

Operating a Prometheus Account



TERMS & CONDITIONS

These terms and conditions set out the rules governing the savings, call and term deposit accounts with Prometheus. The terms and conditions of accounts are formally described in our Investment Statement.

Prometheus regards its investors as important partners – it's your money that makes possible the financing of socially and environmentally responsible projects. We aim to be fair and reasonable in all dealings with you and to give you the information you need to make informed decisions about your money.

OPENING AN ACCOUNT

Proof of identity

When you open an account with Prometheus we require you to use our account application form and we will ask you for proof of your identity to enable us to comply with our legal obligations and protect you against any misuse. If you do not provide us with this proof we are unable to open an account for you.

IRD number

We are also required to ask your IRD number. If you choose not to provide a number we are obliged to deduct tax on any interest earned at the high rate of 39%.

Account signatories

So that we can make payments from your account, we ask you to sign the account application form, showing your usual signature. If you are opening a joint account, we will ask both of you to sign. Our default mandate authorises any of you individually to act on behalf of all of you unless you state otherwise. If any of you informs us in writing of a dispute between you, we will treat this information as notice of termination of the mandate. Any further transaction will need the authority of all of you.

Third party mandate

You can authorise another person to give instructions on your account. Any additional signatories will also have to satisfy our requirement to verify their identity before this authority is granted.

ACCOUNT DEPOSITS

Minimum balance

The minimum balance for a Savings Account is \$25, for Call and Super Saver Accounts \$500, for Term Accounts of

1 year or shorter \$1,000 and for Notice Accounts and Term Accounts of more than 1 year \$5,000. If the amount falls below these minimum balances the interest rates will be adjusted to the Call Account rate or Savings Account rate if the balance falls below \$500. Prometheus does not provide overdraft facilities.

Making deposits

You can pay into your accounts using the following methods:

- by electronic transfer from your account with another financial institution to Prometheus as follows:

We use the National Bank of NZ, Napier Branch, 90 Hastings Street, Napier to transfer all funds.

Account Name: Prometheus Finance

Account Number: 06-0701-0007061-00

Particulars/Code: your Prometheus account code

Reference: your name

- by Automatic Payment using details as above
- from other countries by electronic transfer as above. Please use the following swift code: ANZBNZ22
- by post with cheques payable to Prometheus Finance or your account name and a paying-in slip or letter. Please do not send cash by post.
- in person during business hours at our office in Napier

ACCOUNT WITHDRAWALS

Access

Funds are available for withdrawal according to the type of account you have with Prometheus. Only "cleared funds" are available for withdrawal. Requests for withdrawals on the same working day will be carried out that day if received before 3 pm.

Access to all Prometheus accounts is in writing, by phone, fax or visit to the office during business hours. All withdrawal requests require one signatory unless otherwise stated. Verification of identity will be carried out for personal/telephone withdrawals.

Payments

You can request withdrawals by the following methods:

- by electronic transfer from your Prometheus account to your nominated account with another financial institution.

- by cheque payable to yourself and crossed not transferable. Cheques will be posted to the address we have on your file.
- in person during business hours at our office in Napier

Early withdrawal

Early withdrawal of term investments and notice accounts can be arranged at Prometheus' discretion. An early access interest adjustment fee of 1% will apply for accounts with maturity dates over 90 days. For maturities within 90 days the adjustment will be 0.5%.

Instructions

Unless we have made other specific and documented arrangements, all other instructions requesting changes in your account details must be made to our office in writing, carry your account number and name and your signature.

INTEREST

Interest Payments

Interest on all Prometheus accounts is calculated on the daily balance of all sums outstanding. Interest is due and will be added to the balance on the last day of March, June, September and December. On closure of a Prometheus account, interest due is paid up to the date of final withdrawal.

Variation of interest rates

Interest rates on all savings, on-call investments and notice accounts are subject to Prometheus' right to vary and dependent on the type of account, and the general level of interest rates in the financial market. Current interest rates on all accounts are available on request from Prometheus' office and published on our web site www.prometheus.co.nz.

Interest rates for existing term accounts are fixed to maturity.

Reinvestment

In the absence of specified instructions, investments will be automatically reinvested for a similar period at Prometheus' term investment rates current at the time of reinvestment.

Withholding Tax

Except for clients holding a valid certificate of exemption, all interest payable to New Zealand residents is subject to Resident Withholding Tax (RWT) being deducted on behalf of Inland Revenue from all interest at source before payment. If you provide us with your IRD number, Resident withholding Tax will be deducted from any interest credited to your account at the appropriate rate. For incomes under \$38,000 that is 19.5%, for incomes between \$38,000 - \$60,000 it is 33%, and for incomes over \$60,000 the rate is 39%. You will need to advise us of the correct RWT rate on your account application form.

If you don't give us your IRD number we have to deduct tax

on interest at 39%. If you or the organisation you're opening an account for has an IRD withholding tax exemption certificate please send a copy with your account application. The interest earned by non New Zealand residents is subject to Non-Resident Withholding Tax or Approved Issuer Levy.

IRD Notification

Notification of interest earned and the withholding tax deducted will be sent yearly in April only to NZ resident account holders with accounts, which earned over \$20 in interest. By law Prometheus is required to notify IRD on a yearly basis of all interest earned.

STATEMENTS

All frequency account holders receive a statement of account detailing balance, transactions, interest rate and interest earned twice a year.

At the end of the term for an investment, a maturity advice notice will be sent with new account details.

At any time a statement of transactions will be issued at the request of each account holder.

Dormant Accounts

Prometheus may suspend operation of an account that has been inactive for at least 12 months which has an account balance below \$25 and no regular statements will be sent. An annual holding fee of \$10 may be charged for these accounts.

Set-off

If any accounts you hold with us are in credit, we may use them to reduce or repay any amounts you owe on other (joint) accounts you hold with us in the same name. This is known as set-off. If we decide to do this, we will tell you.

CONFIDENTIALITY

Privacy Act 1993

All information collected to open an account with Prometheus will be treated as confidential and will only be used by Prometheus. Without this information we are unable to consider your application. Prometheus will not give out your personal details to any third party without your written consent except where we must do so by law. You have the right of access and correction of personal information as provided by the Privacy Act 1993.