



## Banking

### Banking: the basics



All banks provide telephone and internet banking services for their customers and, increasingly, businesses provide a bank account number with their invoice so you can pay them online. Cheques still have their place and some people find them useful as a way to pay.

Electronic banking is convenient and easy once you get set up, but it means taking special care about security to protect your money and your identity.

[Think you've been scammed? Visit Scamwatch.](#)

Most banks, credit unions and other financial institutions offer electronic banking services, including:

- loan applications
- credit card payments
- bill payments
- transfers between accounts
- account balances.

### Tips for safe electronic banking

- Always type the name of the bank into the address bar of your browser or by using your bookmarks or favourites.
- If you use internet banking services at a computer in an internet café or other public place, check their anti-virus software and firewalls are up to date and never leave the computer unattended.
- Remember your personal identification number (PIN) passwords or access codes.
- Change your password regularly and do not use passwords that can be easily identifiable, such as your birth date.
- Keep a printed record of all transactions.
- Check the security measures currently used by your financial institution and read any conditions of use.
- Don't disclose your PIN, password or access code to anyone.
- Log off from the internet when you have completed a transaction.

### Cheque safety

Prevent your cheques being used by someone other than the rightful recipient of the cheque.

#### Not transferable cheques

To ensure the cheque is payable only to the person to whom it is made out, write the payee's name, write 'Not transferable' or 'A/c payee' only' or 'Account payee only' between two parallel lines across the cheque.

If you just write 'Not Negotiable' it can be transferred to someone other than the person it is made out to. But it still has to be paid into a bank account.

Do not accept a 'not transferable' or 'account payee' cheque if it has not been made out to you in the first place. Make sure your name is written correctly, as it must be the same name as your bank account.

### Cash cheques

Writing a cheque out to 'cash' means anyone can cash it for the sum it is written out for. It does not have to be paid into a bank account. It is useful if, for example, you want to give a cheque to someone who does not have a bank account. Don't cross the cheque with 'non transferable' or 'a/c payee'. If a cash cheque is lost anyone could cash it.

## **Managing your bank fees**

[Visit the Retirement Commission's Sorted website about banking and saving, including a section on bank fees.](#)

[Consumer NZ provides information for its members on bank fees and interest rates from all major retail banks.](#)

They also have tips on managing your credit card, switching banks, saving on your mortgage, a mortgage calculator, and best ways to borrow money.

## **Got a problem with your bank?**

The first step is to go to your bank or call their customer service line to discuss the problem. You may be able to resolve the matter at that point.

If you're not satisfied with their response ask for a brochure on their complaints process which will tell you how to make a formal complaint.

The Banking Ombudsman's office can advise you on how to make a complaint, but will not hear the complaint itself until you have approached your bank first and tried to resolve the problem.

## **The Banking Ombudsman**

If you have been unable to resolve a complaint through your bank's complaints process, you can contact the Banking Ombudsman. The Banking Ombudsman scheme is independent and free for consumers to use.

Freepost 218002

PO Box 10573

The Terrace

Wellington 6143

Fax (04) 471 0548

Free phone 0800 805 950

Email: [help@bankomb.org.nz](mailto:help@bankomb.org.nz)

Website: [www.bankomb.org.nz](http://www.bankomb.org.nz)