



CREDIT CONTRACT and DISCLOSURE STATEMENT

Loan Number	LoanId
Effective date of Statement	LoanStartDate

Account Name	LoanName
Account Type	LoanType

Part 1

Guarantor

IMPORTANT - This Disclosure Statement together with the Terms and Conditions attached hereto (part 2) form your credit contract with the Creditor and sets out some of the key information about your consumer credit contract.

You should read it thoroughly. **If you do not understand anything in this document you should seek independent advice.** You should keep this disclosure statement and a copy of your credit contract in a safe place.

This disclosure statement must be provided to you within five (5) days of you signing the consumer credit contract.

The law gives you a right for a short time after you receive this Disclosure Statement to cancel the credit contract.

Note that strict time limits apply.

Additional important information is contained in your credit contract.

FULL NAME AND ADDRESS OF CREDITOR. This is the person or company providing you the credit.

<p>You may send notices to the creditor by:</p> <ul style="list-style-type: none"> • Writing to the creditor at its postal address; or • Sending a facsimile to the number specified (if any); or • Sending an email to the address specified (if any). 	<table> <tr> <td>Name:</td> <td>BranchName</td> </tr> <tr> <td>Physical Address:</td> <td>BranchAddressPhysical</td> </tr> <tr> <td>Postal Address:</td> <td>BranchAddress</td> </tr> <tr> <td>Phone:</td> <td>BranchPhone</td> </tr> <tr> <td>Fax:</td> <td>BranchFacsimile</td> </tr> <tr> <td>Email:</td> <td>BranchEmail</td> </tr> </table>	Name:	BranchName	Physical Address:	BranchAddressPhysical	Postal Address:	BranchAddress	Phone:	BranchPhone	Fax:	BranchFacsimile	Email:	BranchEmail
Name:	BranchName												
Physical Address:	BranchAddressPhysical												
Postal Address:	BranchAddress												
Phone:	BranchPhone												
Fax:	BranchFacsimile												
Email:	BranchEmail												

FULL NAME AND ADDRESS AND DATE OF BIRTH OF DEBTORS. This is the person responsible for making payments to the creditor.

<p>Notices may be sent to the Debtor by:</p> <ul style="list-style-type: none"> • Writing to the creditor at its postal address; or • Sending a facsimile to the number specified (if any); or • Sending an email to the address specified (if any). 	<p>Debtors</p>
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CREDIT DETAILS

Initial unpaid balance.

This is the amount you owe at the date of this statement and includes fees charged by the creditor and will include: Establishment and other fees, any optional service/credit insurance, and deposit paid by the debtor

OpeningBalance made up of: OpeningTransactions

Subsequent advance(s)
SubsequentAdvances

Total advances
This is the total amount of all advances which will be made to you. TotalAdvances

PAYMENTS. You are required to make each payment in the amount specified and at the time specified.

Payments

Total amount of payments

TotalPayments

Method of Payment
PaymentMethod

INTEREST

Annual interest rate:
InterestRateAnnual
Subject to clause 10 of the Terms and Conditions

Total interest charges
This is an estimate of the total amount you will pay in interest charges over the course of the loan.

TotalInterest

Method of charging interest
InterestMethod

FEES

Credit fees and Charges

The following credit fee(s) and charge(s) (which are not included in the initial unpaid balance) are, or may become, payable under, or in connection with, this contract.

Fees

WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS

Security interest

The creditor has an interest in the Secured Property listed below to secure the performance of your obligations under the contract, or the payment of money payable under the contract, or both. **If you fail to meet your commitments under the contract, the creditor may be entitled to repossess and sell the Secured Property specified as a security interest.**

Security

DESCRIPTION:

Default interest charges and default fees

If you fail to pay any amount due under this Contract on its due date or you fail to meet your obligations under this contract you must pay interest at the default rate of interest on that unpaid amount as specified below.

Your credit contract may provide that these fees and charges may vary

Default rate of interest is Default Interest per annum calculated daily and debited weekly.

This is charged on the amount in arrears from the time you fail to make a due payment until the arrears are paid.

Default fees:

Default Fees

PREPAYMENT

Full prepayment

If you repay the loan in full before the due date for the final payment, you may be required to pay a fee to compensate the creditor for any loss resulting from the full prepayment. The creditor may have suffered a loss if the creditor's current interest rate is lower than the interest rate applying to your original credit contract. You may also have to pay to the creditor's administrative costs relating to the full prepayment. The amount you may have to pay is calculated as follows:

The amount you may have to pay is calculated using the procedure prescribed in the Credit Contracts and Consumer Finance Regulations 2004 and is set out below:

$$LRE = VFP - u$$

Where –

- LRE* is the reasonable estimate of the Creditor's loss arising from the full prepayment
- VFP* is the value of forgone payments calculated in accordance with subclause (2)
- u* is the unpaid balance at the time of the full prepayment.

- (2) The value of forgone payments is calculated in accordance with the following formula:

$$VFP = p \times \left(\frac{1 - v^n}{\frac{i}{f}} \right) \times (1 + i)^{\frac{d}{365}}$$

Where-

- VFP* is the value of forgone payments
- p* is the amount of each payment payable under the fixed rate contract
- v* is calculated in accordance with subclause (3)
- n* is the number of payments yet to be made under the fixed rate contract
- f* is the number of payments to be made per year under the fixed rate contract
- i* is the annual fixed interest rate determined in accordance with subclauses (4) and (5) and expressed as decimal fraction
- d* is the number of days between the payment due date that immediately precedes the date of full prepayment and the date of full prepayment.

- (3) The variable *v* is calculated in accordance with the following formula:

$$v = \frac{1}{1 + \frac{i}{f}}$$

Where-

- i* is the annual fixed interest rate determined in accordance with subclauses (4) and (5) and expressed as a decimal fraction
- f* is the number of payments to be made per year under the fixed rate contract.

- (4) The annual fixed interest rate *i* is the annual fixed interest rate that at the date of full prepayment of the fixed rate contract the creditor usually offers on a fixed rate contract that-

- (a) is of the same or a similar type as the fixed rate contract that is to be fully prepaid; and
- (b) has a term that is-
 - (i) equal to the unexpired portion of the term of the fixed rate contract that is to be fully prepaid; or
 - (ii) closest to the unexpired portion of the term of the fixed rate contract that is to be fully prepaid, whether shorter or longer (in the creditor does not offer a fixed rate contract with a term equal to the unexpired portion of the term of the fixed rate contract that is to be fully prepaid).

- (5) If more than 1 annual fixed interest rate applies under subclause (4)(b)(ii), the annual fixed interest rate *i* is the higher or highest of those annual fixed interest rates.

- (6) If a reasonable estimate of a creditor's loss arising from a full prepayment determined in accordance with the formula in subclause (1) is less than zero, then the reasonable estimate of that creditor's loss arising from the full **prepayment is zero.**

Example

A debtor is advanced \$5,000 under a fixed rate contract. The contract is for a term of 2 years. The annual rate for the whole term is 12%. Each of the 24 monthly payments is \$235.37. Full prepayment of the contract is made after 6 months and 5 days (5 days since the last payment due date) when the unpaid balance is \$3,865.66. At the date of full prepayment, the annual interest rate that the creditor usually charges on a fixed rate contract of the same or a similar type as the fixed rate contract that is to be fully prepaid with a term of 12 months is 10% (a 12-month fixed rate contract having an interest rate of 10% being closest in term to the 18-month unexpired portion of the term of the fixed rate contract that is to be fully prepaid). Applying the above formula, a reasonable estimate of the creditor's loss arising from the full prepayment is calculated as follows:

$$\begin{aligned}
 p &= \$235.37 \\
 n &= 18 \\
 f &= 12 \\
 i &= 0.1 \\
 d &= 5 \\
 u &= \$3,865.66 \\
 v &= \frac{1}{1 + \frac{0.1}{12}} = 0.991735538
 \end{aligned}$$

Example – continued

$$\begin{aligned}
 VFP &= \$235.37 \left(\frac{1 - (0.991735538)^{18}}{\frac{0.1}{12}} \right) \times (1 + 0.1)^{\frac{5}{365}} \\
 &= \$3,924.23
 \end{aligned}$$

$$LRE = \$3,924.23 - \$3,865.66 = \$58.57$$

A reasonable estimate of the creditor's loss is \$58.57.

If, however, in the above example the interest rate for fixed term contracts offered by the creditor for a term of 12 months was 15%, then variables v and VFP would be:

$$\begin{aligned}
 v &= \frac{1}{1 + \frac{0.15}{12}} = 0.987654321 \\
 VFP &= \$235.37 \times \left(\frac{1 - (0.987654321)^{18}}{\frac{0.15}{12}} \right) \times (1 + 0.15)^{\frac{5}{365}} \\
 &= \$3,780.11
 \end{aligned}$$

LRE would then be calculated as follows:

$$LRE = \$3,780.11 - \$3,865.66 = -\$85.55.$$

A reasonable estimate of the creditor's loss in this case would be zero.

Note: For the purposes of this example only, calculations have been rounded to 9 decimal places.

Statement of right to cancel

The Credit Contracts and Consumer Finance Act 2003 gives you a right for a short time after the terms of this contract have been disclosed to you to cancel the contract.

How to Cancel

If you want to cancel this contract you must give written notice to the creditor.

*You must also-

- (a) Return to the creditor any advance and any other property received by you under the contract (but you cannot do this if you have taken possession of any goods or if you bought any property at an auction or if the contract is for the sale of services that have been performed); or
- (b) Pay the cash price of the property or services within 15 working days of the day you give notice.

*Delete if the credit contract does not involve a credit sale.

†You must also return to the creditor any advance and any other property received by you under the contract.

†Delete if the credit contract involves a credit sale.

Time limits for cancellation

If the disclosure documents are handed to you directly you must give notice that you intend to cancel within 5 working days after you receive the documents.

If the disclosure documents are sent to you by electronic means (for example, email) you must give notice that you intend to cancel within 7 working days after the electronic communication is sent.

If the documents are mailed to you, you must give the notice within 9 working days after they were posted.

Saturdays, Sundays, and national public holidays are not counted as working days.

What you may have to pay if you cancel

If you cancel the contract the creditor can charge you-

- (a) The amount of any reasonable expenses the creditor had to pay in connection with the contract and its cancellation (including legal fees and fees for credit reports, etc); and
- (b) *Interest for the period from the day you received the property or services until the day you either pay the cash price for the property or services or return the property to the creditor.

*Delete if the credit contract does not involve a credit sale.

†(b) Interest for the period from the day you received the advance until the day you repay the advance.

This statement only contains a summary of your rights and obligations in connection with the right to cancel. If there is anything about your rights or obligations under the Credit Contracts and Consumer Finance Act 2003 that you do not understand, if there is a dispute about your rights, or if you think that the creditor is being unreasonable in any way, you should seek legal advice immediately.

WHAT TO DO IF YOU SUFFER UNFORESEEN HARDSHIP

If you are unable reasonably to keep up your payments or other obligations because of illness, injury, loss of employment, the end of a relationship, or other reasonable cause, you may be able to apply to the creditor for a hardship variation.

To apply for a hardship variation, you need to:

- (a) make an application in writing; and
- (b) explain your reason(s) for the application; and
- (c) request one of the following:
 - an extension of the term of the contract (which will reduce the amount of each payment due under the contract); or
 - a postponement of the dates on which payments are due under the contract (specify the period for which you want this to apply); or
 - both of the above; and
- (d) give the application to the creditor.

Do this as soon as possible. If you leave it for too long, the creditor may not have to consider your application.

DISPUTE RESOLUTION

Name of dispute resolution scheme:

Financial Dispute Resolution

It is free to make a complaint to this independent dispute resolution scheme. This scheme can help you to resolve any disagreements you have with the creditor.

Contact details of dispute resolution scheme:

Address: P O Box 5730, Wellington 6145
Telephone number: 0508 337 337
Email address: enquiries@fdr.org.nz
Website: www.fdrs.org.nz

REGISTRATION ON FINANCIAL SERVICE PROVIDER REGISTER

Creditor Registration Name: MPL Lending Limited
Registration Number: 533226

PART 2

MPL LENDING LIMITED

TERMS AND CONDITIONS

Consumer Credit Contract

CONSUMER CREDIT CONTRACT - THIS CONTRACT IS A CONSUMER CREDIT CONTRACT AS THAT TERM IS DEFINED IN THE CREDIT CONTRACTS AND CONSUMER FINANCE ACT 2003 ("CCCFA").

By signing this Contract the Debtor shall be bound by the terms and conditions contained herein. The Debtor should obtain legal advice as to his or her rights under the CCCFA before signing this Contract.

In this Contract unless the context otherwise requires:

- *Words importing the singular shall include the plural and vice versa;*
- *Words importing the masculine shall include the feminine and neuter genders;*
- *Any reference to a Debtor shall mean the Primary Debtor jointly and severally;*
- *"Secured Property" means the Motor Vehicle as described in the Credit Contract & Disclosure Statement ("the Statement") over which the Creditor shall take a charge to secure the loan advance made to the Debtor by the Creditor to enable the Debtor to acquire goods and services and shall include all references to Collateral Security*
- *A reference to an Act of Parliament or Regulations means a reference to that Act or those Regulations together with any amendments;*
- *Headings of clauses have been inserted for the sake of convenience only and shall not be taken to form any part of the context or to assist in the interpretation of the clauses*
- *A reference to "this Contract" means the Statement and the these Terms and Conditions and includes any variation or modification of them;*
- *A reference to "the Statement" shall be a reference to the Disclosure Statement initially provided to the Debtor or to any Disclosure Statement subsequently provided in modification of the initial Disclosure Statement;*
- *"The Debtor" includes all persons signing this contract and the obligations contained in this these Terms and Conditions shall bind all such persons jointly and severally as principal debtors.*
- *"The Creditor" means MPL Lending Limited and its executors administrators, successors and permitted assigns.*

DEBTOR'S RIGHTS

1. Payment by Debtor of amounts due

- (i) The Debtor shall duly and punctually and without demand, pay to the Creditor the total amount payable by the Debtor to the Creditor in accordance with this Contract and shall also pay any increase in the annual interest rate pursuant to Clause 10 in accordance with any notice served on the Debtor.
- (ii) The Debtor shall immediately execute such direct debits and automatic payments or other documents for payment as maybe required by the Creditor.
- (iii) Except as may be provided to the contrary in this Contract, all amounts payable by the Debtor to the Creditor under this Contract (including, but not limited to, all costs and all amounts payable under any indemnity) are payable on demand and are secured by a charge against the Secured Property. All payments made by the Debtor to the Creditor are to be made by direct debt payment from the Debtor's bank account.
- (iv) Where payments are received from the Debtor and subsequently dishonoured by the Debtor's bankers, any credit to the Debtor's account which was effected by the Creditor will be reversed as if the payment had not been made, and the fee will become payable to the Creditor in accordance with this Contract

2. Full Prepayments and Part Prepayments

- 2.1 The Debtor may at any time make a full prepayment of the amount of the loan outstanding to the Creditor. If the Debtor makes a full prepayment of the amount outstanding to the Creditor, the Debtor may be liable to pay a fee as per the Statement, and a fee to cover the Creditor's loss arising from the Debtor's full prepayment prior to the last payment date specified in this Contract.
- 2.2 The Debtor may make part-prepayments, with the consent of the Creditor, at any time to reduce the amount of the loan outstanding to the Creditor. The Creditor shall credit to the Debtor's account as soon as practicable the

amount of the part prepayment and shall be entitled to charge a Fee in respect to the same in accordance with this Contract.

- 2.3 Notwithstanding the provisions of clauses 2.1 and 2.2 above, if this Contract specifies that payment is to be in accordance with a specified schedule of payments that is included with this Contract, the Creditor may hold any prepayment in escrow and credit the Debtors loan account in accordance with the specified schedule of payments.

3. Fees and Charges Payable by Debtor

In addition to any other fees and charges set out in this Contract, the Creditor or the Creditor's agent shall be entitled to charge the Debtor:

- (i) reasonable fees in respect of the Creditor's time or the Creditor's agent's time, plus costs and expenses actually incurred by the Creditor for any breach by the Debtor of this Contract and all costs of remedying any such breach and the collection of any debt covered by this Contract including but not limited to legal costs on a solicitor/client basis; and
- (ii) all costs and expenses of and incidental to the taking of possession of the Secured Property, including but not limited to holding, storing, repairing, maintaining, valuing and preparing for resale or returning to the Debtor.

4. Debtor to insure the Secured Property

Until all amounts owing to the Creditor have been paid in full the Debtor must:

- (i) Insure the Secured Property for the Secured Property's full replacement value against all risks and shall ensure that the insurance policy notes the Creditor's interest in the Secured Property as the appropriately ranking chargeholder. For the avoidance of doubt it shall not be acceptable for the Debtor to arrange insurance that is in respect of only third party damage, fire and/or theft. The Creditor may use its discretion in applying any monies payable under such policy; and
- (ii) The Debtor shall provide the Creditor with proof of insurance.

5. Debtor Warranties

The Debtor:

- (i) shall keep the Secured Property in good order and repair and protect it from loss and damage. Any replacement parts and/or accessories shall upon attachment to the Secured Property become part of the Secured Property and shall be subject to the charge created by this Contract; and
- (ii) will not use or permit the Secured Property to be used contrary to the terms of any insurance policy or do or permit anything to be done which might invalidate any insurance policy; and
- (iii) Operate and use the Secured Property properly and in accordance with manufacturer's instructions and/or only for the purpose intended by the manufacturer and having regard to the design capabilities and limitations of it; and
- (iv) advise the Creditor immediately of any loss or damage to the Secured Property; and
- (v) will not make any alterations to or modify the Secured Property without the previous written consent of the Creditor; and
- (vi) punctually pay all money payable for work done to, and accessories and replacement parts supplied for, the Secured Property and will discharge all liabilities in respect of such work, accessories or replacement parts; and
- (vii) punctually pay all fines, payments for licences, taxes and other charges payable in respect of the Secured Property and will not alter, conceal, deface or cancel any name plate or number plate; and
- (viii) will replace all defective and worn parts of the Secured Property and will ensure that it is serviced regularly; and
- (ix) acknowledges that this Contract is legal, valid and enforceable in accordance with its terms; and
- (x) confirms that the Secured Property has been acquired for domestic or personal use and will not be used in the course of or furtherance of any taxable activity.

6. Debtor not to sell, charge or assign Secured Property

Until all amounts owing to the Creditor have been paid in full the Debtor shall keep the Secured Property in his or her possession and shall not sell, pledge, mortgage, charge, grant a security in, hire out, loan or attempt to sell pledge, mortgage, charge, grant a security in, hire out, loan or otherwise deal with the Secured Property.

7. Debtor to comply with the laws affecting the Secured Property

The Debtor shall comply with the provisions of all Acts of Parliament, by-laws and regulations affecting the Secured Property or the use or possession thereof and shall keep the Secured Property registered or licensed and maintain a current Warrant of Fitness and shall not permit an unlicensed person or person not covered by the Debtors insurance policy, as provided for under clause 4, to drive the motor vehicle.

8. Debtor to notify change of address

The Debtor shall keep the Secured Property at the given address in this Contract ("the address") unless the Debtor has given the Creditor written notice of a new address, all other contact details and the Creditor has agreed in writing to the removal of the Secured Property from the address. The Debtor shall not move or attempt to move the Secured Property outside of New Zealand without the prior written consent of the Creditor.

9. Notification

The Debtor shall immediately inform the Creditor of any event or events likely to be adverse to the Creditor's proprietary rights in respect of the Secured Property.

CREDITOR'S RIGHTS

10. Changes in Annual Interest Rate/Default Interest Rate or Fees

The Creditor may by notice in writing to the Debtor vary the annual interest rate, default interest rate, default fees, and/or credit fees and charges at any time or times after one (1) months notice in writing to the Debtor. The Debtor has the right to repay the loan in full within 30 days of being notified of such a change, and shall also be liable to pay any and all applicable prepayment charges as advised by the Creditor to the Debtor.

11. Creditor may inspect and test Secured Property

The Creditor and any persons authorised by the Creditor shall be entitled to have unrestricted access to the Secured Property at all reasonable times for the purpose of testing or inspecting the Secured Property. The Debtor shall at any time requested by the Creditor produce the Secured Property for this purpose at any premises nominated by the Creditor.

12. Secured Property

12.1 Notwithstanding that ownership in the Secured Property may not have passed to the Debtor, risk in the Secured Property shall pass to the Debtor when the Debtor takes possession of the Secured Property or the Secured Property is delivered to the Debtor at the address provided by the Debtor as a place for delivery of the Secured Property. Until the Secured Property has been paid for in full the Debtor shall be required to insure the Secured Property as set out in clause 4.

12.2 If the Secured Property is sold or otherwise disposed of by the Debtor prior to payment in full, the proceeds of such sale will be the property of the Creditor to the extent required to fully repay the Creditor. The Debtor will hold the proceeds of such sale on trust for the Creditor, and keep them in a separate fund from the Debtors own money.

12.3 In the event that the Debtor fails to perform any obligation of the Debtor contained or implied in this Contract or the Creditor considers it necessary or desirable to pay any money or incur any expense (whether in respect of the repossession of the Secured Property or otherwise) in order to protect its interests under this Contract then the Creditor may perform that obligation, pay that money or incur that expense and any money paid or expense incurred by the Creditor for any of those purposes will be payable by the Debtor to the Creditor upon demand along with interest on such sums at the Default Interest Rate.

13. Personal Property Securities Act 1999 ("PPSA")

13.1 The Debtor grants to the Creditor a security interest in the Secured Property and their proceeds and the Creditor may register its interest on the Personal Property Securities Register.

13.2 On the request of the Creditor the Debtor shall promptly execute any documents and do anything else required by the Creditor to ensure that the security interest created under this Contract constitutes a first ranking perfected security interest over the Secured Property and their proceeds including providing any information the Creditor reasonably requires to complete a financing statement or a financing change statement. The Debtor waives any right to receive a copy of a verification statement under the PPSA.

13.3 The debtor will pay to the Creditor all costs, expenses and other charges incurred, expended or payable by the Creditor in relation to the filing of a financing statement or a financing change statement.

13.4 The Creditor and the Debtor agree that nothing in sections 114(1)(a), 117(1)(c), 133 and 134 of the PPSA shall apply to these terms and conditions.

13.5 The Debtor shall:

- (a) indemnify the Creditor for any costs incurred by the Creditor in registering, maintaining, enforcing and / or attempting to enforce the security interest created by this agreement; and
- (b) immediately upon request by the Creditor procure from any person or organisation considered by the Creditor to be relevant to its security interest, such agreements and waivers as the Creditor may require; and
- (c) immediately notify the Creditor of any change in the Debtor's name.

14. Acknowledgement

- (i) he or she has received a copy of this Contract on the date of this Contract; and
- (ii) this Contract contains all the terms of this Contract; and
- (iii) he or she waives his or her rights to receive a financing statement under section 148 of the PPSA.

15. Appointment of Attorney

The Debtor irrevocably appoints the Creditor, to be the Debtor's attorney to do and sign anything the Debtor has agreed to do, or that is considered by the Creditor to be necessary, desirable or expedient, for the purpose of giving complete effect to this Contract and the exercise and enforcement of any rights, including the exercise or enforcement of any rights in relation to the Secured Property to the Debtor's exclusion. Each Attorney may delegate his, her or its powers (including this power of delegation) to any person and may revoke any delegation he, she or it has made. The Debtor will not challenge the validity of, and will agree to ratify anything done by an Attorney in accordance with this clause.

16. Default Interest

If any Events of Default occur, the Debtor shall pay the Creditor upon demand default interest calculated on a daily basis at the rate of DefaultInterest 2 **per annum**, from the date the payment was due or the default occurred until the amount so outstanding has been paid in full and/or the Debtor has complied with this Contract.

17. Set-off

The Creditor may, at any time and without any notice, set-off any amounts the Creditor owes to the Debtor against any of the Debtor's present and future indebtedness and obligations to the Creditor.

18. Debtor's Rights of Cancellation

Where:

- (i) the Debtor has taken possession of the Secured Property and disclosure under the terms of the Act have been made to the Debtor by the Creditor; or
- (ii) the Contract involves the credit sale of any property by way of auction; or
- (iii) the Contract involves a credit sale of property that the Debtor wants to keep or of services the Debtor wants to obtain; or
- (iv) a credit sale of services that have been performed

The Debtor shall be entitled to cancel the Credit Contract any time up until **three (3) working days** after the date disclosure is made to the Debtor by the Creditor by giving the Creditor notice in writing of the Debtor's intention to cancel the Contract. Upon cancellation of the Contract the Debtor must return to the Creditor any advance and any other property received by the Debtor under this Contract within three (3) working days of the day that disclosure is made by the Creditor to the Debtor (or at any time if that disclosure has not been made).

If you wish to cancel this contract it is advised that you seek proper legal advice to ensure compliance with the terms of the CCCFA

19. Events of Default

19.1 The following list of events shall be Events of Default under the terms of this Contract:

- (i) If the Debtor defaults in the observance or performance of any provision contained or implied in this Contract; or

- (ii) If the Debtor uses the Secured Property in such circumstances as would give the insurer of the Secured Property grounds to refuse to make payment of any claim on any insurance policy in respect of the Secured Property; or
- (iii) If distress or execution is levied or issued against the Secured Property; or
- (iv) If at any time any judgement of any Court against the Debtor remains unsatisfied for more than seven (7) days; or
- (v) if any lien is lawfully claimed over the Secured Property; or
- (vi) if the Debtor commits or suffers any act of bankruptcy; or
- (vii) if the Debtor makes an assignment to or compromise with his, her or its creditors; or
- (viii) if, in the opinion of the Creditor, the Debtor is unable to or does not pay his, her or its debts as they become due and payable, has abandoned the Secured Property, or if in the opinion of the Creditor the Secured Property is at risk of any nature whatsoever; or
- (ix) if the Debtor shall commit a breach of any of the provisions of any other security or charge given by the Debtor to the Creditor or to any other person; or
- (x) the Debtor abandons the Secured Property in the opinion of the Creditor.

19.2 If an Event of Default occurs, or in the reasonable opinion of the Creditor, is likely to occur, then the Creditor may:

- (i) Call up and compel payment of all moneys for the time being owing under this Contract notwithstanding that the time or times for the payment may not have arrived; and / or
- (ii) Enter the premises where the Secured Property is held and repossess and sell the same in accordance with the provisions of the Credit (Repossession) Act 1997 and the CCCFA; and / or
- (iii) Lodge notice of the default with all credit reporting agencies operating in New Zealand

19.3 In exercising its rights pursuant to clause 18, the Creditor shall be entitled to deduct from any sale of Secured Property recovered from the Debtor all the liabilities and expenses (including legal expenses) incurred by the Creditor in enforcing or attempting to enforce its rights pursuant to this Contract.

20. Indemnity

20.1 Subject to any mandatory law, the Debtor indemnifies the Creditor for all costs, losses and expenses whatsoever and howsoever incurred by the Creditor in relation to this Contract, including but not limited to costs, losses and expenses incurred by the Creditor in the exercise of its rights under this Contract or in the recovery of any amounts owed by the Debtor to the Creditor or any other person or body, or any claim that may be made by a third party in connection with the Secured Property, or anything done or omitted by it in the exercise of its rights under this Contract or conferred by law (whether or not arising by reason of mistake, oversight, negligence or error of judgement.)

20.2 The indemnity in clause 19.1 is unconditional and irrevocable and is to survive both termination of this Contract and payment of all indebtedness.

21. Acknowledgement

The Debtor acknowledges that he or she has read and understand these terms and conditions and has received a copy of the same and by signing this Contract agrees to adhere to the terms and conditions throughout the term of this Contract. The Debtor further acknowledges and consents to receiving any continuing disclosure that may be required by post or email if an email address has been supplied.

22. Brokers / Dealers

The Debtor acknowledges that this Contract was arranged through his or her finance broker / car dealer and that his or her finance broker / car dealer is entitled to charge for their services. If the finance broker/car dealer fee disclosed in this Contract has been incorporated into the total loan amount, the Debtor hereby authorises the Creditor to disburse such fee to the finance broker/car dealer. For the avoidance of doubt, the finance broker/car dealer fee is not a credit fee charged by the Creditor but a fee or charge passed on by the Creditor, therefore sections 41 to 44 of the CCCFA will not apply to this fee or charge.

23. Collateral Security

The Debtor acknowledges that this Contract is collateral with and given to secure the same moneys as are intended to be secured by any Collateral Securities described in Part 1 but nevertheless the Creditor may pursue its remedies and exercise its powers under this Contract or the said Collateral Securities separately or concurrently, or any future or further securities provided by the Debtor.

24. Agreement to Mortgage

24.1 At any time before repayment of the amount outstanding ("the Debt") together with any accrued interest and costs thereon, the Debtor shall, forthwith upon demand from the Creditor give and execute in favour of the Creditor a good and registerable memorandum of mortgage of any land of which any of the Debtor is the

registered proprietor (which the parties agree is a caveatable interest) to secure payment of the Debt together with any accrued interest and costs thereon in the manner and at the times aforesaid, the said mortgage to be in such for and to contain such covenants conditions provisions and powers as are usually inserted in mortgages of land by solicitors practicing in Christchurch **AND FURTHER** the Debtor hereby irrevocably appoint the Creditor as their true and lawful attorney to sign in their name and on their behalf a mortgage or variation thereof which the Creditor requests the Debtor to execute pursuant to this clause but which the Debtor shall refuse or be unable to execute.

24.2 The Debtor authorises the Creditor to lodge and maintain a caveat against the certificate of title to any land of which any of the Debtor is the registered proprietor for the protection of the Debt together with all interest and costs accrued or owing thereon

25. Minors

If a Debtor shall without the knowledge of the Creditor be a minor, then the liability of any Debtor who shall not be a minor shall not be limited or affected by any lack of capacity of the minor or through there being no recourse against or right of contribution from the minor or by reason of time or other indulgence granted to the minor.

26. Privacy Act 2020

The Debtor irrevocably authorises the Creditor;

- (i) to seek or obtain any information about the Debtor, that the Creditor may reasonably require in relation to this Contract, from any third party that holds such information. Without limitation this shall include financial information and in particular debts owing to third parties. For the purposes of Principle 11 of the Privacy Act the Debtor authorises the release of this information as requested by the Creditor; and
- (ii) to disclose information about the Debtor to credit reference agencies for the purpose of obtaining credit reports.

27. Assignment

27.1 The Debtor may not assign or transfer all or any of its rights, benefits and obligations under this Contract without the prior written consent of the Creditor, the granting of which shall be at the sole and unfettered discretion of the Creditor.

27.2 The Creditor may at any time assign or otherwise transfer to any other lending institutions all or any part of its rights and obligations under this Contract or the Collateral Security and in that event the assignee or transferee shall have the same rights against the Debtor as it would have had if it had been a party to the this Contract.

27.3 Any reference in this Contract to "the Creditor" shall be construed as a reference to the Creditor and the assignees and transferees (if any) of all or any of the Creditor's rights and obligations hereunder or as the case may require under any other this Contract or the Collateral Security Documentation.

27.4 The Creditor may disclose to a potential assignee or to any person who may otherwise enter into contractual relations with it in relation to this Contract or the Collateral Security Documentation such information about any Debtor as the Creditor shall consider appropriate.

28. Legal Advice

The Debtor has been given the opportunity to seek independent legal advice before entering into the Contract, and whether or not that advice was sought, this shall be a legally binding Contract upon all parties to it.

29. Schedule of Payments

The Debtor acknowledges that he or she has been provided with a schedule of payments for the duration of this loan and has been told that this meets the Creditor's obligations in regard to Continuing Disclosure under the CCCFA.

30. Exercise of Rights and Waivers

Time is of the essence in respect of all dates and times for compliance by the Debtor with its obligations under this Contract. However no failure to exercise and no delay in exercising a right of the Creditor under this Contract will operate as a waiver of that right, nor will a single or partial exercise of a right preclude another or further exercise of that right or the exercise of another right. The rights of the Creditor under this Contract are cumulative and not exclusive of any rights provided by law.

31. Partial Invalidity

The illegality, invalidity or unenforceability of a clause of this Contract under any law will not affect the legality, validity or enforceability of any other clause of this Contract.

32. Notices

Each notice or other communication under this Contract is to be made in writing and sent by email, facsimile, personal delivery or by post to the respective parties to the addresses provided this Contract. Further the Debtor agrees to receive initial notices of missed payments via text message to the number provided in this Contract.

33. Variation

The Creditor may vary this Contract at any time by giving the Debtor seven (7) days notice in writing of the variation (with the exception of the interest rate and default interest rate which are covered by clause 10)

34. Governing Law

This Contract is governed by and is to be construed in accordance with New Zealand Law.

DATED:

DEBTOR'S SIGNATURE

DebtorSignature

CREDITOR'S SIGNATURE

Signed on behalf of Creditor

By its Directors/Authorised Signatories

(being a Company)

Signature

Name

Title