing a tax return or other relevant form with the Inland Revenue Department.

16. We may end your term deposit before its maturity date in the following circumstances:

- If we allow you to withdraw a part of your term deposit early and the remaining principal amount is less than the term deposit minimum at that time;
- If we exercise any of our rights to combine your accounts or to set-off amounts you have deposited with us against amounts you owe us and the remaining principal amount is less than the term deposit minimum at that time;
- If we have reasonable grounds to do so, including if you are or we consider you may be using or obtaining an account, service or money illegally, acting fraudulently or unlawfully, or behaving improperly; or
- If we reasonably consider that by allowing the term deposit to continue we may breach a court order or other legal requirement.

If we end your term deposit before its maturity date, we will adjust the returns on your term deposit as described above. You can find out the amount of adjusted interest as at the date you contact us from any ASB branch or by phoning ASB's Investor Express Line on 0800 650 506.

17. We may withhold payment of your returns after the due date if we:

- hold your term deposit as security;
- have reasonable grounds to do so, including if there is a third party claim affecting your term deposit; or
- are required by law to do so.