



TERM DEPOSIT ADVICES

Term Deposit with interest at maturity

See below for changes to the Approved Issuer Levy deduction on your advices. Effective from 1 August 2020.

- 1 New TD Advice example
- 2 TD Renewal Advice example
- 3 TD Full Withdrawal Advice (TD Maturity example)
- 4 TD Full Withdrawal Advice (TD Break example)

1. New TD Advice example

A 'New TD Advice' for a Term Deposit that started before 1 August 2020 will have the following calculation:

WE CONFIRM DETAILS OF YOUR NEW DEPOSIT AS FOLLOWS

FIXED DEPOSIT

START DATE	01Mar2020	MATURITY	01Sep2020	TERM	6	MONTHS
PRINCIPAL		NZD	100,000.00			
INTEREST RATE		1.80%	P.A.			
MATURITY AMOUNT		NZD	100,907.40			
TAX		NZD	0.00			

PAYMENT	DEBIT A/C NO.	XX-XXXX-XXXXXX-XXX
	NZD	100,000.00

The old calculation had a 0.00% rate of TAX or AIL deducted.

Calculations

Principal:	\$100,000.00
Start date:	1/03/2020
Maturity date:	1/09/2020
Term days:	184
Interest Rate:	1.8%
Gross Interest:	\$907.40
TAX / AIL rate:	0.00%
TAX / AIL deducted:	\$0.00
Principal + Total	
Net Interest:	<u>\$100,907.40</u>

To show the changes, as an example, if you start the same Term Deposit on or after 1 August 2020, the 'New TD Advice' will have the following calculation:

The new process, will have a 2.00% rate of AIL deducted from your Gross Interest.

WE CONFIRM DETAILS OF YOUR NEW DEPOSIT AS FOLLOWS

FIXED DEPOSIT

START DATE	01Mar2020	MATURITY	01Sep2020	TERM	6 MONTHS
PRINCIPAL		NZD	100,000.00		
INTEREST RATE		1.80%	P.A.		
MATURITY AMOUNT		NZD	100,889.25		
AIL		NZD	18.15		
PAYMENT		DEBIT A/C NO.	XX-XXXX-XXXXXX-XXX		
		NZD	100,000.00		

Calculations

Principal:	\$100,000.00
Start date:	1/03/2020
Maturity date:	1/09/2020
Term days:	184
Interest Rate:	1.8%
Gross Interest:	\$907.40
AIL Rate:	2%
AIL deducted:	-\$18.15
Principal + Total	
Net Interest:	<u>\$100,889.25</u>

2. TD Renewal Advice example

A 'TD Renewal advice' prepared before 1 August 2020, will have the following calculation:

WE CONFIRM HAVING RENEWED YOUR DEPOSIT AS FOLLOWS

FIXED DEPOSIT

START DATE	01Sep2019	MATURITY	01Mar2020	TERM	6	MONTHS
PRINCIPAL		NZD	100,000.00			
INTEREST RATE		1.80%	P.A.			
INTEREST PAYABLE		NZD	897.53			
TAX COLLECTED		NZD	0.00			
NEW PRINCIPAL		NZD	100,897.53			
START DATE	01Mar2020	MATURITY	01Sep2020	TERM	6	MONTHS
INTEREST RATE		1.30%	P.A.			
MATURITY AMOUNT		NZD	101,558.76			
TAX			0.00			

The old calculation had a 0.00% rate of TAX or AIL deducted.

Calculations

Principal:	\$100,000.00
Start date:	1/09/2019
Maturity date:	1/03/2020
Term days:	182
Interest Rate:	1.8%
Gross Interest:	\$897.53
TAX / AIL rate:	0.00%
TAX / AIL deducted:	\$0.00
Principal + Total	
Net Interest:	<u>\$100,897.53</u>
Principal:	\$100,897.53
Start date:	1/03/2020
Maturity date:	1/09/2020
Term days:	184
Interest Rate:	1.3%
Gross Interest:	\$661.22
TAX / AIL rate:	0.00%
TAX / AIL deducted:	\$0.00
Principal + Total	
Net Interest:	<u>\$101,558.76</u>

In comparison, a 'TD Renewal advice' prepared after 1 August 2020, will have the following calculation:

The new process, will have a 2.00% rate of AIL deducted from your Gross Interest.

WE CONFIRM HAVING RENEWED YOUR DEPOSIT AS FOLLOWS

FIXED DEPOSIT

START DATE	01Sep2019	MATURITY	01Mar2020	TERM	6	MONTHS
PRINCIPAL		NZD	100,000.00			
INTEREST RATE		1.80%	P.A.			
INTEREST PAYABLE		NZD	897.53			
AIL COLLECTED		NZD	17.95			
NEW PRINCIPAL		NZD	100,879.58			
START DATE	01Mar2020	MATURITY	01Sep2020	TERM	6	MONTHS
INTEREST RATE		1.30%	P.A.			
MATURITY AMOUNT		NZD	101,527.47			
AIL			13.22			

<u>Calculations</u>	
Principal:	\$100,000.00
Start date:	1/09/2019
Maturity date:	1/03/2020
Term days:	182
Interest Rate:	1.8%
Gross Interest:	\$897.53
AIL Rate:	2%
AIL deducted:	-\$17.95
New Principal:	<u>\$100,879.58</u>
Principal:	\$100,879.58
Start date:	1/03/2020
Maturity date:	1/09/2020
Term days:	184
Interest Rate:	1.3%
Gross Interest:	\$661.11
AIL Rate:	2%
AIL deducted:	-\$13.22
Maturity Amount:	<u>\$101,527.47</u>

3. TD Full Withdrawal Advice (TD Maturity example)

A Full withdrawal advice prepared before 1 August 2020, will have the following calculation. This TD has gone the full term and is paid out on 1 March 2021.

The old calculation had a 0.00% rate of TAX or AIL deducted.

DATE: 01Mar2021

WE CONFIRM HAVING TODAY UPLIFTED YOUR DEPOSIT AS FOLLOWS:

START DATE	01Mar2019	MATURITY	01Mar2021	TERM	24 MONTHS
PRINCIPAL		NZD	100,000.00		
INTEREST RATE		2.40%	P.A.		
INTEREST PAYABLE		NZD	4,806.58		
TAX COLLECTED			0.00		
INTEREST PAYMENT		CREDIT ACCOUNT NO.		XX-XXXX-XXXXXX-XXX	
Net Interest Payment		NZD	4,806.58		
CR A/C No.		XX-XXXX-XXXXXX-XXX			
Principal Payment		NZD	104,806.58		
CR A/C No.		XX-XXXX-XXXXXX-XXX			
PAYMENT		CREDIT ACCOUNT NO.		XX-XXXX-XXXXXX-XXX	
NET PROCEEDS			104,806.58		

<u>Calculations</u>	
Principal:	\$100,000.00
Start date:	1/03/2019
Maturity date:	1/03/2021
Term days:	731
Interest Rate:	2.4%
Gross Interest:	\$4,806.58
TAX / AIL rate:	0.00%
TAX / AIL deducted:	\$0.00
Net Proceeds:	<u>\$104,806.58</u>

In comparison, a Full withdrawal advice prepared after 1 August 2020, will have the following calculation. As an example, this TD has gone the full term and is paid out on 1 March 2021, but updated with calculations for 1 August 2020 onwards

The new process, will have a 2.00% rate of AIL deducted from your Gross Interest.

DATE: 01Mar2021

WE CONFIRM HAVING TODAY UPLIFTED YOUR DEPOSIT AS FOLLOWS:

START DATE	01Mar2019	MATURITY	01Mar2021	TERM	24 MONTHS
PRINCIPAL		NZD	100,000.00		
INTEREST RATE		2.40%	P.A.		
INTEREST PAYABLE		NZD	4,806.58		
AIL COLLECTED			96.13		
INTEREST PAYMENT		CREDIT ACCOUNT NO.		XX-XXXX-XXXXXX-XXX	
Net Interest Payment		NZD	4,710.44		
CR A/C No.		XX-XXXX-XXXXXX-XXX			
Principal Payment		NZD	100,000.00		
CR A/C No.		XX-XXXX-XXXXXX-XXX			
PAYMENT		CREDIT ACCOUNT NO.		XX-XXXX-XXXXXX-XXX	
NET PROCEEDS			104,710.44		

Calculations

Principal:	\$100,000.00
Start date:	1/03/2019
Maturity date:	1/03/2021
Term days:	731
Interest Rate:	2.4%
Gross Interest:	\$4,806.58
AIL Rate:	2%
AIL deducted:	-\$96.13
Net Proceeds:	\$104,710.44

4. TD Full Withdrawal Advice (TD Break example)

A Full withdrawal advice prepared before 1 August 2020, will have the following calculation. As an example, we are showing a TD that is 'broken' on 30 June 2020.

The old calculation had a 0.00% rate of TAX or AIL deducted.

DATE: 30Jun2020

WE CONFIRM HAVING TODAY UPLIFTED YOUR DEPOSIT AS FOLLOWS:

START DATE	01Mar2019	MATURITY	01Mar2021	TERM	24 MONTHS
PRINCIPAL		NZD	100,000.00		
INTEREST RATE		2.40%	P.A.		
INTEREST PAYABLE		NZD	3,202.19		
TAX COLLECTED			0.00		
INTEREST PAYMENT		CREDIT ACCOUNT NO.		XX-XXXX-XXXXXX-XXX	
PENALTY		NZD	1,601.10		
Net Interest Payment		NZD	3,202.19		
CR A/C No.		XX-XXXX-XXXXXX-XXX			
Principal Payment		NZD	98,398.90		
CR A/C No.		XX-XXXX-XXXXXX-XXX			
PAYMENT		CREDIT ACCOUNT NO.		XX-XXXX-XXXXXX-XXX	
NET PROCEEDS			101,601.10		

Calculations

Principal:	\$100,000.00
Start date:	1/03/2019
Maturity date:	1/03/2021
Break date:	30/06/2020
Term days:	487
Interest Rate:	2.4%
Gross Interest:	\$3,202.19
TAX / AIL rate:	0.00%
TAX / AIL deducted:	\$0.00
Principal + Total	
Net Interest:	<u>\$103,202.19</u>

Penalty for an early withdrawal is currently 50% of interest earned

	<u>-\$1,601.10</u>
Net Proceeds:	<u>\$101,601.10</u>

In comparison, a Full withdrawal advice prepared after 1 August 2020, will have the following calculation.

This break is also dated 30 June 2020, but updated with calculations for 1 August 2020 onwards.

The new process, will have a 2.00% rate of AIL deducted from your Gross Interest.

DATE: 30Jun2020

WE CONFIRM HAVING TODAY UPLIFTED YOUR DEPOSIT AS FOLLOWS:

START DATE	01Mar2019	MATURITY	01Mar2021	TERM	24 MONTHS
PRINCIPAL		NZD	100,000.00		
INTEREST RATE		2.40%	P.A.		
INTEREST PAYABLE		NZD	3,202.19		
AIL COLLECTED			64.04		
INTEREST PAYMENT		CREDIT ACCOUNT NO.		XX-XXXX-XXXXXX-XXX	
PENALTY		NZD	1,601.10		
Net Interest Payment		NZD	3,138.15		
CR A/C No.		XX-XXXX-XXXXXX-XXX			
Principal Payment		NZD	98,398.90		
CR A/C No.		XX-XXXX-XXXXXX-XXX			
PAYMENT		CREDIT ACCOUNT NO.		XX-XXXX-XXXXXX-XXX	
NET PROCEEDS			101,537.05		

Calculations

Principal:	\$100,000.00
Start date:	1/03/2019
Maturity date:	1/03/2021
Break date:	30/06/2020
Term days:	487
Interest Rate:	2.4%
Gross Interest:	\$3,202.19
AIL Rate:	2%
AIL deducted:	-\$64.04
Principal + Total	
Net Interest:	<u>\$103,138.15</u>

Penalty for an early withdrawal is currently 50% of interest earned

-\$1,601.10

Net Proceeds: \$101,537.05