

ACKNOWLEDGEMENT AND AGREEMENT OF BORROWER(S)

Please note that the information on page one below, is to help you understand important facts about this loan agreement.

1 I understand that by signing the loan and security agreement I become liable for repayment of the loan in full. I must make all the payments. Even if I receive no money from the loan or no other benefit I have to pay. I have read the agreement and I have been given an opportunity to read it before signing.

2 I have been advised to consider obtaining independent legal advice as to what I must do and what rights the lender has in this agreement. That means I should talk to a lawyer about this agreement. I should talk to a lawyer who is independent. That means a lawyer who is not advising any other borrower or anyone else who signs this agreement. I have been asked to take the time to obtain advice before signing the loan agreement. **If I receive no money or other benefit from the loan I am particularly asked to note this advice before signing this agreement.**

3 I promise to the lender that I have the financial ability to pay any instalments due under the loan agreement and to make the final payment. I have thought about this carefully.

4 I acknowledge that all borrowers must pay the unpaid balance. This means the lender may claim the unpaid balance from one of us or all of us.

5 I understand that if I provide collateral (e.g. a car or other goods or company shares or present and future personal property) as security I could lose it. That means that if I or any other borrower do not pay, that car or goods or other collateral may be
a. repossessed by the lender (if the lender does not already hold it) or
b. seized by court officers after judgment and sold to pay the debt.

If I am receiving no money or other benefit from the loan I am also particularly asked to note this.

6 I understand that if I provide land as security, the lender may lodge a caveat against the title to that land. That means I could not mortgage my own land unless the lender agreed. If I have given security over land, the lender may also register a mortgage and may sell that land if I or any other borrower do not pay the unpaid balance. **If I am receiving no money or other benefit from the loan I am also particularly asked to note this.**

7 I understand that I am being asked to grant a power of attorney to the lender which the lender may use to protect its rights under the agreement. That means the lender may sign in my name as if the lender was me. The lender may use that power to register a mortgage over land to itself.

1 **Borrower/s**

I/We have had time to obtain advice but have voluntarily chosen not to do so OR I have taken independent legal advice.

Borrower's signature

Co-borrower's signature

LOAN AND SECURITY DEED OF REVOLVING CREDIT AGREEMENT AND DISCLOSURE OF TERMS

Please read this paragraph. This deed of agreement is intended to be written in plain language. To help with that, there are explanations and a list of meanings in paragraph 44 below of the operative terms.

This deed is made on the day and year shown before the signatures below BETWEEN NZ Finance Limited (“the lender” or “we”) AND the borrowers (“you”) described below

BACKGROUND

- A The lender has agreed to lend to you the initial unpaid balance and any subsequent advances shown in the disclosure statement below.
- B The borrowers who own the collateral (defined in “Meaning” paragraph 44 below of the operative terms) have agreed to grant a security interest in that property to the lender and
- C The borrowers who own the land to be mortgaged have agreed to grant a mortgage over that land to the lender.

OBLIGATION

You acknowledge that you owe to the lender the initial unpaid balance set out in the disclosure statement. You promise to pay that amount and make the payments due under this agreement in the manner set out in the disclosure statement and operative terms of this agreement. You also promise to comply with (go along with, keep the rules of) the terms of this agreement.

Number of Loan Agreement: No.: [Account.AccountId]

Statement Date: [Account.DateOpened]

DISCLOSURE STATEMENT FOR REVOLVING CONSUMER CREDIT CONTRACT AT CALL

Initial disclosure statement under section 17 of Credit Contracts and Consumer Finance Act 2003 for revolving credit contracts.

IMPORTANT - This document sets out 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.

The law gives you a limited right to cancel the revolving credit contract (see below for further details). Note that strict time limits apply

This disclosure statement (and waiver agreement if applicable) must be provided to you before the contract is entered into. The law gives you a limited right to cancel the consumer credit contract. See your consumer credit contract for full details of your right to cancel.

Note that strict time limits apply.

NEW ZEALAND FINANCE LIMITED

Date and Number of Loan Agreement: [Account.DateOpened] No.: [Account.AccountId]

FULL NAME AND ADDRESS OF LENDER This is the person providing you the credit.

You may send notices to the lender by: • Writing to the lender at its postal address or sending a fax to the number specified or sending an email to the address specified.	Name: New Zealand Finance Limited Trading Name: Grabaloan.co.nz Postal address: PO Box 106878, Auckland City 1143 Fax: 09 820 1915 Email: info@grabaloan.co.nz FSP Registration: 17401
--	---

BORROWER, DETAILS

Full name: (including middle names)	
Residential Address: Email Address: Fax number: Mobile number:	

CO-BORROWER, DETAILS

Full name: (including middle names)	
Residential Address: Email Address: Fax number: Mobile number:	

CONTINUING DISCLOSURE

Continuing disclosure statements The lender is required to provide you with regular statements. The statements will give you information about your account (e.g., any interest or fees charged during the statement period) and the amount and timing of your next payment. Statements will be provided two monthly

THE LOAN IS AT CALL

INITIAL UNPAID BALANCE This is the amount you owe as at the date of this statement (including any fees charged by the creditor)

InitialUnpaidBalance made up of: OpeningTransactions

PAYMENTS This assumes that the lender does not call up payment of the unpaid balance before the end of the term shown

Minimum Payment. You may choose to pay more than the minimum payment,	When payments are due The date that payments are due will also be specified in your continuing disclosure statement.
--	--

The minimum payment is calculated by adding the total of the principal plus interest plus any recurring charges such as monthly account administration fees divided by the number of instalments at the minimum payment value using a calculation which is updated every time a debit or a credit is to be made to your account.

PAYMENT METHOD (DDW – Direct Debit, AP-Automatic Payment, PR-Payroll Deduction)

You must make payment to our bank account via:
--

CREDIT DETAILS

Annual interest rate:

[InterestDetails]

The interest rate is fixed for the initial term of the loan, however any further lending which extends the term of the loan will be charged at the rates published at that time on our website www.graballoan.co.nz/costs page.

Method of charging interest

Interest charges are calculated by multiplying the unpaid balance at the end of the day by a daily interest rate. The daily interest rate is calculated by dividing the annual interest rate by 365. Interest is charged to your account weekly. The unpaid balance will include the monthly administration fee and any other disbursements, fees and charges which are provided for under this agreement.

Credit Limit

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 the contract. Your credit contract may allow the lender to vary these fees and charges.

- (i) Administration fee \$10.00 at the end of each month.
- (ii) Payment waiver fee \$9.90 at the end of each month.
- (iii) Top up fee \$25 if we agree to make a further advance.
- (iv) If the lender requires a solicitor to prepare any document associated with this loan and/or to register any such document, the fees charged by that solicitor
- (v) \$270.00 Mortgage or caveat or discharge fee to provide a registrable document and (if we have to register) or whatever is then payable by the lender for Land Information NZ and solicitors fees if the payable figure is less than that shown.
- (vi) \$11.50 Fee for varying or renewing registration on the Personal property securities register or whatever is payable by the lender at the time if the payable figure is different from that shown.
- (vii) Consumer Monitor Fee of \$7.82 each time we receive a Consumer Monitor Report concerning your credit activity. Refer to clause 45 below.
- (viii) \$45.00 Full prepayment administration fee if you repay us in full before the expiry of the term of the loan. This may change if you request more than one settlement figure.
- (ix) The costs expenses and other liabilities listed in clause 11d below of the operative terms and conditions incurred while you are not in default

Administration fees on full prepayment are disclosed under the full prepayment heading.

We do not charge for any loss on full or part prepayment.

WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS

Security interest

If this is secured credit, the lender has an interest in the property listed below to secure performance of your obligations under the contract, or the payment of money payable under the contract, or any or all of them. If you fail to meet your commitments under the contract, then to the extent of the security interest the lender may be entitled to sell or repossess and sell this property.

Description of security interest.

The security interest in the collateral is as defined in section 17 of the Personal Property Securities Act 1999 and it secures payment of all the unpaid balance and performance of all the collateral owner's obligations under this contract to the extent of the value of the collateral.

Property which is or will be subject to a security interest

Personal Property – Collateral

GeneralSecurity2

All present and after-acquired personal property owned by excluding consumer goods which are not specifically identified by item and kind unless they are replacements.

Motor Vehicles –

owned by
together with any replacements

If we sell collateral after we repossess it, and the net proceeds are not enough to repay what you owe us (the unpaid balance), you will owe us the difference. We may recover that amount from you.

Real Property - The Land to be Mortgaged

The security interest is an all obligations mortgage of land and it secures payment of all the unpaid balance. It also secures the performance of all the landowner's obligations under this contract (or the guarantee as the case may be) to the extent of the value of the owner's interest in the land.

If the land is sold following the owner's default and the net proceeds are not enough to repay what you owe us (the unpaid balance) the borrower and any guarantor will owe us the difference and we may recover that amount from the borrower and any guarantor.

The owner of the land may not give security over the land (for example grant another mortgage) to any other person without our written consent and, if the owner does so, the owner will be in breach of this agreement and the land may be sold by the lender.

If this is not secured credit.

If this is not secured credit there will be no collateral or land described in the earlier part of this section on **Security interest** and you are not providing any security interest in any sort of property and if you do not pay according to this agreement our rights and remedies only apply to you personally, not to any property you own.

Default interest charges and default fees

You must pay the default interest charges in the event of a default in payment and while the default continues or in the event of you causing the credit limit under the contract to be exceeded and while the credit limit is exceeded. In the event of a breach of the contract or on the enforcement of the contract, the default fees specified below are payable. Your credit contract may allow the lender to vary these fees and charges.

Default Interest. Default interest is per annum charged on any overdue instalment or overdue amount before payment of the unpaid balance has been accelerated (called up early). Default interest is charged from the time that you fall into financial default until you are no longer in financial default. It is calculated by multiplying the overdue instalment or overdue amount by the daily default interest rate. The daily default interest rate is calculated by dividing the annual default interest rate by 365. Default interest is charged to your account weekly.

If the lender accelerates payment of the unpaid balance or the unpaid balance falls due at the end of a term, and you do not pay, the default interest rate will be 10% per annum more than the annual interest rate provided for in the INTEREST section above charged on the unpaid balance from when the unpaid balance is called up or otherwise becomes due until you repay it in full. It is calculated by multiplying the unpaid balance by the daily default interest rate on the unpaid balance. The daily default interest rate on the unpaid balance is calculated by dividing it by 365. That default interest is charged to your account weekly.

Default Fees

- 1 Defaulted payment fee of \$15.00 debited any time we write to you or to anyone representing you with regard to (a) a missed payment(s) or (b) any other default you commit under this agreement or (c) any ongoing default.
- 2 Default time fee if any staff member of ours spends time on the administration of your account when you are in default. "Administration" in this case includes all work in any way associated with our recovery of the unpaid balance but which is not charged to you otherwise. The default time fee may be charged at \$95.00 per hour and will include time our staff spend outside our offices, travel time and time at hearings.
- 3 Mileage fee if a staff member of ours finds it necessary to travel to visit you or to attend any meeting or any court or tribunal. Mileage may be charged at the current rate recommended by the Automobile Association for a 2 litre petrol engine motor car.
- 4 Telephone Call Fee of \$15.00 any time we have to telephone you with regard to a missed payment(s) or in relation to any other default you commit or are committing under this agreement.
- 5 \$45 – to send a repossession warning notice.
- 6 \$45 – to issue a warrant to repossession agent to seize goods.
- 7 \$45 – to send a post repossession notice.
- 8 \$45 – to send a post sale notice.
- 9 Solicitors' fees charged to us to send a Property Law Notice if we may sell the land to be mortgaged.
- 10 Debt Collector fee/commission of 30% plus GST of the amount collected if we assign the collection of the debt to a debt collector. (Thus if your debt is \$100, it will increase to \$130 plus GST.) Additionally if the Debt Collector visits you, a visit fee will be charged to your account as invoiced to us by them.
- 11 The costs to us of Court or Disputes Tribunal proceedings and repossession and sale of collateral and the sale of the land to be mortgaged. These include filing fees actual solicitors fees and disbursements (assessed on a solicitor client basis) and debt collection agency commissions, fees and disbursements. Additionally you must pay us the costs and disbursements of repossession agents, valuers, auctioneers, process servers and any of our agents in enforcing this agreement. We will also charge you for any dealings (we have while you are in default) with other persons with respect to the debt or any security you (may) provide. In addition we will charge you the cost of doing anything which you have failed to do and which we have done. You will also be charged for the costs expenses and other liabilities listed in clause 11d below of the "operative terms" arising out of your default.

FULL PREPAYMENT

We do not charge a fee for full prepayment loss. Our administrative fee on closing your account on early full prepayment is shown in the credit fees and charges box above and is \$45. Amounts we have to pay for security release are additional.

RIGHT TO CANCEL

You are entitled to cancel the consumer credit contract by giving notice to the creditor.

Time limits for cancellation

You must give notice that you intend to cancel a contract within 7 working days of the date on the disclosure document being within 7 working days of Account.DateOpened.

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

How to cancel

To cancel you must give the creditor written notice that you intend to cancel a contract by – giving notice to the creditor or an employee or agent of the creditor; or
posting the notice to the creditor or an agent of the creditor; or
emailing the notice to the creditor's email address (if specified on the front of this disclosure statement); or
sending the notice to the creditor's fax number (if specified on the front of this disclosure statement).

You must also, within the same time, return to the creditor any advance and any other property received by you under the contract.

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.);
- b) interest of the period from the day you received the advance until the day you repay the advance.

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, or 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 reasons(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
 - * 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 too long, the creditor may not have to consider your application. Please note also that you may not make an application if, when you entered the consumer credit contract, the illness, injury, loss of employment, end of relationship or other reasonable cause was reasonably foreseeable to you. For example if you signed this agreement after your employer told you that you were likely to be made redundant, it would be reasonably foreseeable that you might lose your job.

DISPUTE RESOLUTION

Name of dispute resolution scheme: Financial Services Complaints Limited ("FSCL")

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

Contact details of dispute resolution scheme:

Phone: 0800 347 257

Website: <http://www.fscl.org.nz>

Business address: Level 4, 101 Lambton Quay, Wellington 6145

REGISTRATION ON FINANCIAL SERVICE PROVIDER REGISTER

Creditor registration name: New Zealand Finance Limited

Registration number: 17401

I have received a copy of this disclosure statement and the operative terms. I/We agree as set out in the disclosure statement and the operative terms.

Borrower's signature

Co-borrower's signature

OPERATIVE TERMS AND CONDITIONS

You the borrowers acknowledge the debt to the lender of the initial unpaid balance and agree:

- 1 **Words of example or inclusion are not words of limitation or exclusion.** In this agreement we sometimes give an example of how a rule or statement may apply or an example of a possible meaning of a word. Our giving of that example does not mean that the rule or statement or word has to be interpreted or explained in the same manner as is the example. If we say a word includes a meaning, that word may have other meanings as well
- 2 **You give a security interest in collateral you own.** If you own any collateral (see paragraph 44 below- **Meaning**) then this paragraph 2 applies to you
 - a. You must sign to the lender a security interest over that collateral. That means your goods (for example, an item of jewellery) and other personal property shown as collateral are security for payment of the unpaid balance. You are charging them with the money you owe.
 - b. The security interests are to secure payment to the lender of the unpaid balance and also to secure your performance of all other terms of this agreement. For example, if you default in making payments when they are due, the lender may seize certain collateral (for example repossess your goods) and sell it to pay the unpaid balance or overdue amount. (See paragraph 33 below of these operative terms.)
 - c. If you default the lender may also apply to the Court for an order that any or all of your collateral be seized and sold
 - d. The collateral may be all your present and after acquired personal property (excluding certain consumer goods).
 - e. You promise to the lender that nobody else has the right to repossess and sell the collateral and nobody else owns it unless you have told the lender in writing before you signed this agreement.
- 3 **Agreement to mortgage land.** There may be a description of land in the “**WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS**” Real Property – The land to be mortgaged section of the disclosure statement. If there is a description and you own any of that land this paragraph 3 applies to you
 - a. You must sign in our favour and at your cost a registrable mortgage over that land.
 - b. **If you default the lender may sell your land.** The mortgage of the land is to secure payment to the lender of the unpaid balance and also to secure the performance of all other terms of this agreement and of any associated loan agreement. If you do not make any payment when it is due and payable or if you fail to do other things you must do under this agreement, the lender may sell the land to pay the unpaid balance.
 - c. The mortgage shall be in an all obligations form published by the Auckland District Law Society Incorporated so as to incorporate memorandum number 2015/4326 or, at the lender's option, any form to the same or similar effect more recently published by the Auckland District Law Society Incorporated. The terms of that memorandum shall be incorporated into this agreement
 - d. The stated priority limit for the purposes of section 92(1) of the Property Law Act 2007 shall be (a) 20 times the amount of the credit limit plus interest or (b) \$60,000 plus interest whichever is the greater. If you grant a mortgage to someone else after the lender registers its mortgage, the lender's mortgage will have priority over that later mortgage up to the larger amount of (a) and (b). However, you must not do that without our written consent.
 - e. You charge your land as set out in this paragraph 3
 - f. You must not mortgage your land any further without our written consent.
 - g. What does that mean? If you have agreed to give a mortgage of your land we may sign it on your behalf under the power of attorney. Once we have a mortgage we may register it against the title to your land and on your default in payment we may sell the land.
- 4 **You give the lender your power of attorney.** You appoint the lender and any one manager or director of the lender separately to be your attorney so that:
 - a. The attorney may do anything which you agree to do and
 - b. The attorney may do anything and may sign any document which the attorney thinks helpful to ensure we are paid the unpaid balance and otherwise to protect our interests under this agreement. For example, the attorney may sign any document on your behalf so as to:
 - (i) operate and draw on any bank account and
 - (ii) grant and register a mortgage under the Land Transfer Act 1952, if you have agreed to mortgage land.
 - c. This power of attorney shall continue until the unpaid balance has been paid to the lender in full and continues after judgement. That means the lender may continue to sign on your behalf until all the unpaid balance is paid even if the lender has judgment against you.
 - d. We cannot use the power to appropriate after-acquired consumer goods to the security interest in your name.
 - e. You ratify anything done by an attorney under this power. In advance you confirm everything that the attorney does.
 - f. You further indemnify any person acting in reliance upon the power. If somebody makes a claim against an attorney over something the attorney does as your attorney, you must compensate the attorney for the amount of that claim.
- 5 **How the lender gives you documents and tells you anything.**
 - a. Subject to sections 352 to 359 of the Property Law Act 2007 (which creates some rules for telling borrowers information about collateral goods which are not consumer goods) if we wish to serve any legal paper on you – if we wish to give anything to you in writing – that legal paper will be sufficiently served or given if
 - (i) We deliver it to you or
 - (ii) We leave it at your usual or last known home address, place of business or of work or at a service address you give us in this agreement so we can give legal paper to you; or
 - (iii) We post it to you in a letter addressed to you by name at your home, place of business or of work, or service address; or
 - (iv) We send it to you by an electronic communication (such as email, fax, Facebook, Skype) although we cannot give you a repossession warning notice or a post-repossession notice in this manner.
 - (v) For any disclosure in relation to this agreement we send it to you by email or provide a link to our website.
 - b. If you are out of New Zealand, the legal paper may be served on or given to your agent in New Zealand if you appoint one.
 - c. If you are dead, the legal paper may be served on or given to your personal representatives – the people in charge of your estate when you die.
 - d. If the legal paper is sent to you –
 - (i) by post, it is to be treated as if you received it (got it) on the fourth working day after the day on which the letter is posted (and to prove delivery all we need to do is prove that the letter was properly addressed and posted);
 - (ii) by electronic communication, it is to be treated as if you received it (got it) on the second working day after the day on which the legal paper is sent.
 - e. Despite anything in this paragraph 5, the court may in any case make an order saying how any legal paper is to be served on or given to you. The court may also order that we do not need to give you the legal paper. If we go to court for an order about how you are to be given legal papers or how we are to tell you about them, you agree that legal paper may be served on you at the last address that the lender has for you as notified by you.
 - f. In addition, a legal paper will be sufficiently served or given if it is
 - (i) handed to any person who appears to live at any home address of any borrower or who appears to live at the address of any land to be mortgaged or
 - (ii) attached to an outside door at such address.
 - g. Further, if your address is a flat or apartment or room (your flat) in a building and if we are unable to get into the building or get to your flat because of the security system of the building or for some other reason, then a document or notice will be sufficiently served or give to you if it is posted at an outside letterbox for your flat.
 - h. If there is no such letterbox, a legal paper will be sufficiently served if it is clearly addressed to you and attached to what appears to be the main outside door to the building for your flat or the if the legal paper is given to any building manager or receptionist for the building and the manager or receptionist is asked to give it to you.
 - i. Further,
 - (i) if you have provided an email address or a facsimile number or a mobile phone number at any time or
 - (ii) if you have a public address, including an internet social media address or an address at any other internet communication system or talking-place (for example Facebook or Skype),
 that address or number shall be an information system specified by you for the purpose of service and general communication.
- 6 **You are not released from liability just because somebody else is.** Somebody else may be a borrower under this agreement as well as you. If that person is found not to be liable for any reason, that reason does not release you from being liable to pay or perform your obligations. That means that even if we cannot enforce this agreement against somebody else, we may still enforce it against you
- 7 **Everything you have told the lender must be true.** You promise that all information provided by you or on your behalf to enable us to decide whether or not to lend to you is true and correct.
- 8 **New Zealand law applies.** This agreement is governed by New Zealand law and you and we agree that the New Zealand courts may rule on any disputes. If you want to dispute or argue with us in relation to or in connection with this agreement, you may do so only before a New Zealand court or Disputes Tribunal or before our dispute resolution provider in New Zealand. However, we may enforce:

- a. this agreement against you or
- b. any judgment against you or against your real and personal property in any country where you or that property may be.

9 **The unpaid balance is at call.** The lender may call up the loan at any time and when it does so you must pay the unpaid balance forthwith (straight away).

10 **You must make all payments in full when due.** You must pay all amounts shown in the PAYMENTS schedule of the disclosure statement when they are due.

- a. You must make all payments without any deduction or withholding for any purpose whether by way of set-off counter-claim or otherwise and in such manner as we require.
- b. That means that if you believe we owe you a debt of money or if you have any sort of claim against us, you must not take off
 - (i) any part of that debt or
 - (ii) any of the amount you claim we owe you
 from your payment of any instalment or other amount under this agreement. Also we may tell you how you must pay us.
- c. If we require, you must allow us to directly debit your bank account or you must set up automatic payments. We may also use any direct debit authority to pay ourselves instalments or any credit or default fee or default interest. That means you must allow us to take money from your bank account.
- d. If you make any payment(s) which is not in accordance with the schedule of payments in the "PAYMENTS" section of the disclosure statement we may credit the payment(s) in accordance with the schedule. We may also decline to accept any part prepayment.

11 **You must pay the lender all interest (including default interest) and credit and default fees.** You must pay to us as soon as we ask or when they are otherwise due and in any event we may charge against your account with us:

- a. the credit fees shown in the "CREDIT FEES AND CHARGES" section of the disclosure statement and the annual interest shown in the INTEREST section of the disclosure statement
- b. any early repayment fee provided for in the FULL PREPAYMENT section of the disclosure statement and any part repayment fee charged and
- c. the default fees and default interest shown in the "WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS - default interest charges and default fees" section of the disclosure statement and
- d. all of our costs which we may suffer or have to pay in connection with:
 - (i) Any further loan application, credit and security checks and the work we do to consider that application. If you apply for a further loan from us we may charge you the cost of dealing with your application.
 - (ii) Any variation and release of this agreement or any Personal Property Securities Act financing statement or Land Transfer Act registration in relation to this agreement not provided for in the disclosure. For example if you ask us for to agree to your selling a collateral diamond pendant and replacing it with another, we may charge you the cost of our dealing with it.
 - (iii) Any dealing we have with any other person who has (or claims to have) any interest (whether registered or not) in any collateral or in the land to be mortgaged. For example somebody might claim to have a security interest in a diamond pendant you provide as collateral and you would have to pay us the cost of dealing with him.
 - (iv) Any dealing with any of you about the agreement. That will include any loan settlement or proposed prepayment (repaying all or some of the unpaid balance in advance) that does not proceed and if you are in default, it will also include the cost of any dispute.
 - (v) If you are in default the transfer of the security interest of any other secured party to us or our security interest to another secured party.
 - (vi) Anything we decide to do in order to enforce this agreement in any way or to protect our rights under it. That may include our going to court or the Dispute Tribunal and our instructing solicitors and debt-collectors .
 - (vii) Our doing anything you should have done but you have not done
 - (viii) If you (or any person on your behalf) make a demand under section 162 of the PPSA without justification, our obtaining of an order under section 167 of that Act. Section 162 allows you to demand that we change or remove the financing statement that shows we have a registered security interest in collateral. If you wrongly demand that we change or remove the statement, we will charge you the cost of going to court to protect it.
 and you agree that amounts referred to in this clause 11 will become part of the unpaid balance and that they are contractual damages if they become chargeable to you as a result of your default under this agreement. This means that you agree to pay the costs in this paragraph and you may not argue about them as long as the lender proves the amounts.

12 **Our costs referred to in paragraph 11 include:**

- a. Our own internal administration fees and
- b. Expenses and any other liabilities we do not now know about. These include legal expenses on a solicitor and own client and on a full indemnity basis. That last sentence means that we may recover from you the full costs which our own lawyers charge to us if we instruct a lawyer as part of enforcing this agreement against you.

13 **The lender may vary interest and fees.** We may from time to time change the annual interest rate, default interest rate, credit fees and default fees payable under this agreement so they go up or down. You must pay such changed interest rates and changed fees.

- a. If we are passing on the changed costs of a third party supplier (such as a solicitor or a credit reporter or other outside contractor) to you we will tell you as soon as we wish to pass on those costs to you and we will tell you when you must pay.
- b. If we are passing on our internal costs (such as make up our account management or administration fees or defaulted payment fees or letter, email or text fees, default time fee or mileage fees):
In each case, we will give you not less than a month's notice of any such change and any increase or decrease in your regular payment and the date when any increased or decreased payments begin.
From that date you must pay the changed amount and if you are in financial default or default generally, you must also pay any changed default interest or default fees.
- c. No increase will be backdated.
- d. Any interest rate increase shall be proportional to the increase in our cost of funds or in the costs which we may not recover as credit or default fees. Any credit or default fee increase will be proportional to the cost basis of the fee. For example, if the costs we recover as credit fees go up by 5% we would not increase credit fees by more than 5%.

14 **Default Interest and Default fees.** If you are in financial default you must pay us default interest on any overdue instalment or other overdue amount at the rate shown in the disclosure statement and if you are in any default at all you must pay default fees. If we accelerate payment of the unpaid balance and you do not pay immediately, we may charge you default interest on the unpaid balance at the rate shown in the disclosure statement for that amount. You must pay default interest from the date you fall into financial default until you are no longer in financial default. You must pay default fees from when you fall into any default until you cease that default. We may debit all default interest and default fees as set out in the "Default interest charges and default fees" section of the disclosure statement and they will become part of the unpaid balance. You must continue to pay default interest and default fees after judgment against you. That means you must keep paying them after we sue you in court or in a tribunal for the unpaid balance and obtain a judgement or an order that you must pay.

15 **It is your job to know what you owe the lender from time to time.** We must disclose (give) information to you at least every 45 working days. As well as that, it is your responsibility to find out from us the amount of any default interest and default fee or credit fees you may have to pay from time to time and to pay them. For example, if you miss paying a regular instalment or if you do not pay some other money when it is due, default interest or default fees may be debited. It is your job to find out what the default interest and fees are and to pay them.

16 **If you disappear time will not run on your debt until we locate you again in New Zealand.** Pursuant to section 41 of the Limitation Act 2010, if you change your physical address without notifying us and:

- a. you are then in default or subsequently fall into default and
 - i. we are unable to locate you or
 - ii. you live (whether permanently or not) in any other country, and
- b. we subsequently locate you in New Zealand
- c. the limitation period shall begin on the date that we locate you in New Zealand to the effect that that date will be:
 - i. the start date (under section 16(1) of the Limitation Act) for any claim we may make against you for interest accrued during the period from the time you change your address or leave New Zealand (whichever is the earlier if both apply) and
 - ii. deemed to be the date of the act or omission on which the claim is based (under section 11 of the Limitation Act) with respect to default in repaying any principal repayments or parts of the unpaid balance which have fallen due from the time you change your address or leave New Zealand (whichever is the earlier if both apply)

(WHAT DOES PARAGRAPH 16 MEAN?) Paragraph 16 of these operative terms is intended to prevent you from taking advantage of a gap in time in order not to pay. The Limitation Act states that generally if we do not sue you for unpaid interest or unpaid principal for 6 years after the interest or the principal amount falls due, then we lose our right to sue you for the debt. Section 41 allows us to agree that the 6 years does not run until another date. In this case, if you disappear and we cannot locate you but we find you again in New Zealand the six years will run from the time we locate you here.)

- 17 **The lender may set-off any debt to you.** If you have a claim against us or if we owe you money, we may set-off that claim or debt against any claim we have against you or any debt you may owe to us. This means we may reduce any amount we owe you by any amount that you owe us.
- 18 **The lender may receive commission on any insurance** it arranges for you. We may receive commission on any insurance which we arrange for you.
- 19 **The lender may appropriate payments as it sees fit.** If we receive any money from you or as proceeds of the sale of any collateral or the land to be mortgaged we may appropriate (apply) that to the unpaid balance in any way we see fit and you may not tell us how to do so.
- 20 **This agreement secures future advances.** If you borrow money from us after you sign this agreement we will still have a security interest in the collateral and a mortgage of any land to be mortgaged. The collateral and land will remain security for the extra money you borrow even if you have repaid money we lent you earlier. The loan of more money will be on the same terms as those of this agreement unless we make changes in writing when we lend you the extra money.
- 21 **You may repay your loan early.** You may repay the unpaid balance of your loan in full before it is due. However you must also pay us:
- the administrative costs of the full prepayment or
 - a charge equal to our average administrative costs of the full prepayment.
- 22 **You must have a telephone where we may contact you.** You must maintain (keep) a landline or mobile telephone connection or subscription as the case may be. If for any reason we cannot speak to you directly at the latest telephone number provided by you (whether landline or cellular), you agree that we may:
- advise any person who answers any telephone number we have for you
 - who we are and that we are trying to talk to you and
 - that we wish you to contact us and
 - leave messages with that person.
- 23 **You must always keep us up to date with your home and email address and phone numbers.** You must not change your name, physical residential (home) address or email address, or your landline or cellular telephone number without first giving us two working days written notice of your intention to do so. You must at the same time provide us with any replacement name, home or email address or landline or cellular telephone number. We may write to you at the address last notified to us.
- 24 **You may not impose any part payment settlement on us and you must not attempt to do so.** If you
- send us a cheque or
 - in any way pay us money that is less than the unpaid balance and you claim or wish to claim that our
 - banking the cheque or
 - accepting the money
- settles payment of the unpaid balance in full, we will not be bound by your claim unless we have agreed to that settlement in writing before you sent the cheque or paid the money. This means that (unless we agree in writing in advance) you cannot pay us less than you owe us and claim that that payment means you do not have to pay any more. That will apply even if you tell us in advance that we can only accept the payment you are going to make if it clears your debt. You must not try to compel us to settle for less than you owe in such a way.
- 25 **Only written changes to this agreement are binding and this is the whole agreement.** This is all the agreement between you and us. There are no other terms. We are not bound by any change to this agreement unless it is in writing and signed by one of our staff. We may enforce any of your obligations at any time, even if we have previously delayed enforcement, unless we tell you differently in writing. If you believe we have agreed not to enforce in some way, you must show that we have agreed to that in writing. If we agree once not to enforce an obligation, it does not mean we will agree again or continuously unless we tell you so in writing. If we agree not to enforce one obligation, it does not mean we agree not to enforce another.

Security Interest in Collateral and Mortgage of land.

- 26 **How you must store and care for and use collateral goods and protect the lender's interest in them.**
- Subject to b below you must keep any collateral which is goods you own at your home address above or at the most recent address provided by you under clause 23.
 - However, you may keep collateral goods other than where you live, if you tell us in writing in advance what the other address is but you must not allow any collateral to be taken out of New Zealand.
 - However, you must not change where you keep any collateral goods while you are in default without the lender's prior written consent to the new address.
 - You must obey any laws about owning and using collateral goods and you must not use them in any dangerous or illegal activity nor for any purpose for which they are not intended.
 - You must make sure that any collateral motor vehicle at all times is registered and not only has a warrant of fitness but is in a condition that will enable a warrant of fitness to be issued for it. You must make sure the vehicle is always able to get a warrant of fitness.
 - You must not use any collateral motor vehicle or motor boat for motor sport activity such as racing, rallying, speed or time trials or (and in particular) so that any driver or owner of a collateral motor vehicle receives a written caution under section 129B of the Sentencing Act 2002 or any equivalent legislation.
 - You must not
 - drive any collateral motor vehicle when
 - you do not hold a driver's license or
 - you are disqualified from driving or
 - you have a breath or blood alcohol level beyond any legal limit nor
 - allow any other person to drive when unlicensed or disqualified or with illegal breath or blood alcohol level
 - You must not
 - do anything or allow anything which may damage, weaken or challenge our security interest in collateral or any registration of that collateral on the Personal Property Securities Register.
 - make any unjustified application under section 162 of the PPSA. (See paragraph 11d(viii) above)
 - grant any other security interest over collateral nor allow any workman's lien to be created over it nor dispose of nor allow the disposal of collateral by sale or gift or lease or in any other way nor cause nor allow collateral to be taken out of the possession of the borrower who owns it, nor destroyed, damaged, endangered, disassembled, removed from the place where you are required to keep it nor concealed from the lender. (See meaning of "at risk" in paragraph 46 below)
 - obtain any personalised registration plate on any collateral motor vehicle nor otherwise change or remove any collateral goods part number or serial number unless we first agree in writing. If you do or allow any of these things you must tell us straight away in writing.
 - You must also care for and maintain collateral goods in good condition from the time you sign this agreement. If any collateral is a motor vehicle you must continuously repair (fix up) damage to panels, bumpers, lights, windows and other outside and inside surfaces and to paint work. This means you must look after your motor vehicle and fix up any damage to any of these parts of the motor vehicle inside and out, including painting on an ongoing basis.
- 27 **The lender may inspect any collateral on giving 24 hours written notice.** We may come and inspect (look at) collateral goods if we tell you 24 hours in advance. You must show the goods to us at your home or at the other place you have told us you are keeping them. If collateral goods are at risk we do not have to tell you in advance and we may enter any place where we believe the goods may be to look for and inspect them. If we do that and we cannot find goods, we may break in to look for them and we do not have to pay you compensation.
- 28 **Replacement goods become part of the collateral.** Any replacement for collateral goods shall become part of the collateral. You must tell us about any replacement as soon as you obtain it and you must describe it to us and any serial numbers or part numbers on it so that we know about it.
- 29 **You must insure the collateral and any buildings or improvements which are mortgaged.**
- You must insure or arrange the insurance of:
 - the collateral which is goods to its full insurable value and
 - any buildings or improvements on the land to be mortgaged for full replacement value if possible but otherwise for full insurable value.
 and keep them insured against fire, accident, theft, flood, earthquake and storm and any other risks as we may require. This means that you must insure against these things and you must insure for as much as the insurance company will allow you to.
 - The insurance policy must be names of the lender (us) and in the names of the owners for the lender's and the owners' respective interests. That means:
 - you must make sure with the insurer that any insurance of collateral goods shows that we have a security interest in the goods.
 - Also you must make sure with the insurer that the policy shows that we are a mortgagee of any land over which you have agreed to grant a mortgage.
 - The insurance policy must say that all payments, in the event of a claim, will be made to us.
 - Insurance must be with an insurer licensed under the Insurance (Prudential Supervision) Act 2010 or any Act in replacement.
 - If we ask you to, you must insure with a company that we name but otherwise (subject to (d)) you may insure with whoever you wish.

- f. You must not do or allow anything which may cause the insurer to refuse payment. For example, you must tell the truth when you apply for the insurance and when you make the claim.
- g. You must provide us with receipts for the insurance premiums and an insurance company certificate of the insurance if we ask you for them.

30 **Lender may remedy your default at your cost.** If you fail to do anything which you must do or if you do anything which you must not do, we may do or pay anything to remedy the default (to make it right). If we do that we may add that cost of doing or paying to the unpaid balance. That includes work that we may carry out on goods we have repossessed in order to make them more saleable or to carry out maintenance or repairs which you should have carried out.

31 **You must compensate the lender if anyone makes a claim against the collateral or land to be mortgaged.** If in relation to the collateral or the land to be mortgaged you

- a. do anything or allow anything or
- b. neglect or fail to do anything

so that somebody makes a claim against the collateral or the land or against you and as a result of (a) or (b) we lose any money or have to spend money, then you must pay the amount of that money to us and we may add it to the unpaid balance.

32 **This agreement may be enforced by an assignee.** We may give or assign our rights under this agreement to somebody else ("assignee"). If we do that, this agreement (including the power of attorney) will apply to the assignee as if the assignee were the lender. The assignee may enforce this agreement against you. You have no right to assign rights under this agreement.

33 **The Lender may repossess and sell personal property on default.** If you default under this agreement:

- a. Subject to any requirement to give you notice, we may repossess your collateral. We may not repossess consumer goods which are not identified by item and kind unless those consumer goods are replacements for specifically identified consumer goods. When we have the right to repossess:
- (i) We may enter any premises (any land) to look for and repossess collateral. We may break into a building or enclosure (such as a place with a fence or wall or hedge round it) where we may reasonably believe collateral may be even if you are not present.
 - (ii) You must not do anything to prevent or hinder us from repossessing goods. You must keep out of the way when we are repossessing goods.
 - (iii) We may move or use your goods to gain access to or remove collateral;
 - (iv) If your property is damaged when we repossess or try to repossess goods, we do not have to pay you compensation (the cost of the damage).
 - (v) If the property of someone else is damaged when we repossess or try to repossess goods, we do not have to pay you compensation and if we must pay that person, we may recover that compensation from you. For example, if you hide collateral goods in a building and we break down a door to find them and to repossess them you must pay the cost of any repair of the door, even if the door belongs to someone else.
 - (vi) We may sell the collateral by auction or by private sale or otherwise. Subject to any law, we may buy the collateral ourselves, give credit and allow payment over time as if we were the owner and nobody else had any rights.
 - (vii) You must do everything necessary to help with the sale and that includes signing any documents needed or helpful or desirable.
- b. When we sell the collateral:
- (i) Any buyer of the collateral need show only our receipt to prove he has paid the sale price and
 - (ii) The buyer need not investigate or question the propriety or regularity of the sale to the buyer and the buyer is not to be affected by any notice express or constructive that such sale is improper or irregular. This means that the buyer is not affected and does not need to worry if he learns anything about the sale process (how we sold) and he does not need to ask.

34 **Use of purchased property in trade.** The Consumer Guarantees Act 1993 shall not apply if the initial unpaid balance is applied in trade and the borrower is in trade. This means that you generally do not have warranties and protections under that Act if you are in business and the loan is used for business purposes.

35 **The lender shall not be obliged to marshal in your favour or in favour of any other person.** If we have security over more than one item of real or personal property, we do not have to sell one item of property before another.

36 **Some parts of the PPSA do not apply and you waive your right to a verification statement.** You waive your right to receive a verification statement following registration of any security interest. Further, if any of the collateral is not consumer goods, none of sections 133 or 134 of the PPSA will apply to any dealings with that collateral and you waive any rights with respect to that collateral under sections 116, 120(2), 121, 125 127, 129 and 131 of the PPSA. This means that:

- a. when we register our security interest against collateral, we do not need to provide you with a copy of the statement that the Personal Property Securities Registry then sends us about the registration.
- b. Also for any collateral that is not consumer goods
- (i) we do not need to account to you after sale
 - (ii) we need not give you notice if we propose to retain collateral in settlement of the your obligations
 - (iii) you may not object to our retaining collateral in any event
 - (iv) you have no rights to compensation if we damage goods while removing an accession
 - (v) we do not have to give you notice of our intention to remove an accession
 - (vi) you may not apply to a court to postpone the removal of an accession or to determine any amount payable to us
 - (vii) you may not reinstate the security agreement before we sell the collateral.

37 **Powers and rights you give the lender are irrevocable.** In this loan agreement you

- a. give us powers and rights and
- b. undertake obligations and
- c. agree to certain rules of procedure and
- d. give consents and authorities.

You may not change your mind and withdraw or cancel our rights and powers nor cancel any obligation nor change procedures nor withdraw consents or authorities until (subject to paragraph 39 below of these operative terms) the unpaid balance has been paid in full.

38 **The lender may pay a vendor or other lender directly with borrowed money.** If you are borrowing money from us in order to buy personal property, whether or not we take a security interest over that property, or to repay a loan or debt:

- a. We may pay the money directly to the supplier of that property or to the lender or creditor and
- b. We may impose any conditions on the payment or on the use of the money that we believe are necessary to protect our security interest or to comply with responsible lending requirements.

39 **You must pay the lender any money it receives from somebody else which it has to repay.** If

- a. somebody other than you pays to us any amount due under this agreement and
- b. that other person becomes bankrupt or goes into liquidation and
- c. the Official Assignee ("OA") cancels the payment to us as an insolvent transaction under section 194 of the Insolvency Act 2006 or the liquidator sets aside the payment as an insolvent transaction under section 292 of the Companies Act 1993 or the transaction is otherwise set aside as a voidable preference, then
- We may repay that sum to the OA or the liquidator and upon demand you must pay us that sum plus interest from the date we pay the OA or the liquidator. You must pay us even if you believe that we should have tried to avoid paying the money back or disputed payment in some way. This means that, for example,
- d. if a guarantor pays us or
- e. if you arrange for a friend to make payments to us on your behalf and

the guarantor becomes bankrupt or your friend goes bankrupt, the OA may possibly claim back from us the payments the other guarantor or your friend has made going back for up to two years before the bankruptcy. If that happens we will be able to recover the total of those payments from you. We do not have to argue with the OA about whether or not we should repay the money. Similar rules will apply if a company pays on your behalf and the company then goes into liquidation.

40 **All your obligations are joint and several.** If another borrower signs this agreement, we may recover money due and payable from any of you or from all of you. We may enforce this agreement in other ways against any of you or against all of you.

Disclosure and Credit reports and Consumer monitoring reports

41 We will provide on request, and free of charge any loan documents and loan statements to you, and if you ask us to we will co-operate with your advisors, including, where possible, by giving those advisors the information the advisor needs to advise you.

42 We have to manage your account according to the Responsible Lending Code. Also if you apply for more money from us we need to know what your up to date credit rating is. As part of that we may and will:

Obtain Credit Reports about you. That means we will update your credit reports as part of managing your account under the Responsible Lending Code and to make sure you are always able to pay your bills. If you are not in default and if you are not applying for more money we will pay for that ourselves.

Arrange to receive **Consumer Monitor Reports** about you. That means that we find out if your credit rating changes. For example if you owe money to someone else and you do not pay when that money is due, we may be told.

- 43 If you do not pay us when you should (that means you will be in financial default) we will tell our credit reporters and we will then also be given information about you. For example if we cannot contact you, we may be told where you are living. If you have applied for credit from anyone else the information you give (what you tell) to that other creditor may be supplied to credit reporters and credit reporters may tell us.

Where the company receives a report the cost will be charged to your account.

Explanations and Meaning

- 44 Meaning – General

- a. The expression “Accelerate” means call up or ask for immediate payment before it would otherwise be due under this agreement. If we accelerate payment you must pay straight away. “Accession” means goods that are affixed (attached) to other goods. “At risk” has the meaning set out in sub-paragraph (b) of this paragraph 46. “Borrowers” or “you” means the person(s) shown as borrower(s) and co-borrowers (if any) in the disclosure statement and includes their/your executors, administrators and successors in title – the people who may take over your rights and obligations if you die or if you cannot pay your debts. “Calculate” means to work out or to decide an amount following certain rules. “Collateral” means the goods and any other personal property described in the disclosure statement in the box headed “**WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS Security Interest**” “Personal Property – Collateral” section and includes an interest in such goods or other personal property. “Consumer goods” means goods that are used or acquired for use primarily for personal, domestic, or household purposes – goods that are not mostly used in business or investment. “Default” under this agreement means that you do something you have agreed not to do or you fail to do something you have agreed are required to do. “Default Fees” and “Default interest” are as listed and described under “Default interest charges and default fees” in the disclosure statement. “Financial default” means that you have failed to pay an instalment or other amount when due. “Initial Unpaid Balance” is the amount you owe at the date of this agreement and it is further detailed in the CREDIT DETAILS of the disclosure statement. “Instalment” means a payment you must make regularly, usually on the same day of each week, fortnight or month. “Land” includes an interest in land. “Land to be mortgaged” means the land shown in the disclosure statement in the box headed **WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS**, “Real Property - The Land to be Mortgaged” section. “Legal paper” means a document or a notice or other written paperwork about this agreement. “Lender” or “we” or any similar pronoun is the person lending the money and the expression includes its employees and agents and any person to whom the lender assigns its rights under this agreement or who otherwise takes over the lender’s rights. “Liability” means something you must do or an amount you must pay. If you are liable to do something or pay anything, it means you are responsible for doing or paying – you must do the thing or pay the amount. “Motor vehicle” has the meaning given in section 57 of the PPSA. “Obligation” means something that you must do or that must not do. “Person” and pronouns such as “anyone” or “somebody” include a body corporate (such as a company) and an unincorporated body (such as a partnership or trust), “PPSA” is the Personal Property Securities Act 1999. “Principal” is the initial unpaid balance before interest is charged and it is the unpaid balance on which interest is charged. When we charge interest and fees to your account they become part of principal. “Repossess” includes the meaning “seize on your default whether or not for the first time”. “Unpaid balance” means the amount owing under this agreement at a particular time, being the difference between all amounts credited and all amounts debited to you under this agreement at that time. “Workman’s lien” means the type of charge that a workman has on somebody else’s goods when he does work on the goods. The workman may keep the goods until he is paid for the work and if he is not paid he may sell them. A mechanic will have a workman’s lien on your car if he does work on it at his garage. Any expression not described or defined in this agreement shall have the meaning given to it in the Credit Contracts and Consumer Finance Act 2003 unless the context requires otherwise. Unless the context prevents it, the singular shall include the plural and vice versa and one gender includes others to the effect that, for example, “he” includes “they”, “she” and “it”.
- b. The expression “at risk” has same meaning as defined in section 83E(2) of the Credit Contracts and Consumer Finance Act 2003. If goods are collateral you must not

- (i) destroy them (break them up),
- (ii) damage them (spoil or harm them),
- (iii) endanger them (put them in danger),
- (iv) disassemble them (take them to pieces),
- (v) remove them (move them from where you must keep them),
- (vi) conceal them (hide them from us),
- (vii) sell them or give them away to anyone else.

Nor may you allow any of those things to happen. If we reasonably suspect that you have done any of those things or allowed any of them to happen the goods will be at risk.

- 45 **Unforeseen Hardship.** You may make a hardship application if something unexpected and bad has happened to you which causes you to have trouble making your payments. If you make a hardship application to us and if we agree to help we may change the way you pay. Possibly we can reduce the payments you make. Possibly we can allow you not to make any payments for a while. Perhaps we can do both. The sort of things which might mean you have trouble making payments are illness or injury which stop you from working. Or maybe you lose your job. Or maybe you break up with your partner. However what went wrong must be unforeseen or unexpected. For example, if you knew you were going to lose your job when you applied for the loan and you do not tell us, we would not help you when you lost your job. If you were already sick when you applied for the loan and you did not tell us we would not help you if you had to stop work.

If you want to change the way you pay or reduce a payment or something like that, you must apply to us in writing. When you apply you must not be more than two months behind in your payments and you must not have missed more than four payments in a row.

If you have already applied because of the same hardship, it must be at least four months since you last applied.

When you apply, we must write to you in five working days (one normal week) or we must ask for further information from you within 10 working days. We must give you a written decision within 20 working days.

If you are not happy with our decision, you may apply to our dispute resolution provider Financial Services Complaints Ltd (FSCL), by emailing info@fscl.org.nz or calling FSCL on 0800 347 257. You may also learn more about FSCL on its website www.fscl.org.nz If you apply to FSCL for help, it does not cost you anything – the service is free.

However we hope you will not need to apply to FSCL. If you are having trouble paying and if your reason is genuine we will help you as much as possible.

If we refuse the application, we may not charge you anything. However if we agree to your application and we change your payment arrangements somehow, then we may charge you for the cost of changing the arrangements.

If you miss a payment it is important you talk to us quickly. We will always get in touch with you if you miss a payment but the sooner you talk to us, the more quickly we can help. If you think it is going to be hard to make a payment, tell us straight away.

46. **Complaints.** If you disagree with something we do or if you think we should do something which we have not done, please talk to us. We will always talk to you and we will take you seriously. You may phone us or you may email us, or you may write to us in the mail. We will reply to you within five working days but usually it will be more quickly than that. Often, if you telephone us, we can fix things on the spot. If we cannot fix things on the spot we will take trouble to make things right for you if we can. If you phone us, sometimes we may ask you to write to us or we may write to you telling you what we think your complaint is so there is a record in writing. If we cannot make things right for you, we will tell you how to contact our disputes resolution provider, Financial Services Complaints Ltd (FSCL) and if you talk to them they will try to help you. We must also talk to them and answer their questions. They can make a decision and we must usually follow that decision. FSCL will also explain to you how they deal with your complaint. You may talk to FSCL by emailing info@fscl.org.nz or calling FSCL on 0800 347 257. You may also learn more about FSCL on its website www.fscl.org.nz If you apply to FSCL for help, it does not cost you anything – the service is free.