

ACKNOWLEDGEMENT AND AGREEMENT OF GUARANTOR(S) AND BORROWER

(If there is no guarantor, it applies only to the borrower)

1. I have been advised that by signing the loan and security agreement I become liable for repayment of the loan in full. **If I am a guarantor I am particularly asked to note this as I will become liable in the same way.**
2. I have been advised to obtain independent legal advice as to my obligations and the lender's rights contained herein. I have been asked to take the time to obtain advice. **If I am a guarantor I am particularly asked to note this advice.**
3. I acknowledge that the borrower and guarantor are both liable to repay the money secured and to carry out the obligations in this deed. **This means the lender may claim the money secured including the total amount payable from one of us or all of us.**
4. I understand that my/our motor vehicle and/or household chattels (including replacement items) are being provided as security and if I do not pay, that my/our motor vehicle or household chattels may be seized and sold to pay the debt. **If I am a guarantor I am also particularly asked to note this. A SECURITY INTEREST MAY BE REGISTERED ON THE PERSONAL PROPERTY SECURITY REGISTER UPON EXECUTION OF THIS LOAN AGREEMENT WHICH WILL BE DISCHARGED UPON FULL COMPLETION.**
5. I acknowledge and am aware that I will be asked to grant a very wide power of attorney in favour of the lender which the lender may use to protect its position whether in the event of any default or otherwise and that the lender may use that power to grant further security interests over personal property. **If I am a guarantor I am also particularly asked to note this.**
6. I understand there is a right of cancellation as outlined in the statement of right to cancel section included with this disclosure document.
7. **Credit agencies:** In respect of us providing a credit facility and undertaking periodic reviews or for the requirements of the Anti-Money Laundering and Countering Financing Terrorism Act 2009, you authorise us to make credit references and other enquiries within our normal procedures. For this purpose, we may seek from any such source information concerning you. You also authorise the collection and disclosure of all information relevant to your accounts including repayment history information from/to any credit reporting agency. Credit reporting agencies may use information disclosed by us to update their credit reporting database, and disclose any information that they hold about you to their own customers as permitted under the Credit Reporting Privacy Code. In addition, we may use any service provided by our credit reporting agencies to receive updates of the information it holds about you. In the event that you are in default under any credit facility from us, we are authorised to disclose all relevant information about you, to and for the use by, credit reporting agencies, debt collection agencies and law firms.

CREDIT CONTRACT and DISCLOSURE STATEMENT

Loan Number

XXXXXX

Effective date of
Statement

XXXXXX

Guarantor

(See statement at beginning of guarantee on schedule A)

This deed is made on the day and year shown before the signatories BETWEEN Direct Cash Orders Limited (together with its successors and assigns called "the creditor", "the lender" or "We") AND the borrowers (also referred to as "you") (together with their executors and administrators) described in the schedule below

BACKGROUND The lender has agreed to lend to the borrowers the initial unpaid balance shown in the disclosure statement. AND The borrowers and or guarantors shown as the owner of the personal property security have agreed to grant a security interest in that property to the lender.

OBLIGATION The borrowers (jointly and severally if more than one) acknowledge their indebtedness to the lender for the initial unpaid balance set out in the disclosure statement and any variations of it and otherwise promise to comply with the terms and conditions of this contract.

DISCLOSURE STATEMENT FOR CONSUMER CREDIT CONTRACTS

(other than revolving credit contracts)

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

IMPORTANT - This document sets out 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 credit contract and disclosure statement in a safe place.

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

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

You may send notices to the creditor by: Writing to the creditor at its postal address; or sending a fax to the number specified (if any); or sending an email to the address specified (if any).	Name:	Direct Cash Orders Ltd t/a DCO FINANCE
	Physical Address:	14 Hartham Place Porirua 5022
	Postal Address:	PO Box 11-065 Wellington 6142
	Fax:	04 384-1965
	Email:	info@dcofinance.co.nz

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

Borrower	XXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXX
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CREDIT DETAILS

Initial unpaid balance.
This is the amount you owe at the date of this statement (including any fees charged by the creditor).
\$XXXXX made up of:

	Loan Payment	\$XXXXX
XXXXXXX	Loan Payment - Other Party	\$XXXXX
	Plus <i>(examples)</i>	
	Establishment Fee	\$XXXXX
	PPSR Search	\$XXXXX
	PPSR Registration	\$XXXXX
	Centrix Credit Check	\$XXXXX
	Direct Debit Setup	\$XXXXX

Subsequent advance(s) There are no subsequent advances.	Total advances This is the total amount of all advances made or to be made to you. \$XXXXX
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PAYMENTS. You are required to make each payment in the amount specified and at the time specified.

XX due Weekly. First Regular Payment of \$XXXX on XX / XX / XXXX . Final Regular Payment of \$XXXX on XX / XX / XXXX .	Total amount of payments \$XXXX
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Method of Payment	Payments to be made by XXXXXXXXX.
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INTEREST

Annual Interest Rate: Interest Rate XXXX% fixed for the whole of the contract being XXX days. Daily interest rate: XXXXXXXXXX%	Total interest charges This is the total amount of the interest charges payable under the contract. \$XXXXX
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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 every end of month. If you pay more than the regular payment amount this account will receive less interest. If you pay less than the regular payment amount (or miss payments) this account will receive more interest than what is estimated on this disclosure document along with default interest on any arrears as outlined below on page 3.

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. Refer also to section headed WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS.

These fees and charges may be varied with a minimum of TWO MONTHS written notice from the creditor.

Account Administration; \$8.00; Every End of Month.

Withdrawal Fee; \$35.00 per additional advance made to you.

Direct Debit Set-up Fee; \$10 each time a direct debit authority is established.

Direct Debit Amendment Fee; \$5 each time a direct debit authority is amended.

Refund processing fee; \$35 each time a refund of partial prepayment is agreed.

Administration costs and fees payable on full prepayment are disclosed under the full prepayment heading.

CONTINUING DISCLOSURE

The creditor may be required to provide you with regular statements. The statements will give you information about your account. Statements to be sent Every 26 Weeks.

WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS

Security interest(s)

This is secured credit. If you fail to meet your commitments under the contract, the creditor may be entitled to repossess and sell this property.

Description of security interest(s):

- IF A SECURITY VALUATION HAS NOT BEEN DONE- Property which is (or will be) subject to a security interest is the items YOU DECLEARIED IN THE ATTACHED SECURITY DECLARATION or POST-VALUATION FORM to secure performance of your obligations under the contract, or the payment of money payable under the contract, or both.
- IF A SECURITY VALUATION HAS BEEN DONE - Property which is (or will be) subject to a security interest is the items listed below to secure performance of your obligations under the contract, or the payment of money payable under the contract, or both.

Household Chattels

Items per Security DECLARATION / VALUATION Form
ALL APPLIANCES, TELEVISION SETS, AUDIO EQUIPMENT, COMPUTER AND GAMING CONSOLES, ELECTRONICS, INDOOR AND OUTDOOR FURNITURE AND RECREATIONAL EQUIPMENT OWNED BY THE DEBTOR/S EXCLUDING ESSENTIAL LIVING ITEMS PROHIBITED BY THE CCCFA AMENDMENT ACT 2014 AND OFFERED AS SECURITY TO DIRECT CASH ORDERS LIMITED TRADING AS DCO FINANCE FOR THE OUTSTANDING SECURITY AGREEMENT. REFER TO THE SECURITY SCHEDULE ATTACHED TO THE LOAN AGREEMENT DOCUMENT FOR SPECIFIC ITEM DESCRIPTIONS.

If you fail to meet your commitments under the contract, then to the extent of the security interest, Direct Cash Orders Limited t/a DCO FINANCE may be entitled to repossess and sell this property. Should the sale of these items not cover the unpaid balance of your account, you will be liable for this.

The extent to which your obligations are secured to the property noted above is the unpaid balance of your account.

Default interest charges and default fees

In the event of a default in payment, and while the default continues, you must pay the default interest charges. 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 creditor to vary these fees and charges. **Default interest is charged from the time you fail to make a due payment until the arrears are paid.**

Default interest charges are calculated by multiplying the amount in arrears at the end of the day by a daily default interest rate. The daily default interest rate is calculated by dividing the annual default interest rate by 365. Interest is charged to your account every end of month.

The Annual Default interest rate is 10.00%. This amount is charged ONLY ON THE ARREARS PORTION in addition to normal interest as outlined on page 2.

Additional Default fees

These fees may be varied with a minimum of TWO MONTHS written notice from the creditor.

\$ 10.00 Default Administration Fee (This fee is charged each month the account is in default to cover the increase in administration including phone calls and TXTs.)

\$ 25.00 Reminder / Default Notice Fee **\$ 25.00** Pre/Post Possession Notice Fee **\$ 25.00** Visit / Repo Warrant Issue Fee

\$ 65.00 Internal Agent Field Visit **\$ 20.00** Trace Fee

Should the services of an external Company be used, the fee charged will be per their schedule of fees.

FULL PREPAYMENT

If you pay the unpaid balance in full before the final payment is due (full prepayment), you may be required to pay a fee or charge 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 consumer credit contract. You may also have to pay the creditor's administrative costs relating to the full prepayment. The amount you may have to pay to compensate the creditor for the loss is calculated using the formula prescribed in regulation 9 or regulation 11 of the Credit Contracts and Consumer Finance Regulations 2004.

Early settlement of this agreement will attract a \$10 early settlement administration fee.

PARTIAL PREPAYMENT

Additional payments may be made at any time over and above the scheduled amount listed under the payments section above. As a responsible lender we encourage you to do this if possible as it will ultimately reduce the amount of interest and fees charged and reduce the time taken to pay the account off. DCO Finance is not obligated to provide a refund of any partial prepayments received while a balance is outstanding.

Should DCO agree to refund partial prepayments, a processing fee of \$35 will be charged to the account.

RIGHT TO CANCEL

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

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 documents are emailed or posted to you, you must give notice that you intend to cancel within 9 working days after they were emailed or posted.

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 the contract by-

- Giving notice to the creditor or an employee or agent of the creditor; or
- Posting, emailing or faxing the notice to the creditor

You must also, within the same time, return to the creditor any advance 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 the amount of any reasonable expenses the creditor had to pay in connection with the contract and its cancellation.

- interest for the period from the day you received the advance until the day you repay the advance.
- VEDA searches, PPSR searches, Security inspection fees, Mobile lending fees, PPSR Registration.

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 seek independent budgeting advice** and :

- a) Make an application to the creditor 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:

Phone: **0508 337-337**

Website: www.fdr.org.nz

Business address: **Level 9, 109 Featherston Street Wellington**

REGISTRATION ON FINANCIAL SERVICE PROVIDER REGISTER

Creditor registration name: **Direct Cash Orders Limited**

Registration Number: **FSP3841**

ADDITIONAL TERMS AND CONDITIONS Please refer to the terms and conditions sheet available in all offices and on our website for terms and conditions relating to all applications and contracts taken out with Direct Cash Orders Limited t/a DCO FINANCE.

QUICK SUMMARY

Following is a summary of some of the things discussed within the consumer credit contract. It is by no means an exhaustive list so independent advice is recommended if you do not understand anything contained within this disclosure document.

General - All loan contracts with DCO FINANCE start with a list of general declarations to ensure you fully understand and agree to the obligations by signing the loan contract agreement. DCO FINANCE encourages you to first take some time to decide if this is right for you.

Interest and administration - A simulation is done on your loan contract document to show you what the total payback amount will be including all interest and administration if you make the contractual payments as required. However, actual interest and administration is not charged upfront. This means if you choose to make additional or increased payments during this loan agreement, the overall amounts charged for these may be less. Interest is accrued daily and added to your loan at the end of each month based on exactly what activity has occurred. The administration fee is added to your loan at the end of each month while a balance remains. This means while making your payments, the balance of your loan will go down during the month, then will increase at the end of the month when interest and the monthly administration fee is added.

What could happen if you fail to meet your commitments - Failing to meet the contractual payments on time will result in default actions occurring. Fees and default interest may be charged which will increase the time it will take to pay your loan contract and the overall amount you will have to pay. A \$10 default administration fee will be charged each month if your loan is in arrears for any portion of that month. Your household chattels and/or motor vehicle may be seized and sold to repay the balance owing (if a secured contract). Your overall credit rating will be negatively impacted making it difficult to obtain further credit or rental accommodation in the future.
If you are not able to meet your obligations due to unforeseen hardship, contact DCO FINANCE immediately so that they can help find a solution for you.

Right to cancel - All loan contracts can be cancelled within a limited time after signing if you change your mind. This is 5 working days if the loan contract documents are handed to you directly or 9 working days if the loan contract documents were posted to you. If you choose to do this, you will have to pay interest for those days along with any costs incurred by DCO FINANCE that are not able to be refunded.

Signed as Borrower/ Guarantor

_____	_____	_____
Borrower Name	Borrower Signature	Date
_____	_____	_____
Borrower / Guarantor Name	Borrower / Guarantor Signature	Date

Signed on behalf of creditor or by authorised witness

_____	_____	_____
Name	Signature	Date

DCO FINANCE
Payment Declaration

Client/s:
XXXXXXXXXXXXXXXXXXXXXXXXXXXX

Loan Agreement number **XXXXXXXXXX**.

I/We declare that I/We intend to repay this loan agreement in the following way:

Amount: Via: **XXXXXXXXXXXXXXXXXXXX**

Starting On:
Frequency:

Preferred Bank Account:

NAME: (of Bank Account) XXXXX
BANK ACCOUNT FROM WHICH PAYMENTS TO BE MADE: XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

If I/We am not making the payments via direct debit, I/We agree to signing a back-up direct debit authority for my bank account so that the payments can be made in this way and from this bank account should the preferred payment method / Preferred bank account be unsuccessful resulting in the loan falling into arrears. I/We am aware this is voluntary and I/We will be sent a notification of intent first.

Signed: _____ Signed: _____

Conditions relating to direct debit authorities:

- I/We am aware that charges relating to a direct debit authority being loaded and ongoing amendment fees will apply as outlined in the disclosure document.
- I/We am/are aware that any amendments to a direct debit authority will need to be requested in writing with a minimum of 24 hours' notice prior to the proposed amendment.
- I/We am/are aware that should a scheduled payment fall on a public holiday or weekend, the scheduled payment will be direct debited from my bank account on the next working day.
- I/We am/are aware that it is my/our responsibility to ensure the required funds are available in the bank account for each scheduled payment and that should a payment dishonor (for whatever reason), I/We may be issued a charged default, reminder or prepossession notice.
- I/We am aware that upon full and final settlement of this loan agreement, this direct debit authority will become null and void.

Signed: _____

Signed: _____

Witnessed By: _____

Date: _____

GUARANTEE

Guarantor's full names: _____

Date and Number of Loan Agreement _____ / ____ / ____

Names of Borrowers _____

In consideration of the lender making the loan to the borrowers:

- 1 The guarantor acknowledges that the initial unpaid balance (together with all other monies which the borrowers are obliged to pay referred to as "the guaranteed money") has been advanced to the borrower at the request of the guarantor and guarantees to the lender payment of the guaranteed money and the performance of the borrower's obligations under the attached loan and security agreement ("the loan agreement").
- 2 The guarantor shall be liable for the payment of the guaranteed money and for the performance of the terms of the loan agreement as if he were a principal debtor to the lender (save that any statutory clauses for the benefit of a principal debtor only shall not be interpreted for the benefit of the guarantor) and shall be liable to pay and perform upon demand by the lender and as a separate obligation shall indemnify the lender in respect of any failure by the Borrower to pay or perform. The lender may demand payment from the guarantor without first enforcing payment against the borrower.
- 3 If there are two or more guarantors each guarantor shall be liable hereunder notwithstanding the failure of any other guarantor to sign or if for any reason any other guarantor is not liable and each guarantor shall be jointly and severally liable hereunder.
- 4 The guarantor shall not be released from his obligations under this deed nor have his liability reduced by any lack of legal capacity or other reason which would result in the loan agreement not being enforceable against or any moneys not being recoverable from the borrowers or (if there is more than one guarantor) another guarantor. No waiver, giving of time, indulgence, compromise, failure or delay in exercising remedies, variation of security or other dealings by the lender with the borrowers or (if there are two or more guarantors) with any other guarantor nor any failure to maximise value on realisation of any security shall release the guarantor from any obligation or affect his liability to pay any sum and the guarantor waives all defences which might be available to a guarantor or a surety.
- 5 The guarantor's rights of subrogation and indemnity against the Borrower and (if there are two or more guarantors) contribution against any other guarantor shall not arise until the lender has received payment in full of the guaranteed money and all the borrower's obligations under the loan agreement have been performed.
- 6 This guarantee is for the benefit of and may be enforced by any person for the time being entitled to payments of the guaranteed money and an assignment of the lender's rights under the loan agreement shall not release the guarantor from liability.
- 7 The guarantor shall pay the guaranteed money to the lender money upon demand. Demand may be made and shall be deemed to have been made if in writing and served personally or posted by prepaid post to the last known address of the guarantor and such demand shall be deemed to have been delivered 4 working days after having been posted.

Agreement to grant security interest

- 8 In exchange for the lender lending to the borrowers the amount of credit the guarantor(s) who are owners of collateral referred to in the disclosure statement in the loan agreement grant to the lender a security interest over that collateral. The security interest is to secure payment to the lender of the money secured and also to secure the performance of all other terms of this agreement and of any collateral loan agreement. The guarantor promises to the lender that there is no security interest in the collateral other than that granted by this agreement. The guarantor waives the right to receive a verification statement following registration of any security interest.
- 9 The lender's rights and powers and the obligations of the borrowers in the loan agreement are implied into this guarantee as if the guarantor were the borrower.
- 10 In exchange for lender's loan to the borrowers and to enable the lender more effectively to obtain the benefits under this agreement, the guarantor (and if more than one jointly and severally) irrevocably appoints the lender and any one director of the lender severally to be the attorney of each guarantor to do anything which the guarantor agrees to do and to do anything and to sign any document which the attorney thinks desirable to ensure the lender is paid the money secured and otherwise to protect the interests of the lender under this agreement. Without in any way limiting the generality of the power, the attorney may execute any document for the purposes of creating a security interest under the PPSA.. This power shall inure until the money secured has been paid to the lender in full. The guarantor ratifies anything done by an attorney under this clause and further indemnifies any person acting in reliance upon the power. If the lender assigns the benefit of this agreement the assignee shall have the same rights and powers under this clause as does the lender and each person named as guarantor irrevocably appoints the assignee his attorney accordingly.
- 11 In this deed the singular includes the plural and vice versa and the masculine includes the feminine and neuter.

Signed by the guarantor(s) Date:

in the presence of: Date:

Major terms and conditions

Grant of security interest in chattels or other personal property. ("Collateral")

In exchange for the lender lending you the initial unpaid balance (of which you are acknowledging receipt) you grant to the lender a security interest over any collateral you may own that has been listed to be used as security. The security interests are to secure payment to the lender of the money secured and also to secure your performance of all other terms of this agreement. You promise to the lender that there is no security interest in the collateral other than that granted by this agreement.

Other terms and Conditions YOU THE BORROWERS AND/OR GUARANTOR ACKNOWLEDGE THE DEBT TO THE LENDER OF THE INITIAL UNPAID BALANCE AND AGREE:

Meaning

The expression "borrowers" or "you" includes their/your executors, administrators and successors in title. "Collateral" means the goods and/or other personal property described in the disclosure statement in the box headed WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS Security Interest. "Default under this agreement means that the borrower or the guarantor does something he is required not to do or fails to do something he is required to do. "Default Fees" are listed under that heading in the disclosure statement. "Default interest is interest payable at 10% per annum, compounded daily at the rate of one 365th of 10% charged on the arrears portion of the account balance IN ADDITION TO THE NORMAL INTEREST CHARGED from the time that you fall into financial default until you are no longer in financial default. "Guarantor" means the person shown as guarantor in this agreement and the attached guarantee and includes his or her executors, administrators and successors in title. "The money secured" means all money, including the initial unpaid balance and default or other interest, and default and other fees and charges, and disbursements and other money, which you must pay to the lender under this agreement or under any collateral or subsequent loan agreement. "Person" includes a limited liability company or other legal entity or an organisation as defined in the PPSA. "PPSA" means the Personal Property Securities Act 1999. "PPSA" means the Personal Property Securities Act 1999. "Working day" means any day but a Saturday, Sunday or a national public holiday. Each gender shall include other genders.. All obligations on your part are joint and several. Any expression not described or defined in this agreement shall have the meaning ascribed to it in the Personal Property Securities Act 1999 unless the context requires otherwise. Unless the context prevents it, the singular shall include the plural and the plural include the singular.

Power of Attorney and General

- 1 In exchange for the loan of the amount of credit and to enable the lender more effectively to obtain the benefits under this agreement, each borrower jointly and severally irrevocably appoints the lender and any one director of the lender severally to be the attorney of each borrower to do anything which the borrowers agree to do and to do anything and to sign any document which the attorney thinks desirable to ensure the lender is paid the money secured and otherwise to protect the interests of the lender under this agreement. Without in any way limiting the generality of the power, the attorney may execute any document for the purpose of creating a security interest under the PPSA. This power shall inure until the money secured has been paid to the lender in full. The borrowers ratify anything done by an attorney under this clause and further indemnify any person acting in reliance upon the power. If the lender assigns the benefit of this agreement the assignee shall have the same rights and powers under this clause as does the lender and each of you named as borrower irrevocably appoints the assignee his attorney accordingly.
- 2 Subject to any other clause of this agreement any notice, demand, letter or document for service on you shall be deemed to be properly served, in any court proceeding or otherwise, if served in accordance with the wording of Section 59A and Section 83G of the Credit Contracts and Consumer Finance Amendment Act 2014. This applies although that Act may not apply to the collateral and although the notice or demand is not one required or authorised under that Act. In addition, service on you or any of you shall be deemed to have been effected if such notice demand letter or document is handed to any person in apparent occupation of the address of any of you or of the property shown in this agreement by attaching the document to an external door at such address. In addition if your address is a flat or apartment or room in a building and if the lender or its agents are unable to obtain access to such flat, apartment or room by virtue of the security system of the building or for some other reason, then service will be deemed to have been effected on you if the document is posted at the letterbox corresponding to such flat, apartment or room. If there is no such letterbox, service will be deemed to have been effected on you if the document is affixed to what appears to be the principal external entry to the building for the purposes of obtaining access to the address provided by you or if the document is given to any building manager or receptionist for the building and directed to be given to you.
- 3 Service of any notice or document upon the lender must be done to the main office of the lender as disclosed on the initial disclosure document or in person to any offices of the lender.
- 4 You shall not be released from your obligations under this Agreement or have your liability reduced by any lack of legal capacity or other reason which would result in the Agreement not being enforceable against or any moneys not being recoverable from any other person nor by virtue of any security becoming all or partly void or unenforceable for any reason whatsoever.
- 5 You irrevocably authorise any person to provide the lender with such information as the lender may request as part of its administration and enforcement of the loan secured under this agreement and further irrevocably authorise the lender to provide to any third party details of the loan or any associated loan application or any financial dealings that the lender may have with the borrowers. You further promise that all information provided by you or on your behalf to enable the lender to decide whether or not to lend to you is true and correct and if is not true and correct, the lender may demand payment of the then outstanding balance of the loan and you will pay forthwith on such demand.
- 6 The law applicable to this agreement shall be the law of New Zealand.
- 7 You must make all payments as shown in the PAYMENTS section of the disclosure statement when due without any deduction or set-off or counter-claim and in such manner as the lender requires. If you make any payment which is not in accordance with the schedule of payments in the "PAYMENTS" section of the disclosure statement the lender may credit the payments in accordance with the schedule.
- 8 You must pay to the lender forthwith upon demand or when otherwise due (i) the lender's credit fees shown in the "CREDIT FEES AND CHARGES" section of the disclosure statement and (ii) the lenders 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 (iii) all of the lender's costs, expenses and any other liabilities not now known to the lender which may be incurred or suffered by the lender in connection with:
 - a The preparation, signing, registration, administration, variation and release of this security agreement or any financing statement in relation to this security interest and the negotiation and grant of any consent or waiver
 - b The exercise or enforcement or protection or the attempted exercise enforcement or protection of any right or remedy of the lender under this agreement or what the lender believes to be a right or remedy to which it is entitled including the conduct of any Court proceedings
 - c Any dispute negotiation or communication with any other secured party or party claiming to be a secured party with respect to the collateral and or the priority of the security interest granted by this agreement and
 - d The transfer of the security interest of any other secured party to the lender or the security interest of the lender to that secured party and
 - e Any dispute negotiation or communication with any of you or with any guarantor in default
 - f The lender's doing anything you should have done but which you have not done.
 - g Unidentified payments due to incorrectly referenced payments being made via the bank resulting in interest charges that may not have been applicable. All payments made in this way must be accompanied by your loan agreement number as the reference.

And you agree that such amounts are and are deemed to be contractual damages if they are incurred by you with the lender or suffered or incurred by the lender while you are in default hereunder and in any event if not paid shall incur default interest until paid in full. The lender may exercise all or any right, power or remedy at any time.

9 If you fail to pay one or more instalments in full so that you are in default but otherwise are paying on time, the lender, at its absolute discretion may add the unpaid amount to the loan thus extending the term and varying the final payment or payments. The lender may but is not bound to do this more than once.

10 If you fail to pay any instalment due on the due date, you shall pay to the lender default fees and default interest on the arrears portion of the unpaid balance from the due date of such instalment until actual payment of the instalment is made as outlined in the initial disclosure document.

11 To the extent allowed by law, the lender may from time to time without notice off set against any claim or demand which you may have any debt owed by you or claim or demand which the lender may have against you.

12 The lender may appropriate any payment received from you or money which is proceeds of the sale of collateral against any debt owed by you in any manner that the lender may decide, notwithstanding any appropriation you claim to have made or the fact that the time for payment of the amount has not arrived.

13 This agreement may secure future advances. This will apply even although any sum has been paid from time to time to the lender unless the borrower has asked for no further advances in writing. The lender can at any time stop further advances without notice for any reason.

14 In accordance with section 50 of the Credit Contracts and Consumer Finance Act 1993 you may repay the outstanding balance of your loan in full before it is due. However, you must also pay the lender the administrative costs arising from the full prepayment or a charge equal to its average administrative costs so arising. The lender may also charge you a fee representing a reasonable estimate of its loss arising from the full prepayment. The lender's method of calculating its loss is set out in the FULL PREPAYMENT section of the disclosure statement.

15 You must maintain a telephone connection. You consent to the lender's leaving the name of the lender with any person who answers that telephone number or any number provided by you and with any person shown as a contact person for you.

16 You must not change your name or address or the place where collateral which is security is stored or your telephone number without first giving the lender three working days notice of your intention to do so.

17 If the lender accepts any payment or banks any cheque, which you have made or forwarded in purported full satisfaction or in terms connoting accord and satisfaction, the lender will not be deemed by such acceptance or banking to have accepted the terms upon which the cheque is forwarded unless the lender has, before it receives the payment or cheque, agreed in writing to accept the amount in full satisfaction or otherwise as accord and satisfaction.

Security Interest

18 You must store any collateral which is goods at the address shown as that of its owner in the disclosure statement. You must not allow any collateral to be taken out of New Zealand. You must also care for and maintain collateral and comply with any laws relating to its ownership and use and you must not use it in any dangerous or illegal activity or for any purpose for which it was not intended. You may not race any collateral which is a motor vehicle. The lender may inspect any collateral on giving 24 hours written notice and you shall make such collateral available for inspection at the address that you have provided as the place where the owner lives.

19 You must not do anything or allow anything to happen which may impair or undermine any borrower's ownership of collateral or the lender's security interest in collateral. Further you must not grant any other security interest over collateral nor allow any 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 (see clause 16 above) or concealed from the lender. You must not obtain any personalised registration plate on any motor vehicle which is collateral nor otherwise alter or remove any serial number unless you first and in writing provide the lender with three working days' notice.

20 Any accessions (including accessories) which are attached to collateral which is goods shall become part of the collateral

21 The lender may take possession of the collateral for the purposes of perfecting its security interest under the PPSA at the borrower's request.

22 From time to time if required by the lender you must provide security for the money secured in the form of a security interest in a motor vehicle to the value of 100% of the money secured at that time.

23 You must insure or procure the insurance of the collateral which is goods and keep them insured against fire, accident, theft and all other risks as the lender may require both in the names of the lender and in your names for the lender's and your respective interests, all payments, in the event of a claim to be made to the lender. You must not do or allow any act or omission which causes the insurance be invalidated or cancelled.

24 If you fail to do anything which you must do or do anything you must not do, the lender may do or pay anything to remedy the default and may add that sum to the unpaid balance and if you do not pay the cost of such remedy on demand the lender may charge you default interest.

25 You indemnify the lender and will keep it indemnified against any claim from any person relating to the collateral. If the lender incurs any loss, liability or expense in respect of the collateral or this agreement as a result of any act or omission of yours then the amount of such loss, liability or expense plus goods and services tax if any shall be payable by you to the lender and shall become part of the money secured and the lender may charge default interest thereon.

26 The lender may assign its right, title and interest in the collateral in this agreement or any of them at any time.

27 If you default under this agreement the lender may, without notice save that required under the Credit Contracts and Consumer Finance Amendment Act 2014, seize the collateral and for such purposes you irrevocably give to the lender the right and licence for its agents to enter any premises and if necessary to break into any building where the collateral may be situated or where you are for the purpose of searching for and seizing the collateral. On seizure, the lender may sell the collateral by auction or otherwise in any manner and in all respects (including, without restricting the generality of the power, the right to buy in, give credit and allow payment over time) as if the lender were the unencumbered owner subject to any applicable obligations under the Personal Property Securities Act 1999 and under the Credit Contracts and Consumer Finance Amendment Act 2014. On such sale the receipt of the lender or its agent will be sufficient discharge to the purchaser for the purchase money and no purchaser shall be bound to investigate the propriety or regularity of any such sale or be affected by any notice express or constructive that such sale is improper or irregular.

28 In the event that, contrary to your obligations hereunder, another security interest has priority over that of the lender with respect to the collateral, and if the lender takes a transfer of that security interest to itself then any money owing under this agreement shall be deemed to be owing under the security agreement providing for the security interest with priority and default under this agreement shall be deemed to be default under the other security agreement

29 The lender shall not be obliged to marshal in your favour or in favour of any other person.

30 If the lender does not at any time have priority over all other secured parties in relation to any collateral then pursuant to section 107(1) of the PPSA, for the purposes of dealing with that collateral you and the lender contract out of sections 108 and 109 to the extent that the words "with priority over all other secured parties" in sections 108 and 109(1) shall not apply so as to restrict the lender's ability to seize and to sell the collateral.

31 You waive your right to receive a verification statement following registration of any security interest.

32 If you are borrowing money from the lender in order to purchase any property to be used as security for your debt to the lender, you must apply that money to the purchase and the lender may pay the loan money directly to the seller of the property. In addition, you authorise and request the lender to pay or apply any advance to you to the person named or for the purposes set out in this agreement or any separate writing provided to the lender by you. The lender may impose such conditions on the payment or on the application of the money as it sees necessary to protect any security interest it may have.