



## **ANZ PNG's Retail, Commercial and SME Businesses transfer to Kina Bank**

### **FAQs for High Risk and Asset Management Unit Customers**

9 September 2019

#### **BACKGROUND**

On 25 June 2018, Australia and New Zealand Banking Group (PNG) Ltd ("**ANZ**") announced an agreement to sell its Retail, Commercial and Small-Medium Sized Enterprise (SME) banking businesses in Papua New Guinea to Kina Bank Limited ("**Kina Bank**"), to allow it to focus solely on Institutional and Large Corporate banking in the market.

Kina Bank is a wholly-owned subsidiary of Kina Securities Limited, a PNG company listed on the Australian and Port Moresby stock exchanges.

The transaction received regulatory approvals from the Bank of Papua New Guinea on 26 February 2019 and the PNG Independent Consumer and Competition Commission on 27 March 2019.

The sale includes all 15 ANZ branches, the entire ATM network and ongoing roles for those who currently support the Retail, Commercial and SME banking businesses.

To ensure an orderly transition of ownership, ANZ will continue to manage its Retail, Commercial and SME businesses until the sale is complete, which is currently scheduled for Monday 23 September 2019, when Kina will take control.

**IMPORTANT NOTE: This Customer FAQ document is for High Risk and Asset Management Unit customers. It sets out in detail what will happen to various banking products and services when ANZ's Retail, Commercial and SME businesses transfer to Kina Bank.**

**As you are aware your lending is currently managed by either High Risk or Asset Management Units. As part of the agreement Loans managed by High Risk and Asset Management Units would not transfer to Kina Bank.**

**For more information regarding your personal banking arrangements, please refer to the Retail Customer FAQs.**

#### **Frequently Asked Questions**

- 1. The loans associated with my business are not transferring to Kina Bank at this time despite the sale of the ANZ SME and Commercial business. What is the long term management plan for our company?**

On completion of the sale, ANZ will be focusing on its Institutional business and products going forward, and will no longer be undertaking any SME or commercial business – this includes offering any refinance to your Company.

We will, however, continue to follow our obligations under our Letter of Offer with you, and look to work with your Company to achieve a balanced outcome and assist you to ultimately refinance with another lender. Your Deposit account(s) will transfer to Kina Bank, providing they do not have an Overdraft facility.

## **2. How long do I have to refinance?**

There is no prescribed timing when it comes to refinancing.

While your facilities remain in order (no arrears or defaults) ANZ will continue to support your lending until you are able to secure a refinance elsewhere.

## **3. I'm currently in default, what does this mean for my Company?**

There will be no change to your current position with us, and your ANZ Relationship Manager will continue to work with you on strategies to achieve balanced outcomes for both your business and the Bank (i.e. Refinance/Asset Sales etc.).

## **4. If my Account Conduct and Performance improves will I be able to transfer to Kina Bank at a later stage under a normal banking relationship?**

There is no process for transfer of customers from ANZ to Kina Bank after completion of the sale. Any future relationship with Kina (including whether you wish to seek to refinance through them) will be a matter for you to discuss with them.

## **5. If my Account Conduct and Performance improves will I be able to transfer to Large Corporate department within ANZ under a normal banking relationship?**

No. On completion of the sale, ANZ will be focusing on its Institutional business and products going forward, and will no longer be undertaking any SME or Commercial business. As such, we will not be in a position to offer any new products to your Company.

## **LOANS**

### **6. I have an existing loan with ANZ. What will happen to my loan after the transfer to Kina Bank?**

As your lending is currently managed by either High Risk or Asset Management Units, your loan portfolio, which includes all documentation and your remaining balance together with securities, will remain with ANZ.

All outstanding amounts on your loan, including any interest, fees and charges, will remain the same as will your account number.

### **7. I have an Overdraft facility attached to my Deposit account, will this account transfer to Kina Bank?**

No. All lending limits (Loans and Overdrafts) for High Risk and Asset Management Unit customers will remain with ANZ post completion of the sale.

If your company has Deposit accounts with no Overdraft attached, these accounts will transfer to Kina Bank.

If you would like a listing of specific accounts that will be transferring to Kina Bank or staying with ANZ, please contact your Relationship Manager.

## **8. I have a Term Deposit that secures my lending arrangements, will this account transfer to Kina Bank?**

No. Any Term Deposits that form part of the Security arrangements of any lending that remains with ANZ, will also remain with ANZ.

For simplicity if you feel it is in your best interest to cancel the Term Deposit and reduce your limit, please contact your Relationship Manager and they will advise if this is an option.

## **CHEQUE BOOKS**

ANZ has a record of all the ANZ cheque books issued and those used before the completion of the sale. This information is being shared with Kina Bank.

## **9. What will happen to ANZ cheque books after the transfer to Kina Bank?**

For all Deposit accounts that transfer to Kina Bank, ANZ cheque books will no longer be valid after the transfer to Kina Bank.

If you have an ANZ issued cheque, we encourage you to present the cheque for clearance before Friday 20 September 2019. If you have recently issued a cheque to someone or a business, please inform them of this timeline if they wish to cash the cheque.

From Saturday 21 September 2019, any unused ANZ cheques cannot be issued. From Monday 23 September 2019, customers must deposit all clearing cheques at Kina Bank branches.

For all Deposit accounts that remain with ANZ (because they have an Overdraft attached) the existing ANZ cheque books will continue to operate as they do today.

## **10. Will I get a new cheque book with Kina Bank?**

Yes, if your Deposit accounts are transferring to Kina Bank. Customers will be progressively issued with Kina Bank cheque books over the coming months, commencing with those who use Cheque Books more frequently. Customers will be contacted by ANZ Branch staff prior to 23 September 2019 and Kina Bank staff after 23 September 2019 and chequebooks will be distributed via the Kina Bank branch network.

For ANZ customers who are transferring, Kina Bank chequebooks are not valid until Monday 23 September 2019. Any Kina Bank cheque issued prior to this date will be dishonoured.

## **ANZ BRANCHES**

## **11. What happens to all ANZ branches after the transfer to Kina Bank?**

All remaining ANZ branches (Harbour City, Port Moresby Town, Waigani, Lae Market, Madang, Wewak, Goroka, Hides, Mt Hagen, Kimbe, Kokopo, Lihir) will close at 3.00pm on Friday 20 September 2019.

These branches will reopen from Monday 23 September 2019 as Kina Bank branches.

## **12. Will I be able to use the new Corporate Centres?**

Three Corporate Centres in Port Moresby, Lae and Goroka will help support the business banking needs of our Institutional, Large Corporate, High Risk and Asset Management Unit customers when the ANZ Retail Branches transfer to Kina Bank.

These locations have been chosen as a majority of our Institutional and Large Corporate customers are located in these business hubs.

As a High Risk or Asset Management Unit Customer you will be able to use these corporate centres to transact on your Deposit accounts with Overdrafts or make payments against your Loan accounts that remain with ANZ. All your other Deposit accounts that will transfer to Kina Bank, you will be required to use Kina Bank Branches.

## **13. Where are they located and when will they be open?**

- **Waigani Corporate Centre**  
ANZ Haus, Frangipani Drive  
Waigani, Port Moresby  
*Opening hours are Monday to Thursday, 8.45am to 3.00pm. Friday, 8.45am to 4.00pm*  
*Waigani Corporate Centre BSB: 018 801*
- **Lae Corporate Centre**  
Nambawan Super Haus  
Lae Top Town  
*Opening hours are Monday to Thursday, 8.45am to 3.00pm. Friday, 8.45am to 4.00pm*  
*Lae Corporate Centre BSB: 018 890*
- **Goroka Corporate Centre** (Opening March 2020)  
Location and opening hours to be announced at a later date.

## **14. Will there be changes to ANZ's banking fees and charges?**

No. There will be no changes to our High Risk and Asset Management Unit customer's fees and charges when you do your banking in the Corporate Centres.

## **15. I'm a High Risk or Asset Management Unit customer and I'm based outside the locations of the three Corporate Centres. Where can I do my banking?**

You can continue to use the existing ANZ Retail Branches in your location until the transfer is complete on 23 September.

After the transfer, Institutional, Large Corporate, High Risk and Asset Management Unit customers based outside of Lae, Port Moresby and Goroka will be able to access corporate banking services at Kina Bank branches, thanks to a 'Network Extension Partnership' agreement between ANZ and Kina. High Risk and Asset Management Unit customers will also be able to transact on ANZ Deposit accounts with Overdrafts and make payments against Loan accounts through the Network Extension Partnership (NEP).

This is to ensure minimal impact to banking services for these customers when the ANZ Retail Branch network across PNG transfers to Kina Bank.

**16. Under the Network Partnership Agreement, what banking services will I have access to at a Kina Branch?**

ANZ customers will be offered a basic product offering at Kina Branches. High Risk and Asset Management Units customers will be able to complete cash deposits and withdrawals on Deposit accounts with Overdrafts and make cash deposits to Loan accounts.

Other banking products can be accessed through the three ANZ Corporate Branches or through ANZ Transactive.

**17. What can I expect to find when I access the Kina Bank branch to do my corporate banking?**

Under the Network Extension Partnership Agreement, there will be an ANZ marked teller counter in Kina Branches outside Lae, Port Moresby and Goroka.

The staff who will work on this marked counter will only serve ANZ Institutional, Large Corporate, High Risk and Asset Management Unit customers.

**18. Can customers in Goroka use this arrangement with Kina Bank, given the Goroka Corporate Centre will not be open until March 2020?**

Yes. The NEP agreement will apply to Institutional, Large Corporate, High Risk and Asset Management Unit customers who do their banking in Goroka until the ANZ Goroka Corporate Centre opens in 2020.

Once the Goroka Corporate Centre is open, customers in Goroka must do their banking at the new ANZ Corporate Centre. High Risk and Asset Management Unit customers who have Deposit accounts transferring to Kina Bank will need to transact on those accounts separately through the Kina Bank branches.

**19. Will ANZ share my information with Kina Bank as part of this arrangement?**

For customers with no Kina Bank accounts the only information that will be shared with Kina Bank is the list of our Institutional, Large Corporate, High Risk and Asset Management Unit customers based in each province. This list will help Kina understand who will be accessing its branch through the Network Extension Partnership in each province.

For customers whose accounts have transferred to Kina Bank, all required information will be transferred at completion of sale allowing you to transact smoothly from 23 September 2019.

**CASH WITHDRAWAL/DEPOSIT**

**20. Can I withdraw or deposit cash at any ANZ Branch during the transition to Kina Bank?**

Customers will not be able to make any cash withdrawals or deposits at any ANZ branch after 3.00pm Friday 20 September 2019.

We recommend you make your cash withdrawals or deposits before Friday 20 September 2019, to avoid inconvenience.

**21. Can I withdraw cash at ANZ ATMs during the transition to Kina Bank?**

From 4.00pm Friday 20 September 2019 cash withdrawals on ANZ ATMs will not be available to customers.

Customers are advised to take note of these impacts and make changes to their banking arrangements accordingly to avoid any inconvenience.

**EFTPOS**

**22. What will happen to Eftpos machines during the transition to Kina Bank?**

Kina Bank is currently rolling-out its new Eftpos fleet that will replace ANZ's Eftpos terminals with Kina Bank ones, and will be in contact with you to provide you with a new Kina Bank Eftpos terminal. All ANZ Eftpos terminals will not work after 8pm on Thursday 19 September 2019.

Moving forward your Kina Bank merchant proceeds will settle to a Kina Bank deposit account and not directly to your ANZ Overdraft account (if you have an Overdraft account). You will still need to ensure there are available funds in your ANZ account/(s) to ensure Overdraft Interest and Loan Repayments are met as and when they fall due. Failure to do so may result in ANZ taking further action to recover any outstanding amounts from you

**23. I am an Eftpos merchant and I have a few Eftpos machines. What will happen to this arrangement after the transfer to Kina Bank?**

ANZ Eftpos terminals will be decommissioned from 8pm on Thursday 19 September 2019. The Kina Bank team will be in contact with you to provide you with a Kina Bank Eftpos terminal prior to this time, and your existing Merchant Agreement will transfer over to Kina Bank as part of completion of the sale.

**ONLINE CHANNELS**

**24. My company currently uses Transactive Banking. What will happen to this service after the transfer to Kina Bank?**

From 3.00pm Friday 20 September 2019 Transactive Banking will no longer be available to High Risk and Asset Management Unit customers, except if you have any Deposit account with Overdraft remaining with ANZ.

Customers who currently use ANZ Transactive will be able to access Kina Bank's Digital Corporate Banking at [www.kinabank.com.pg](http://www.kinabank.com.pg). Your Relationship Manager will be able to provide you with more information.

**25. Can I access Internet Banking during the transition period?**

No. ANZ's Internet Banking service will no longer operate from 3.00pm 20 September 2019.

After this time, you will no longer be able to view or transact on any products and services offered on Internet Banking.



All customers are encouraged to take note of this, and plan Internet Banking needs accordingly.

**26. Can I use Internet Banking after the transfer to Kina Bank?**

No, ANZ's Internet Banking service will no longer be available after completion of the sale. After the transfer, you will need to log on to Kina Bank's Internet Banking platform; however, you will be able to do so using your current ANZ log on details. You will then be asked to update your information.

If you have any queries after the completion of the sale you can contact Kina Bank's Contact Centre available 24/7 on +675 308 3800 or toll free 180 1525 or email [kina@kinabank.com.pg](mailto:kina@kinabank.com.pg).

**ANZ PACIFIC APP**

**27. Will I be able to access ANZ Pacific App after the transfer to Kina Bank?**

No. This service will not be available after the transfer. Kina Bank has a mobile application for its customers, and for further information you can contact Kina Bank's Contact Centre available 24/7 on +675 308 3800 or toll free 180 1525 or email [kina@kinabank.com.pg](mailto:kina@kinabank.com.pg)

**28. What will happen to my FX orders placed with ANZ?**

All unfulfilled FX orders with ANZ at the time of transition will be transferred across to the Kina Bank FX Order Book. Your anticipated waiting time in the FX queue will be preserved. The Kina Bank Treasury dealers will contact you when your FX order is fulfilled.

ANZ will not accept any new FX Orders from 2:00pm on Wednesday 18 September.

For further information, including how to place any new orders, you can contact Kina Bank's Contact Centre available 24/7 on +675 308 3800 or toll free 180 1525 or email [kina@kinabank.com.pg](mailto:kina@kinabank.com.pg)

**PAYROLL**

**29. Will our employees (who have ANZ personal accounts) get new account numbers for us to do payroll?**

No. Customers will continue to use the same account number at Kina Bank. However, there will be a change to BSB numbers as Kina Bank has a different BSB to ANZ.

The table below shows what the current ANZ BSB numbers are for each ANZ branch and what the new Kina Bank BSB numbers for each branch will be after the transition.

<b>Branch</b>	<b>ANZ BSB</b>	<b>Kina BSB</b>
Boroko	018-908	028-027
Goroka	018-891	028-015
Hides	018-915	028-026
Harbour City	018-912	028-096
Jacksons	018-911	028-022
Kokopo	018-905	028-008
Kimbe	018-909	028-017

Lae – Top Town	018-890	028-014
Lae – Market	018-913	028-023
Lihir	018-914	028-025
Madang	018-893	028-009
Mt Hagen	018-895	028-019
Port Moresby	018-900	028-038
Waigani	018-902	028-021
Wewak	018-907	028-016

For example, if your employee BSB is 018-908 today, after the transition on 23 September it will be 028-027.

### **30. As an employer, what do I need to do when the BSB numbers change?**

You will need to update the BSB numbers in your payroll systems for all employees who have their salary paid into ANZ accounts.

BSB numbers should not be changed until the final payroll file before Monday 23 September 2019 has been processed by ANZ.

However, changes must be reflected on the first payroll file post 23 September 2019.

No changes are required for employees currently paid into any bank other than ANZ.

### **31. Is there a cut-off time for payroll files to be sent to ANZ ahead of the transfer to Kina Bank?**

If your payroll file would usually be sent to ANZ for processing on Friday 20 September 2019, you will need to send to ANZ on Thursday 19 September.

This is to ensure there is sufficient time for the payroll file to be processed and for your employees to access their wages or salaries before accounts are no longer accessible at 3:00pm on Friday 20 September 2019.

### **32. My company does payroll payments using book transfers. What will happen to this service after the transfer to Kina Bank?**

This service will no longer be available after the transfer because the beneficiary accounts will have been transferred to Kina Bank.

## **CORPORATE CREDIT CARD**

### **33. I have an ANZ Corporate Credit Card. What will happen to my card after the transfer of the retail business to Kina Bank?**

Existing ANZ Corporate Cards will transfer to Kina Bank together with any outstanding interest, fees and charges due. At that time, all future repayments on Corporate Cards will be made to Kina Bank and Kina Bank will manage all administration of Corporate Cards.

ANZ will continue to manage limit requirements in relation to Corporate Cards to help minimise the impact of these changes, we are still working through the final details of this arrangement and your Relationship Manager will be in contact with you prior to completion of the sale to finalise these arrangements with you.

For any new Corporate Credit Card request, please contact your Relationship Manager.