

Credit arrangements

When you become a Telecom customer, we may require you to arrange a bond or guarantee. We may also require a bond or guarantee if you have failed to pay our charges or to meet other responsibilities you have to us, or if you ask us to provide additional services.

We may also set a credit limit for your account with us and we may change the credit limit from time to time after giving you reasonable notice of the new limit. If the total charges on your account exceed your credit limit, we will do our best to contact you to tell you the amount you need to pay to get back within your credit limit. You must pay that amount within 24 hours after we contact you. This applies whether or not we have sent you a bill for the charges.

Bond requirements

Our bond requirements differ depending on the services you require and your payment history with us. Our bond requirements, effective from July 2012, are shown in the table below.

Service	Unsatisfactory or No payment history	Satisfactory payment history
Residential Customers:		
Landline – local calls only	\$0	\$0
Prepaid Broadband	\$0	\$0
National Direct Dial (NDD) calling and/or PSTN to Cellular calling	\$100	\$50
International Direct Dial (IDD) calling	\$500	\$250
Landline (no IDD) and Broadband	\$250	\$100
Landline with IDD and Broadband	\$500	\$250
Mobile (no IDD or Roaming)	\$100	\$50
Mobile (with IDD and/or Roaming)	\$500	\$250
IDD, Broadband and Mobile	\$500	\$350
Business Customers:		
Locally registered business	\$500	\$500
Foreign registered business	\$1,000	\$1,000
Other Organisations	\$500	\$500

If you are a new customer you can help us assess your credit worthiness by providing information such as your credit history from Te Aponga Uira or a credit rating from a recognised credit agency in New Zealand or Australia.

If you are not able to demonstrate a satisfactory payment history you can still access Telecom's prepay services for your telecommunications needs.

Bond use

When you notify Telecom that you wish to terminate all services and settle your final bill, the bond may be used towards paying the outstanding balance you owe. If the bond is not sufficient to cover what you owe, you must pay the remaining balance. Any bond left over after paying the outstanding balance will be refunded to you.

In the event that you default on paying your bill and Telecom terminates your services, the bond will be used towards paying the outstanding balance you owe. If the bond is not sufficient to cover what you owe, you must pay the remaining balance. Any bond left over after paying the outstanding balance will be refunded to you.

Withholding, suspending or restricting services

If you are becoming a Telecom customer, or if you ask us to provide additional services, we may restrict the services we provide for you until a satisfactory payment history is established. For example, we may put a toll bar on your telephone. If you do not meet a responsibility you have to us, we may withhold, suspend or restrict any service at any time. We would always do our best to contact you before doing this. If we suspend a service for any of these reasons, we may require you to pay a reconnection charge before you can use it again.

We may also temporarily suspend or restrict any service if we think it reasonable or necessary, for example, to work on the Telecom Network. In most cases, normal charges continue to apply during the suspension or restriction of any service.