

## LOAN AND SECURITY DEED OF AGREEMENT GUARANTEE AND DISCLOSURE OF TERMS

This deed is made on the day and year shown before the signatures below BETWEEN **A A A FINANCE (NZ) LTD** (together with its successors and assigns called "the creditor or "we") AND the borrowers (also referred to as "you") (together with their executors and administrators) described below

### BACKGROUND

1. The creditor has agreed to lend to you the initial unpaid balance shown in the disclosure statement.
2. The borrowers shown as the owner of the collateral have agreed to grant a security interest in that property to the creditor

### OBLIGATION

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

**Unless we tell you otherwise you must make all payments by Bank Automatic Payments or Bank Deposit to the account of A A A Finance (NZ) Ltd Account Number xx xxxx xxxxxx xx**

### FULL NAME AND ADDRESS AND OTHER DETAILS OF BORROWER

Name                   SAMPLE AGREEMENT  
 Address               XX SAMPLE STREET LEVIN 5510  
 Date of Birth         XX/XX/XXXX  
 Occupation           .....

### DISCLOSURE STATEMENT FOR CONSUMER CREDIT CONTRACTS (other than revolving credit contracts)

**Statement Date**  
**xx/xx/xxxx**

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 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 consumer credit contract 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 providing you the credit.

You may send notices to the creditor by: <ul style="list-style-type: none"> <li>• writing to the creditor at the creditor's postal address;</li> <li>or</li> <li>• sending an email to the address specified</li> </ul>	<table style="width: 100%; border: none;"> <tr> <td style="width: 30%;">Name</td> <td>A A A FINANCE (NZ) LTD</td> </tr> <tr> <td>Physical and Postal address</td> <td>OFFICE SUIT ONE XXXXXXXXXXXXX LEVIN 5510</td> </tr> <tr> <td>Mobile Telephone:</td> <td>021 366610</td> </tr> <tr> <td>Telephone:</td> <td>06 3672120 (Levin)</td> </tr> <tr> <td>Email:</td> <td><a href="mailto:aaafin@xtra.co.nz">aaafin@xtra.co.nz</a></td> </tr> </table>	Name	A A A FINANCE (NZ) LTD	Physical and Postal address	OFFICE SUIT ONE XXXXXXXXXXXXX LEVIN 5510	Mobile Telephone:	021 366610	Telephone:	06 3672120 (Levin)	Email:	<a href="mailto:aaafin@xtra.co.nz">aaafin@xtra.co.nz</a>
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### CREDIT DETAILS

<b>Initial unpaid balance</b>	
This is the amount you owe as at the date of this statement (including any fees charged by the creditor).	
\$ -----	made up of
\$ -----	Advance
\$ -----	Establishment Fee

### Total advances

This is the total amount of all advances made or to be made to you:                   \$ -----

Borrowers and Guarantors initials.....



**WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS -- CONTINUED**

The security interest in the collateral to secure payment of the unpaid balance and the performance of the terms of this agreement. If the money owing is not paid when due or the terms of this agreement are not met the lender may take possession of the collateral goods and the goods may be sold.

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.

You may not give security over the collateral to any other person or company and if you do so, you will be in breach of this agreement and we may call up payment of the unpaid balance and may repossess and sell the collateral.

**Insurance**

As stated in the operative Terms the collateral must be fully insured at all times throughout the contract and our interest noted on the policy document.

Insurance Company: ..... Branch: .....

**Default interest charges and default fees**

We do not charge default interest.

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.

**Default Fees:**

**We will also charge to your account**

1. Payment dishonour fee of \$15.00 if payment into our account from your bank or your cheque is reversed or dishonoured.
2. Letter Fee of up to \$10.00 any time we have to write to you with regard to a missed payment(s) or in relation to any other default you commit under this agreement.
3. Repossession Warning Notice Fee of up to \$25 – 00 if we issue a repossession warning notice.
4. Repossession Documentation Fee of up to \$35 – 00 for documentation issued to the repossession agent.
5. Mileage fee if a staff member of ours travels to visit you on your default or to attend any meeting or any court or tribunal on your default. Mileage will be charged at the current rate for a 2 litre-engine-car.
6. Home Visit Fee of up to \$40.00 if we visit you in person at your home or place of work in relation to a missed payment(s) or any other default you commit under this agreement. We will only do this if we do not receive a response to a second or subsequent default reminder or are unable to get a personal response after two or more attempts to contact you by telephone using the telephone number you have supplied.
7. The costs to us of enforcement of this agreement on your default, including Court or Disputes Tribunal proceedings and repossession and sale of collateral including all court and tribunal costs and actual solicitors fees and disbursements (assessed on a solicitor client basis) and debt collection agency fees and disbursements and the costs and disbursements of valuers, auctioneers, process servers and any repossession or security agents or any agents of ours in enforcing this agreement. In addition we will charge you the cost of doing anything which you have failed to do and which we have done. We will also charge you for the costs expenses and other liabilities listed in paragraph 7(d) of the Operative terms arising out of your default.

**FULL PREPAYMENT**

We do not charge a fee for prepayment loss. You may have to pay the creditor's administrative costs relating to the full prepayment.

Administrative costs/fees of \$35.00 for our staff's work associated with receiving the request for and processing the full prepayment and in discharging or releasing any security. This may change if you ask for a full prepayment figure more than once. (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 the contract within 5 working days of the statement date on the front of this document if you receive this document in person on the statement date on the front of this document.

or

You must give notice that you intend to cancel the contract within 9 working days of the date that this document is emailed, or posted to you the borrower.

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 the notice to the creditor or an agent of the creditor; or
- emailing the notice to the creditor's email address as 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 for the period from the day you received the advance until the day you repay the advance

## WHAT TO DO IF YOU SUFFER UNFORSEEN HARDSHIP

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

To apply for a hardship variation, you need to:

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

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

## DISPUTE RESOLUTION

Name of dispute resolution scheme: FINANCIAL SERVICES COMPLAINTS LTD

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: 0800 347 257

Website: [www.fscl.org.nz](http://www.fscl.org.nz)

Business address: Level 13, Forsyth Barr House, 45 Johnstone Street, Wellington.

**REGISTRATION ON FINANCIAL SERVICE PROVIDER REGISTER**

Creditor registration name: KENNETH DAVID ANDERSON      Registration number: FSP296006

**I acknowledge receipt of a copy of this disclosure and of the Operative Terms and of the Loan Payment Schedule.  
I agree as set out in the disclosure statement and the operative terms.**

Date of Signature:                      ----- DAY OF ----- 2021

Signed by the borrower:                      .....  
Mr SAMPLE

in the presence of:  
Signature of witness                      .....

(print name of witness)

.....  
Address of witness

.....  
Occupation of witness

Borrowers and Guarantors initials.....

## Operative Terms

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

1. Meanings:
  - a. The expression "Accelerate" means call up or ask for immediate payment of any amount before it would otherwise be due under this agreement. If we accelerate payment you must pay straight away. "At risk" has the meaning set out in sub-paragraph (b) of this paragraph. "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 you do something you are required not to do or fail to do something you are required to do. "Default interest" and "Default Fees" 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 and still fail to pay an instalment or other payment when due "Initial Unpaid Balance" is the amount you owe at the date of this agreement statement 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. "Legal paper" means a document or a notice or other written paperwork about this agreement. "Creditor" 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 creditor assigns its rights under this agreement or who otherwise takes over the creditor'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. "Obligation" means something that you must do or that you 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" means the Personal Property Securities Act 1999. "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. "Working day" means any day but a Saturday, Sunday or a national public holiday. 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 Credit Contracts and Consumer Finance Act 2003 unless the context requires otherwise. Unless the context prevents it, the singular shall include the plural and the plural include the singular and one gender includes others so 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 consumer 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.
  - c. **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 1 **Meaning**) then this paragraph 2 applies to you
  - a. You grant to us a security interest over that collateral. That means your goods (such as a motor car) 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 us 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, we may seize certain collateral (for example repossess your goods) and sell it to pay the unpaid balance or overdue amount. (See paragraph 26 of these operative terms.)
  - c. If you default we may also apply to the Court for an order that any or all of your collateral be seized and sold
  - d. You promise us that nobody else has the right to repossess and sell the collateral and nobody else owns it unless you have told the creditor in writing before you signed this agreement. We may accelerate payment of the unpaid balance if that is not true.
  - e. You must not grant any security interest over the collateral to anybody else and we may accelerate payment of the unpaid balance if you do so.
3.
  - 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

Borrowers and Guarantors initials.....

- 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 0, 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 a legal papers or how we are to tell you about them, you agree that legal papers may be served on you at the last address that we have 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 either 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 legal paper will be sufficiently served or given 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 or given to you 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 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 given 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. That means we may communicate with you in any way that we can on the Internet.
- 4. **You are not released from liability just because somebody else is.** Somebody else may be a borrower under this agreement as well as you or is a guarantor under a guarantee. 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.
- 5. **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.
- 6. **You must make all payments in full when due.** You must make all payments as shown in the “PAYMENTS” section of the disclosure statement and the Loan Payment Schedule attached to this agreement when they are due
  - a. You must make all payments without any deduction or withholding for any purpose whether by way of set-off or counter-claim and in such manner as we require.
  - b. That means 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 you make any payment which is not in accordance with the Schedule Of Payments in the ‘PAYMENTS’ section of the disclosure statement the creditor may credit the payments in accordance with the schedule. The creditor may also decline to accept any part prepayment but if it accepts it, the creditor may charge you administrative costs associated with the prepayment.

7. **You must pay the creditor all interest and credit fees and default fees.** You must pay to us forthwith when we ask or when 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
  - 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 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 our costs which we may suffer 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 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 motor car 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 motor car 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 paragraph 7 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 we prove the amounts.
8. Our costs referred to in paragraph 7 **include**:
- a. Our own internal administration fees and
  - b. Expenses and any other liabilities we do not now know about.
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 creditor, at its absolute discretion may add the unpaid amount to the loan thus extending the term and varying the final payment or payments. The creditor may but is not bound to do this more than once.
10. Subject to section 128 of the Property Law Act 2007 (which in some cases requires a legal document to be sent about collateral goods which are not consumer goods) we may accelerate repayment of the loan and require you to pay the unpaid balance to us straight away (forthwith) if:
- a. Any goods included in the collateral are at risk
  - b. You breach any paragraph that states that we may accelerate payment on such breach.
  - c. You fail to pay any money for 5 working days after it is due or
  - d. You continue any other default for 9 working days after the posting of any notice of that default to you (or 5 working days if such notice is sent by electronic means).

We may call up that money even although the time for payment has not yet been reached.

11. **Default Interest and Default fees.**
- a. If you are in any default at all you must pay default fees. You must pay default fees from when you fall into any default until you cease that default.
  - b. We may debit all default fees as set out in the "**Default charges and default fees**" section of the disclosure statement and they will become part of the unpaid balance. You must continue to pay default and credit fees (including the cost of any court action or Disputes Tribunal claim) after judgment against you and they will accrue (you will owe them) without our giving you any notice or making demand. That means you must keep paying them after we sue you in a court or tribunal for all or any part of the unpaid balance and obtain a judgment or an order that you must pay.
  - c. Your obligation to pay any interest and credit and default fees is subject to section 83M of the Credit Contracts and Consumer Finance Act which prevents us from charging costs or interest on any part of the unpaid balance after we have sold consumer goods collateral.

12. **The creditor may set-off any debt to you.** We may reduce any amount we owe you by any amount that you owe us.

13. **The creditor may receive commission on any insurance which it arranges for you.**
14. **The creditor may appropriate payments as it sees fit.** If we receive any money from you or as proceeds of the sale of collateral we may appropriate (credit) that money against the unpaid balance in any way we wish and you may not require us to apply any payment toward what you may regard as any part of the unpaid balance.
15. **This agreement secures future advances.** If you borrow money from us or we give you other value after you sign this agreement we will still have a security interest in the collateral. This will apply even if you have repaid money we have 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.
16. **You may repay your loan early.** You may repay the unpaid balance in full before it is due. However you must also pay us
  - a. the administrative costs of the full prepayment or
  - b. a charge equal to our average administrative costs of the full prepayment.
17. **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), or there is no telephone number, you agree that we may:
  - a. advise any person who answers **any** telephone number we have for you
    - (i) who we are and that we are trying to talk to you and
    - (ii) that we wish you to contact us and
  - b. leave messages with that person.If you breach this paragraph we may accelerate payment of the unpaid balance.
18. **You must always keep us up to date with your name, 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.
19. **Only written changes to this agreement are binding and this is the complete agreement.** This is all of 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 specifically (explicitly, precisely) 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.**

20. **How you must store and care for and use collateral goods and protect the creditor's interest in them. We may accelerate payment of the unpaid balance if you breach this paragraph.**
  - a. 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 paragraph 18.
  - b. 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.
  - c. 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.
  - d. 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.
  - e. 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.
  - f. You must not use (or allow to be used) 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.
  - g. You must not
    - i. drive any collateral motor vehicle when
      1. you do not hold a driver's license or
      2. you are disqualified from driving or
      3. you have a breath or blood alcohol level beyond any legal limit nor
    - ii. allow any other person to drive when unlicensed or disqualified or with illegal breath or blood alcohol level

- h. You must not
    - i. 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.
    - ii. make any unjustified application under section 162 of the PPSA.
    - iii. 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 1 above)
    - iv. 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 straightaway in writing.
  - i. 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 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 any collateral goods properly and if they are a motor vehicle you must fix up any damage to those parts of the motor vehicle inside and out, including painting.
21. **The creditor may inspect any collateral goods 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.
22. **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 also give us any serial numbers and part numbers on it so that we know about it. If you do not tell us about any replacement, we may accelerate payment of the unpaid balance.
23. **You must insure the collateral.** You must insure or arrange the insurance of the collateral which is goods to its full insurable value and keep it 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. If you breach this paragraph, we may accelerate payment of the unpaid balance.
- a. The insurance policy must be names of the creditor (us) and in the names of the owners for the creditor'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.
  - b. The insurance policy must say that all payments, in the event of a claim, will be made to us.
  - c. Insurance must be with an insurer licensed under the Insurance (Prudential Supervision) Act 2010 or any Act in replacement.
  - d. If we ask you to, you must insure with a company that we name but otherwise (subject to (c)) you may insure with whoever you wish.
  - e. 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.
  - f. You must provide us with receipts for the insurance premiums and an insurance company certificate of the insurance if we ask you for them.
  - g. We may use the insurance money to repay the unpaid balance even though it or part of it has not yet fallen due.
24. **Creditor may remedy your default at your cost.** If you fail to do anything which you must do or if you do anything 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 the cost of doing or paying to the unpaid balance. That includes work that we may carry out on goods we have repossessed so that they are more saleable or to carry out maintenance which you should have carried out.
25. **You must compensate the creditor if anyone makes a claim against the collateral.** If in relation to the collateral 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 against you and as a result 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.
26. **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 any power of attorney) will apply to the assignee as if the assignee were the creditor. The assignee may enforce this agreement against you. You have no right to assign rights under this agreement.
27. **The Creditor 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 specifically identified by item and kind in the disclosure statement 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) or our right to sell and he does not need to ask.
28. **The creditor 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.
29. **You waive your right to receive a verification statement. You waive your right to receive a verification statement** following registration of any security interest.
30. **The creditor may pay a third party directly with borrowed money.** If you are borrowing money from us in order to buy property (whether or not we take a security over that property), or to repay a loan or to pay any debt
- a. We may pay the money directly to the seller of that property or to the other creditor or to the 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.

ACKNOWLEDGEMENT AND AGREEMENT

**I as Borrower have had the time to obtain independent legal advice and I have made my own decision whether or not to do so.**

Borrowers and Guarantors initials.....