

Heartland Term Deposits product fact sheet

Effective June 2025

Quick facts

- A Heartland Term Deposit is designed for individuals, businesses and trusts with \$1,000 or more to invest. A minimum of \$1,000 and maximum of \$5,000,000 applies to each deposit.
- With a Heartland Term Deposit, you invest your money for a fixed term at a fixed interest rate. You can choose how long you want to invest for, with terms ranging from one month to five years.
- Heartland Term Deposits are issued by Heartland Bank Limited (Heartland).
- Heartland's current standard interest rates are available at www.heartland.co.nz.

Full terms and conditions

You should read this Fact Sheet before you invest in a Heartland Term Deposit. By investing in a Heartland Term Deposit, you agree to these terms and Heartland's Account and Service General Terms and Conditions (General Terms & Conditions), which together constitute your agreement with Heartland in relation to your investment. The General Terms & Conditions are available at www.heartland.co.nz.

The offer is only available in New Zealand.

Signing up and paying your investment amount

To open a Heartland Term Deposit account, complete the online application form on our website or contact us and we can send you an application form. If you are already a Heartland Bank customer, you can also apply through the Heartland Mobile App or Heartland Digital. You must provide us all the information we require. If your application is accepted, you can deposit your chosen investment amount in one of the following ways:

- by direct credit to Heartland's bank account, as shown on the application form or as notified by us to you, with your customer name as reference; or
- by direct debit (please call Heartland to request a direct debit form and it will be sent to you).
- by transferring your initial investment to your existing Heartland bank account, if you have one.

You can choose how much to invest, provided that your initial investment is at least \$1,000.

Payment of your returns

Heartland will pay you interest on your Heartland Term Deposit. Interest accrues daily and interest payment options range from monthly, quarterly, or on maturity (depending on your investment term and the amount you choose to invest). Interest can be paid out monthly for terms of 12 months or longer with a minimum deposit of \$50,000.

Getting back your investment

Prior to the maturity date of your Heartland Term Deposit, Heartland will give you a notice to tell you that your investment is about to mature. You can then elect to either:

- reinvest your money with Heartland, either in a new Heartland Term Deposit or another Heartland account; or
- withdraw your money by transferring it to a bank account.

You will receive a notification of your maturing investment from us prior to your investment's maturity date. You can choose to reinvest or withdraw your funds via one of the following methods:

- Online, by logging in to Heartland Digital or the Heartland Mobile App
- In writing, by providing instructions by mail, email or secure electronic message
- In person, at your closest Heartland office
- By phone, on **0800 85 20 20**.

If you don't make an election, on maturity your Heartland Term Deposit may (at Heartland's discretion) be paid out to your nominated account or automatically reinvested in a new Heartland Term Deposit for the same term as your original investment at the interest rate that applies at that time.

If the maturity date for your Heartland Term Deposit is scheduled to fall on a weekend or public holiday, it will be rescheduled to fall on the closest previous business day and the term of your Heartland Term Deposit will be adjusted accordingly.

Early repayments

Your investment is locked in for the period of your agreed term. Accordingly, you do not have a right to withdraw your Heartland Term Deposit before maturity. However, Heartland understands that people's circumstances do change.

Heartland may accept written requests for early repayment in certain circumstances such as the death of an investor or unforeseen financial hardship (but is not required to do so).

If Heartland does agree to an early repayment, the interest rate payable in respect of your term deposit may be reduced by up to 3% per annum (calculated across the term of your investment).

If the funds have been invested for less than one month, Heartland will return the requested amount but will not pay you interest on that amount.

Any tax that has already been paid on interest earned cannot be refunded back to you by Heartland and must be claimed from the Inland Revenue Department (IRD) directly.

Fees and charges

As at the date of this Fact Sheet, there are no fees or charges to invest in a Heartland Term Deposit.

Heartland's standard service fees apply, for example, in relation to setting up automatic payments or making same day cleared payments. Details of these fees are contained in Heartland's Account and Service Fee Guide which is available at www.heartland.co.nz.

If Heartland agrees to a request for early repayment of your Heartland Term Deposit, the interest rate payable may be reduced, as described above under "Early repayments".

Taxation

Please refer to the "Withholding tax" section of the General Terms & Conditions. You should consult a professional tax adviser if you require tax advice relating to your specific circumstances. Heartland is unable to give tax advice and does not take any responsibility for the tax implications of your investment.

Alterations to your investment

Changes that may be made to your investment

Heartland may introduce (or alter) fees or charges in relation to a Heartland Term Deposit. You will be given at least 30 days' advance notice if such change occurs.

Changes that may not be made to your investment

Heartland may not, without your agreement, change:

- your right to receive back your investment on maturity and to be paid interest on your investment for so long as we hold it; or
- the interest rate agreed between you and Heartland at the time of investing.

Changes you may request

You may request a change to the terms of your Heartland Term Deposit, such as a different interest payment option or early repayment in certain circumstances. Heartland may agree to the requested change but is not obliged to do so.

Further information about Heartland Term Deposits

No investment is free from risk, and an investment in a Heartland Term Deposit is no exception. You may not be able to get back your investment, or you may not receive the returns you expect.

This could happen for a number of reasons, including that:

- the IRD may require Heartland to make a deduction from your credit balance to recover amounts owed by you as a taxpayer;
- Heartland may exercise a right of set-off or combination of accounts (or a similar right) in relation to your credit balance, to recover amounts you owe to Heartland;
- Heartland may become insolvent or otherwise unable to pay its debts as they fall due; or
- Heartland may have a liquidator, receiver, administrator or statutory manager appointed to it.

Despite these risks Heartland Term Deposits are protected deposits under the Deposit Takers Act 2023. This means that in the event of a bank failure like liquidation, receivership, or statutory management, eligible depositors with protected deposits may access compensation of up to \$100,000 per customer, per institution. More information about this can be found on the Reserve Bank of New Zealand's website, www.rbnz.govt.nz

Further information about Heartland can be found in Heartland's latest Disclosure Statement which is available at www.heartland.co.nz.

Questions

If you have any questions please get in touch with us.

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