

## Sample Contract – (With Payment Reminder Unit installed) [Pages 1-15]

### LOAN CONTRACT AND DISCLOSURE STATEMENT

Contract Number: Account.AccountId

The Lender agrees to lend and the Borrower accepts a loan of the amount upon the terms and conditions set out in this Loan Contract. The Borrower(s) and the Guarantor(s) agree to fully comply with all terms and conditions:

#### Lender (“us”):

Broadlands Finance Limited, 445 Karangahape Road, PO Box 68548, Victoria St West, Auckland 1142.

Phone: 09 363 8899 / 0800 22 33 50 Email: [finance@broadlands.co.nz](mailto:finance@broadlands.co.nz)

#### Borrower (“you”):

JointNames

The Loan: OpeningBalance

**The Loan represents the Initial Unpaid Balance, the Total Credit, the Total Advances made or to be made and the Credit Limit.** This is the amount you owe as at the date of this Loan Contract including any fees charged by the Lender and is made up as follows:

#### OpeningTransactions

**Date of Advance** of the Loan, date of signing of this Loan Contract and date of disclosure under Credit Contracts and Consumer Finance Act 2003: Account.DateOpened

**Subsequent Advances:** It is not intended to make any further advances to you under this Loan Contract.

**Payments:** You agree to make the following payments, free and clear of any deduction or withholding for tax or otherwise on account of the initial unpaid balance and interest charges by the time specified:

#### PaymentDetails

Total amount of payments: TotalPayments

If, in a particular month, there is no such date which corresponds to the date you are to make your payment, you must make that payment before the end of the day on the last day of that month. You must make all payments by automatic payment or direct debit bank authority to the bank account we specify to you from time to time or as we otherwise agree.

**Annual Interest Rate:** AnnualRate being Term instalments.

**Total Interest Charges:** TotalInterest is the total amount of interest charges payable under the Loan Contract.

**Method of Charging Interest:** InterestMethod

**Credit Fees and Charges (excluding interest):** The following fees and charges (which are not included in the initial unpaid balance) are or may become payable in accordance with the terms of the Loan Contract:

Loan administration fee of \$2 per week

Security modification fee of \$95

Loan Restructure fee \$100

Refund Transaction fee \$20

Settlement fee \$65

Administration fees and costs payable on full prepayment are set out in the Full Prepayment section.

**Default Interest, Charges and Fees:** Default Interest is charged at the rate of DefaultInterest per annum higher than the annual interest rate as per clause 2.2 of this Loan Contract where any amounts payable are overdue for

payment. If you default, you will also be obliged to pay reasonable costs and expenses incurred by us as a consequence of the default (including any costs incurred in obtaining payment or enforcing of our security).

The following fees may be charged to the loan if activity is required as a result of your default: -

Text message fee \$0.20; Phone call fee \$2.00; Reminder alarm activation / deactivation fee \$2.50;

Immobilising / Reactivation fee \$5.00; Repossession Warning notice fee \$25.00; Repossession Order fee \$35.00

Post Possession Notice Fee \$40.00; Letter of Demand \$25.00;

For every default you will also be charged a **Default Recovery Fee of \$15.00 per week**, which will be added to your account.

**Full Prepayment:** If you pay the unpaid balance in full before the final payment is due (which you are entitled to do at any time), you will be required to pay, in addition to the balance, our reasonable administration costs arising from the repayment and a charge representing a reasonable estimate of our loss arising from the full repayment calculated in accordance with clause 8. In addition, you will be entitled to obtain from the relevant insurance providers a rebate of insurance premiums paid and calculated in accordance with the Credit Contracts and Consumer Finance Act 2003.

**Part Prepayment:** The Borrower has no right to make part prepayments of the Loan, subject to clause 8.

**Security for Loan:**

<b>AccountSecurity</b>
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You agree to grant the Lender a security interest over the above motor vehicle and any vehicle that you acquire as a replacement for this vehicle under a specific security agreement. We are entitled to fit a disabling device to a motor vehicle over which we have a security interest. We also have the right to activate this device if you fail to make a payment on the required date or breach any other term of this Loan Contract. Further information on how the disabling device functions is set out below.

**Land**

Certificate of Title PropertyTitle, address PropertyAddress

You agree to grant the Lender a mortgage over the above land under a specific security agreement.

This security interest and mortgage could be enforced if you are in breach of the Loan Contract. In particular, if you fail to make the required payments. If the security interest is enforced, the vehicle (or its replacement) could be repossessed and sold. If the mortgage is enforced, the land could be sold. Sale proceeds will be used to pay any unpaid loan amount, interest and fees which you owe us.

If there is a surplus following sale, it will be used to satisfy the claims of other creditors as required by law. If any amount remains following satisfaction of these claims, it will be returned to you. If you still owe us money following the sale of these assets, we are entitled to recover this balance from you. You should be aware of these consequences before granting the security interest, and any mortgage, to us.

If you grant a security interest or mortgage over the above assets to another creditor, without our prior written approval, this is a breach of this Loan Contract. If you do not remedy (i.e. fix) this breach by arranging for such security to be discharged, we may demand the full amount owing under the Loan Contract be repaid to us. In the event that you are unable to make this payment, then we may repossess or take possession of the assets, sell them and apply the proceeds to the amounts owing to us in the manner described above.

**GST Declaration:**

Is the Borrower GST registered? Yes / No \_\_\_\_\_ If yes, GST No .....

**General Authority from Borrower(s) and Guarantor(s) to Lender for collection, use and disclosure of information:**

The Borrower(s)/ Guarantor(s) severally acknowledge, authorise and agree that:

1. The Lender may make enquiries of any reference, source, credit reference or government agency including N.Z. Income Support Services, as may from time to time be required by the Lender in connection with my applications and obligations to the Lender or services or any other dealings of whatever nature that I may have with the Lender.
2. Any default in my obligations to the Lender may be disclosed to credit reference agencies or other credit

providers.

3. The Lender may rely on this authorisation for all and any further applications for the Lender's lending services and for all other dealings of whatever nature I may have with the Lender.
4. This authority is irrevocable.

Under the Privacy Act 1993 you have the right of access to and correction of personal information which we hold about you. You may also request the details of every organisation or person to whom we have disclosed information about you.

#### **Disabling Devices:**

It is a condition of the advance that you purchase a disabling device with a GPS function nominated by us and that the disabling device be fitted to the vehicle and that the device is monitored by our nominated agent and operated by us at your cost until the loan has been repaid. The unit does not interfere with any part of the operation of the vehicle on a day to day basis. However, if you fail to make any payment under this Loan Contract, the unit will first send an audible alarm sound which will remind you to make a payment. We will send you a text and email reminding you to make the payment and warning that the vehicle will be immobilised if you fail to do so. If you do not make the payment within 5 days of the text / email, then we may immobilise your vehicle making it impossible for you to start. The vehicle will be mobilised once you pay the missed payment plus any default interest and fees payable. If you wish to avoid having your vehicle immobilised, we suggest that you make the payments on the dates set out in this Loan Contract.

The unit also functions as a GPS (Global Positioning System) which can tell the location of your vehicle at all times. We do not actively view GPS data unless you have missed a payment and not responded to the reminder text. If this happens or you breach any other term of the Loan Contract, we will use this data to locate the motor vehicle. We may also disclose the information to a third party for recovery and protection purposes. You have the right to access the GPS data of your vehicle. You must request this information by email to [finance@broadlands.co.nz](mailto:finance@broadlands.co.nz). We will respond with the information within 3 working days. If the request is urgent, please contact the Lender on 0800 22 33 50. If the immobilised vehicle is required in an emergency situation, you may obtain use of it by contacting us and explaining the nature of the emergency.

Where it is a condition of the loan that you obtain an upgraded driving licence a breach of that condition can result in the activation of the disabling device.

A breach of the continuing obligation to insure the vehicle can result in the activation of the disabling device.

*Important - Tampering or interfering with the GPS Disabling Unit in any way is prohibited at all times. This includes obstructing the vehicle from disabling and/or obstructing the GPS unit from carrying a signal to and from Broadlands Finance. If the unit is tampered with, Broadlands Finance will deem this as "security at risk" and will repossess the vehicle immediately without notice.*

#### **Hardship:**

If due to illness, injury, loss of employment, the end of a relationship or other reasonable cause, you consider that you are unable to reasonably meet your obligations under the Loan Contract, you may apply to us in writing for an extension to the term of the Loan Contract and/or postponement of obligations to make payments to us. Your application should be sent by post, fax or email to us. Our contact details are set out above. Your application will need to set out the reasons why you think these unforeseen events mean you cannot meet your current obligations. Also, you may not make an application if you have been in default for two weeks or more after receiving a repossession warning notice or a notice under s119 of the Property Law Act 2007 or you have failed to make four or more consecutive periodic payments by or on the due dates or you have been in default for two months or more (unless you have first remedied the default to the extent it can be remedied) or if the circumstances which cause your hardship (or similar circumstances) were reasonably foreseeable when you signed the Loan Contract. We will not take enforcement action against you while your application is being decided. However, if your application is successful, we are permitted to charge a fee that compensates us for the costs incurred in re-documenting any changes to the Loan Contract.

#### **Continuing Disclosure**

The frequency with which continuing disclosure statements will be provided (assuming that section 21 does not apply): 6 monthly.

#### **Consent to Electronic Communications**

Broadlands consents to receive notices or other communications from you in electronic form by email to its email address [finance@broadlands.co.nz](mailto:finance@broadlands.co.nz). You agree to receive notices and disclosure of documents or other communications from Broadlands in electronic form by email to your email address.

## **Dispute Resolution:**

You are entitled to complain to us in relation to any enforcement action we may take including repossession of the motor vehicle. If we are unable to resolve the complaint, you may within 14 days of receiving notice of our decision, refer the complaint to our dispute resolution scheme: Financial Dispute Resolution, Level 9, 101 Featherstone Street, Wellington 6011, further details available on [www.fdr.org.nz](http://www.fdr.org.nz)

## **Registration under Financial Services Providers (Registration Dispute Resolution) Act:**

Broadlands Finance Limited is registered as a financial service provider under registration number FSP 39968.

**ADVICE TO THE BORROWER** - Under the provisions of the Credit Contracts and Consumer Finance Act 2003

### **Statement of Right to Cancel**

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

### **How to cancel**

If you want to cancel this Loan Contract you must give written notice to the Lender. You must also return to the Lender the Loan and any other property received by you under the Loan Contract. You must also pay the cash price for the property (or the balance of the cash price after deducting any amount you have already paid) within 15 working days of the day you give the cancellation notice.

### **Time Limits for Cancellation**

If the Loan Contract is handed to you directly, you must give notice that you intend to cancel within 5 working days after you receive the Loan Contract. Saturday, Sunday and National Public Holidays are not counted as working days.

### **What you have to pay if you cancel**

If you cancel the Loan Contract, we can charge you:

- the amount of any reasonable expenses we have to pay in connection with the Loan Contract and its cancellation (including legal fees and fees for credit reports, etc);
- interest and credit fees payable up until the date you repay the advance;
- interest for the period from the day you received the property which you used the loan to purchase until the day you either pay the cash price for that property or return the property to us;
- If any returned property has been damaged while in your possession, the costs of repairing the damage.

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

### **Acknowledgement**

In signing this Loan Contract, the Borrower(s)/ Guarantor(s) jointly and severally acknowledge and agree that he/she/it:

1. has read and understood this Loan Contract and the above "Advice to the Borrower";
2. has received a copy of this Loan Contract and the securities for the Loan;
3. has signed this Loan Contract and as applicable, the attached securities relying on his/her/its own judgment;
4. will notify the Lender two (2) days in advance of any change of name or address; and
5. is liable and undertake to pay, perform and comply with all payments, covenants and agreements on his/her/its part to be paid, performed or complied with under the Loan Contract.

### **Execution by the**

JointNames2

## **OTHER TERMS AND CONDITIONS OF THIS LOAN CONTRACT:**

### **1. Definitions**

1.1 In this Loan Contract, unless the context otherwise requires:

**Act or CCCFA** means the Credit Contracts and Consumer Finance Act 2003;

**Event of Default** means any of the events described in clause 5;

**Insolvency Event** means, in relation to a person:

- (a) If any step is taken by anybody for the winding-up or bankruptcy of the person, except, by a reconstruction on terms approved by the Lender before that step is taken;
- (b) if a receiver, or administrator is appointed in respect of the person or any of that person's assets; or
- (c) if the person:
  - (i) becomes insolvent or is unable to pay its debts as they fall due or is deemed to be so under any law; or
  - (ii) stops or suspends payment of any of its indebtedness or threatens to do so; or
  - (iii) makes, or proposes to make, an arrangement or composition with other creditors.

**a person** includes reference to any natural person, body corporate or unincorporated body.

Any terms capitalised in the Disclosure Statement are defined terms in this Loan Contract.

**PPSA** means the Personal Property Securities Act 1999.

**security interest** includes any arrangement which falls within the definition of a "security interest" in the PPSA.

### **2. Interest- Special Provisions**

2.1 **Determining a day for interest charges:** A day shall be regarded as ending at 3 pm for the purposes of determining interest. Interest is calculated daily and will be charged on that day or at a later time if permitted by us.

2.2 **Default Interest Rate:** Where any amounts payable are overdue for payment, interest shall be payable at the Default Interest Rate on the overdue amounts (including interest which has been charged to the account of the Borrower and which remains unpaid) computed from the dates on which the payment should have been made until the dates of actual payment. Where the whole of the balance of the Loan and other moneys has become payable due to an Event of Default, that balance and the other moneys are amounts which are overdue for payment.

### **3. Securities**

3.1 The terms of the Securities are incorporated into the Loan Contract so that a breach of such terms is a breach of the Loan Contract.

3.2 To the extent there is any conflict, the terms of the Loan Contract shall prevail over the terms of the Securities.

### **4. Notices**

4.1 Any notice or communication to be given to the Borrower and/or to the Guarantor under his Loan Contract shall be in writing and shall be delivered personally or sent by post to your or the Guarantor's last known address.

### **5. Events of Default**

5.1 Upon the happening of any of the events listed below, you agree that the balance of the Loan outstanding and all other moneys payable including all accrued interest (including any Default Interest payable) shall become due and payable immediately.

The events are:

- (a) If you default in performing any obligation under the Loan Contract or any other agreement to which the Lender and you are parties or in payment of any of the moneys payable under this Loan Contract on the date for payment (time being strictly of the essence); or
- (b) If an Insolvency Event occurs in respect of you or the Guarantor; or
- (c) Your or the Guarantor's property becomes subject to repossession; or
- (d) If any judgment is obtained against you or the Guarantor which is unsatisfied for 7 days; or
- (e) If you default under any of the Securities and do not remedy the default within 7 days of us asking you to

remedy it; or

- (f) Any statement made by you or the Guarantor in the Loan Application is found to be incorrect in any material respect; or
- (g) Any term in the Loan Contract or Securities is or becomes unenforceable, of no effect or you or the Guarantor make a claim of this nature; or
- (h) You or the Guarantor default under any other financing or security agreement; or
- (i) If we are unable to register our securities or you cause the securities to be registered late; or
- (j) You or the Guarantor fail to maintain full replacement insurance over any secured personal property (i.e. any vehicle) or material damage insurance over any land subject to the security.
- (k) If you grant security over any of the assets which are security for this loan to another party without our prior written consent.

## **6. No Deductions**

6.1 All payments to be made by you under this Loan Contract are made free of any deduction including tax.

## **7. Lender's Right of Set-Off**

7.1 We may set off any money we hold for you against any amount you owe under the Loan Contract without advising you.

## **8. Early Repayment**

8.1 We are obliged to accept full repayment of the loan on the terms set out in the Loan Contract. However, we may decline to accept any part prepayment of the Loan. If we agree to accept a part prepayment:

- (a) We may credit the part prepayment in accordance with the proposed schedule of payments in the Loan Contract; and
- (b) You must pay our administrative costs arising from the part prepayment and a charge representing a reasonable estimate of our loss arising from the part repayment.

8.2 The amount of our loss when a prepayment of the Loan is made in full is calculated using the formula prescribed in regulations made for that purpose under the CCCFA.

## **9. Instrument Costs**

9.1 You shall also pay all legal costs incurred in discharging the Loan and security on repayment. These charges will include any fees incurred in discharging any financing statements under the PPSA and/or any other registered security including any caveats.

## **10. Power of Attorney**

10.1 You and the Guarantor each severally appoint us, our directors and managers as your attorney to give effect to our rights under the Loan Contract and Securities to make and sign any instrument, deed or document and do any other act or thing that the attorney considers necessary.

## **11. Joint and Several Liability**

11.1 Where there is more than one Borrower each Borrower shall be jointly and severally liable under the Loan Contract.

11.2 Where there is more than one Guarantor each Guarantor shall be jointly and severally liable under the Loan Contract.

## **12. Security Interest**

12.1 You and the Guarantor agree to provide us with any requested details regarding any property over which we take security which we ask for in order to protect our interest in that property. You also agree to deliver to us any property which we agree shall form part of the security provided.

12.2 You waive the right to be given a verification statement in relation to a financing statement under the PPSA.

## **13. Guarantor**

13.1 The Guarantor unconditionally agrees to guarantee payment of all moneys owing under the Loan Contract by you, the performance of all obligations under the Loan Contract and securities. The Guarantor's liability will be as principal debtor. In other words, we will be entitled to recover the money owing and take other action against the Guarantor as if he or she is the Borrower. Such action will not release you from your obligations as Borrower. The

Guarantor also agrees to indemnify the Lender. This means that the Guarantor agrees to pay all amounts owing, costs and expenses which arise from a breach of any obligations under the Loan Contract and Securities.

#### **14. Credit Contracts and Consumer Finance Act 2003**

14.1 The parties agree that the provisions of the Act applicable to consumer credit contracts will only apply if:

- (a) You are a natural person; and
- (b) You enter into this Loan Contract primarily for personal, domestic or household purposes.

#### **15. Further Assurances**

15.1 You agree to sign any additional or replacement documents that we request to ensure that we can enforce our security and are properly protected under our security.

15.2 You acknowledge that a statement from us setting out any amounts which you owe us under the Loan Contract is conclusive proof that you owe us that amount.

#### **16 Payment of Standard Fees and Charges**

16.1 You agree to pay the standard fees and charges applied to Consumer Credit Contracts as and when appropriately charged by the Lender as follows:-

##### **Loan Establishment Fee**

A fee relating to receiving, approving and establishing of a new loan or a top-up as disclosed in the individual credit contract. Paid upon payment out of the loan advance.

- \$350 for one borrower
- \$450 for two or more borrowers

##### **Loan Administration Fee**

A fee to cover the administration of a loan. Calculated as part of the instalment and disclosed in the individual credit contract.

- \$2 per week

##### **Referral Fee**

A Broker or Vehicle Dealer has the option of charging a referral fee that, if taken, is charged to the loan when the loan is paid out. Maximum Amount charged is \$1,500. Not applicable if loan application is made direct to Broadlands Finance Limited by the borrower.

##### **Security Modification Fee**

A fee charged to the loan when the security offered for a loan is to be changed.

- \$95

##### **Loan Restructure Fee**

Charged when an existing loan is restructured to assist a borrower who is having difficulty in maintaining current payments or wishes to restructure the loan

- \$100

##### **Refund Transaction Fee**

We may charge you this fee if you overpay us and we have to refund you.

- \$20

##### **Additional Statement Fee**

The charge when you request an additional statement outside of the normal statement cycle.

- \$5

##### **Settlement Fee**

We may charge this administration fee on settlement of the loan.

- \$65

## **COLLECTION FEES**

These fees are charged to the loan if activity is required as a result of your default.

### **Text Message Fee**

A fee is charged to the loan when attempts are made to contact the borrower(s) / guarantor(s) via text message after a breach of the loan agreement has occurred (eg overdue loan instalments). Applies per text sent.

- \$0.20

### **Phone Call Fee**

A fee is charged to the loan when attempts are made to contact the borrower(s) / guarantor(s) via telephone after a breach of the loan agreement has occurred (eg overdue loan instalments). Applies on a per-call basis.

- \$2

### **Reminder Alarm – Activation / Deactivation Fee**

Charged to the loan when we need to activate / deactivate the reminder alarm after a breach of the loan contract (eg overdue loan instalments).

- \$2.50 per activation / deactivation

### **Immobilising / Reactivation Fee**

Charged to the loan when we need to immobilize the vehicle after a breach of the loan contract (eg overdue loan instalments) or to reactivate the ability to start the vehicle.

- \$5 per immobilizing / reactivation of vehicle

### **Repossession Warning Notice Fee**

Issued under the Credit Contracts and Consumer Finance Act 2003 after a breach of the loan contract (eg overdue loan instalments). Charged to the loan at the time the notice is issued.

- \$25

### **Repossession Order Fee**

Issued when we authorize our repossession agent to repossess the loan security when the action stated in a Repossession Warning Notice has not been completed within the stated timeframe.

- \$35

### **Post Possession Notice Fee**

Issued following the repossession of security under the Credit Contracts and Consumer Finance Act 2003. Charged to the loan at the time the notice is issued.

- \$40

### **Letter of Demand**

Issued when we demand payment of the loan if we have not repossessed the security.

- \$25

### **Recovery Costs**

Costs incurred by a third party (eg a repossession agent) will be charged to the loan for the invoiced amount. Copies of invoices are available on request.



**Default Interest**

In the event of the loan instalment not being made in full on due date we will charge default interest at the default interest rate stated on the individual loan agreement from the time the payment was missed until the arrears are paid. The default interest rate is the annual interest rate at the time of the default plus 10% per annum.

**Default Fee**

A fee of \$15.00 per week charged to the loan when the loan or loan payments are in default.

**Fees and Costs added to loan balance**

If the Lender charges you any of the above fees or costs, we will add that amount to the Loan principal. That means we will charge interest on that amount until you pay it.

**SPECIFIC SECURITIES AGREEMENT**

Broadlands Finance Limited ("Broadlands" and "Security Holder")

(the "Debtor")

In consideration of us agreeing to make a loan to you under the Loan Contract, you agree to grant us a security interest in the collateral described below ("Collateral"). This security interest also applies to any proceeds from the sale or other dealing with the Collateral.

**Schedule**

(Description of Collateral) Collateral Type –

<b>AccountSecurity</b>
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You also agree to grant the Security Holder a security interest over any vehicle that you acquire as a replacement for this vehicle. The Security Holder is entitled to fit a disabling device to a motor vehicle over which it has a security interest under this SSA. It also has the right to activate this device if you fail to make a payment on the required date or breach any other term of this SSA or the Loan Contract. Further information on how the disabling device functions is set out in the Loan Contract.

**Real Property** – You agree to mortgage the land described and comprised in Certificate of Title PropertyTitle, address PropertyAddress on the terms set out in this SSA and otherwise on the terms set out in ADLS Registerable Memorandum 2011/4300

**Signed by the**

JointNames3

## SPECIFIC SECURITY AGREEMENT-TERMS AND CONDITIONS

### Laws

This Agreement is governed by New Zealand law, including the Personal Property Securities Act 1999 and any amendments ("the Act"). The terms of this Agreement are binding on the Security Holder and the Debtor except where they may conflict with the Act

**Definitions:** In this Specific Security Agreement (SSA) the following terms should be read in the following context:

"CCCFA" means the Credit Contracts and Consumer Finance Act 2003 and includes all modifications and amendments.

"Collateral Securities" means a security interest given at any time in favour of the Security Holder by any Covenantor as an additional security or guarantee collateral to or in support of this Agreement and such expression includes any variation of any such security interest.

"Covenantor" means any other person, including a Guarantor, who has agreed to pay any amount you owe to us.

"Event of Default" means an event listed in clause 7 of this SSA.

- 1. Joint and Several Liability:** If there are two Borrowers, your obligations under this SSA will be joint and several.
- 2. Notice to Others:** You should advise your insurance company that you have provided security over the Collateral to us.
- 3. Collateral to be Acquired:** If a loan is provided to purchase Collateral over which Security is given, you agree to apply the funds to the purchase of this Collateral and sign all documents and do all things required to make the Collateral subject to this SSA.
- 4. Debtor's Undertakings:**

You agree (until the SSA is released) to:

- a) comply with all laws relating to the ownership and use of the Collateral;
  - b) Pay all outgoing (including rates, taxes, insurance, registration costs) in respect of the Collateral no later than the time when due;
  - c) Not allow any other property to become an accession to the Collateral without our consent;
  - d) Not otherwise modify, alter, deface or dismantle the Collateral;
  - e) Not remove the Collateral from New Zealand;
  - f) Not provide a security interest over the Collateral to another party;
  - g) Advise us of any enforcement action taken in respect of the Collateral or if any event occurs which could result in enforcement;
  - h) Use your best endeavours to comply with your obligations under the SSA;
  - i) Maintain the Collateral in good condition and not modify or otherwise interfere with it;
  - j) Repair the Collateral if we ask you to do so;
  - k) Not do anything or omit to do anything which could result in a material deterioration of the Collateral or prejudice any insurance policy in respect of the Collateral;
  - l) Keep in place all warranties, licences, registrations and other approvals required to operate or maintain the Collateral;
  - m) Pay all moneys owing under the Loan Contract or other arrangement with us on time and otherwise comply with all obligations under the Loan Contract or any other arrangement between us.
  - n) Pay all monitoring charges for the disabling device until the loan has been repaid in full.
- 5. Use of Collateral:** If the Collateral has been acquired for business use, the Consumer Guarantees Act 1993 and the CCCFA will not apply to the SSA.
- 6. Maintenance of Collateral:** You agree to keep the Collateral in good order and repair, fair wear and tear accepted. If repairs are required, we will need to approve the repairer unless this is not practical in the circumstances. In which case, repairs will need to be carried out in a proper and workmanlike manner. You are responsible for paying for all repairs unless such costs are covered by a warranty or insurance. If you do not pay for repairs and we need to pay for them, we may recover our costs from you. This clause will not apply where the repairs are required as a result of a breach of a guarantee under the Consumer Guarantees Act 1993.

### 7. Debtor Covenants:

You agree to:

- a) Not remove the Collateral from the address provided to us or from New Zealand without our prior written consent;
- b) Advise us immediately if the Collateral is taken from you for any reason and give us any information we request about the removal;
- c) Not sell, otherwise deal with or give up possession without our prior written consent;
- d) Let us know if you change your address;

- e) Keep the Collateral insured for its full insurable value, punctually pay all premiums to your insurer, provide us with copies of the relevant insurance policy and premium receipts. Note that we are entitled to receive any money payable under your insurance policy in respect of damage to or loss of the Collateral. For this purposes, you agree to assign by way of security the insurance policy to us. Any moneys payable under the policy to us will be applied, at our choice, to repairing the Collateral or towards payment of any amounts you owe to us.
- f) Not do anything which could result in a lien being placed on the Collateral or becoming an accession to any other collateral without our prior written consent;
- g) Give us, our staff and contractors access to the Collateral, all records and insurance policy and other documents relating to it during daylight hours.

**8. Representations:**

You represent and warrant to us that:

- a) You have the power to enter into, perform and comply with your obligations under this SSA;
- b) The SSA will be binding on you and enforceable in accordance with these terms;
- c) Any information you have provided to us is accurate in all respects;
- d) You are the legal sole owner of the Collateral;
- e) There are no other security interests in the Collateral (except as advised to and agreed by us).

**9. Priority:** The security interest granted under this Agreement has the same priority in relation to all moneys payable or secured under this Agreement

**10. Default:**

You are in default if:

- a) You fail to make payment secured by this SSA;
- b) You commit an act of bankruptcy, go into liquidation, have a receiver appointed or enforcement action is taken against the Collateral or any of your other property;
- c) You cannot obtain insurance for the Collateral or if any insurance policy for the Collateral is cancelled;
- d) You fail to comply with any of the terms of the SSA without making good such failure within 15 days of us requiring you to do so;
- e) You breach the terms of any loan secured by this SSA;
- f) You do anything which prejudices or compromises our rights under this SSA (subject to any rights you have under the CCCFA).
- g) If such event occurs then all moneys payable under the SSA become immediately due and payable whether or not the date for payment has arisen. In this event, we may exercise all of our powers of enforcement.

**11. Enforcement:**

11.1 Subject to any obligations under the CCCFA, the Property Law Act 2007 or otherwise at law, if the Collateral is at risk or there is an unremedied default, we may take possession of it and sell or dispose of it by auction, tender or such other means as we see fit without any liability for any loss incurred through such action.

11.2 You grant us a licence to allow us to exercise our repossession and enforcement rights to enter upon any land or buildings where the Collateral may be held. This licence allows us to search for, remove and take possession of the Collateral from the premises without being liable for any consequential loss or damage.

11.3 You agree to pay any costs incurred by us in enforcing or attempting to enforce our rights under this SSA. Such amount is also secured by this SSA.

**12. Attorney:**

You appoint us and our managers and directors severally to be your attorney to act on your behalf and at your cost to do anything which you have agreed to under this SSA for the purposes of obtaining payment or enforcing our security. This power includes executing any documents.

**13. Contracting Out:**

13.1 You agree to contract out of certain rights under the PPSA which you are permitted to contract out of as follows:

Section 109(1) - if we do not have priority over all other secured parties in respect of the Collateral;

Section 114(1)(a) – right to receive notice under the PPSA that we intend to sell the Collateral;

Section 133 – right of debtor to reinstate security agreement;

Section 134 - right to reinstate the security agreement more than once;

Section 121 - right to object to our proposal to retain Collateral;

Section 125 – right not to have goods damaged when removing accession;

Section 129 – right to receive notice of a removal of an accession;

Section 131 – right to apply to the court for an order concerning removal of accessions;

Any right to receive a copy of a verification statement confirming registration of a financing statement or financing change statement in relation to the security interest granted under this SSA.

13.2 You agree to pay any costs we incur in registering a financing statement or a caveat in respect of the security under this SSA.

## **DISCLOSURE STATEMENT IN REGARDS TO THE INSTALLATION OF A DISABLING DEVICE (GPS/PAYMENT REMINDER UNIT)**

Broadlands requires the installation of a disabling device to ensure that payments are made as per the loan agreement between Broadlands and you. The unit does not interfere with any part of, or operation of your car. However, when activated, the unit will make it impossible for you to start your car while the account is in arrears.

The unit will notify you immediately when your account is in arrears and you have a limited amount of time to pay these arrears to ensure ongoing use of your car. The unit will also notify you if we receive advice that your vehicle insurance policy has been cancelled as it is a condition of the loan agreement to maintain current insurance until your loan is paid in full.

### **INSTALLATION**

The unit is owned by you. It is a condition of the loan that the disabling device be installed, monitored and remain operational while any amount is owing on the loan

### **CHARGES**

**The following charges will be added to your account (of which will be included with your payment):**

- a. Purchase and installation charge of \$345.00 incl gst.
- b. The total unit monitoring charge for the term of the loan is \$13.00 incl gst per month or \$468.00 for 36 months.
- c. If your account goes into arrears then you could be charged the following to the balance of your account:
  - i. Reminder Alarm Activation Fee (Buzzer on) \$2.50
  - ii. Reminder Alarm Deactivation Fee (Buzzer off) \$2.50
  - iii. Immobiliser Fee (Turning car off) \$5.00
  - iv. Re Activation (Turning Car on) \$5.00
- d. You must pay the total above costs, in addition to any arrears payments, required to deactivate the Alarm or Re Activate the vehicle.

\*Unit and monitoring charges are broken down to the frequency to which you will be paying your loan. They will be charged concurrently with your normal weekly payment.

### **TERMS & CONDITIONS**

1. You consent to the installation of the disabling device. You are aware that there are charges for the installation of the unit and ongoing monitoring. You authorise Broadlands to operate the disabling device while there is any amount owing under the loan.
2. You understand that the unit will immobilise your car if you do not pay on time as per the Finance Agreement. You understand that the unit has a GPS System; it can locate the vehicle at any time. You acknowledge that although you will not be able to start the vehicle, you agree that you will remain responsible for its safety, insurance and all other respects as if you have complete control over the vehicle unless and until the Creditor takes possession in accordance with the CCCFA Rules.
3. You understand that the creditor has the right to assign its rights and interest at any time. Assignment by the creditor will not in any way affect the terms and conditions of this disclosure statement.
4. You acknowledge that anyone tampering with the unit in any way will deem you to be in default under the Loan Agreement, which will place the vehicle in "Security at risk", as defined in the CCCFA., If the vehicle is deemed to be "security at risk" it is liable to be repossessed immediately without having to follow the usual pre repossession process. If you or anyone else tampers with the unit in any way, you will be liable for any damages to the Unit.
5. You understand that if a scheduled payment is not received on or before the due date of the instalment, the Payment Reminder Unit Alarm will be activated. If payment is still not made after an advised time, then you will not be able to start the vehicle until the full arrears payment plus costs to activate/deactivate the alarm/vehicle are received also.
6. You understand that only Broadlands Finance or its authorised representatives are permitted to repair and perform maintenance on the Unit. Should maintenance or service be needed you will promptly make the vehicle available to a place nominated by Broadlands Finance. You will pay for the costs of repair and maintenance and for repairs that are caused by you or anyone else tampering with the unit.

7. If you do not make the vehicle available for Broadlands Finance or its representatives to make repairs then the creditor may assume the security is at risk and may repossess the vehicle in accordance with the provisions in the CCCFA.
8. You agree that Broadlands Finance does not, or will not have liability of any nature to you for any loss or costs incurred, or suffered by you as a result of directly or indirectly any malfunctioning of the unit, or the normal operation of the unit.
9. You agree that Broadlands Finance and/or the Creditor are not liable for any costs for damage to or obstruction of or removal of the vehicle through deactivation from non-payment.
10. You understand that the Creditor is not actively responsible for the activation/deactivation of the immobiliser or payment reminder alarm and therefore is not permitted to make special arrangements on your behalf. The vehicle payment reminder alarm deactivation/vehicle reactivation will only be performed by Broadlands Finance once Arrears plus costs are paid in full.
11. You understand that if you pay the arrears plus costs while your vehicle has been immobilised (disabled) your vehicle will not be mobilised until Broadlands receives these funds the following banking day, and the unit has been notified of this.

**We acknowledge that we have read this document. We understand its contents and have received a copy of this document.**

**Signed by the Borrower**

---

**Date**

---

**Name**

---

## Sample Contract – (Without Payment Reminder Unit installed) [Pages 16-27]

### LOAN CONTRACT AND DISCLOSURE STATEMENT

**Contract Number:** Account.AccountId

The Lender agrees to lend and the Borrower accepts a loan of the amount and upon the terms and conditions as set out in this Loan Contract. The Borrower(s) and the Guarantor(s) agree to fully comply with these terms and conditions:

#### **Lender (“us”):**

Broadlands Finance Limited, 445 Karangahape Road, PO Box 68548, Newton, Auckland.

Phone: 09 363 8899/0800 227 346 Email: finance@broadlands.co.nz

#### **Borrower (“you”):**

**JointNames**

#### **The Loan:**

**The Loan represents the Initial Unpaid Balance, the Total Credit, the Total Advances made or to be made and the Credit Limit.** This is the amount you owe as at the date of this Loan Contract including any fees charged by the Lender and is made up as follows:

#### **OpeningTransactions**

**Date of Advance** of the Loan, date of signing of this Loan Contract and date of disclosure under Credit Contracts and Consumer Finance Act 2003: **Account.DateOpened**

**Subsequent Advances:** It is not intended to make any further advances to you under this Loan Contract.

**Payments:** You agree to make the following payments, free and clear of any deduction or withholding for tax or otherwise on account of the initial unpaid balance and interest charges by the time specified:

#### **PaymentDetails**

Total amount of payments: **TotalPayments**

If, in a particular month, there is no such date which corresponds to the date you are to make your payment, you must make that payment before the end of the day on the last day of that month. You must make all payments by automatic payment to the bank account we specify to you from time to time or as we otherwise agree.

**Annual Interest Rate:** The annual interest rate is **AnnualRate** being **Term**

**Total Interest Charges:** **TotalInterest** is the total amount of interest charges payable under the Loan Contract.

**Method of Charging Interest:** InterestMethod

**Credit Fees and Charges (excluding interest):** The following fees and charges (which are not included in the initial unpaid balance) are or may become payable in accordance with the terms of the Loan Contract:

If you grant security (ie a mortgage) over any land under the Specific Security Agreement we will register a caveat against the title for such property. Our legal costs for this exercise will be up to \$420.00 (including GST and disbursements). You agree to pay this charge if you grant a mortgage over such property.

Loan administration fee of \$2 per week

Security modification fee of \$95

Loan Restructure fee \$100

Refund Transaction fee \$20

Settlement fee \$65

Administration fees and costs payable on full prepayment are set out in the Full Prepayment section.



**Default Interest, Charges and Fees:** Default Interest is charged at the rate of **DefaultIR** which is 10% per annum higher than the annual interest rate as per clause 2.2 of this Loan Contract where any amounts payable are overdue for payment. If you default, you will also be obliged to pay reasonable costs and expenses incurred by us as a consequence of the default (including any costs incurred in obtaining payment or enforcing of our security).

The following fees may be charged to the loan if activity is required as a result of your default: -

Text message fee \$0.20; Phone call fee \$2.00; Repossession Warning notice fee \$25.00; Repossession Order fee \$35.00

Post Possession Notice Fee \$40.00; Letter of Demand \$25.00;

For every default you will also be charged a **Default Recovery Fee of \$15.00 per week**, which will be added to your account.

**Full Prepayment:** If you pay the unpaid balance in full before the final payment is due (which you are entitled to do at any time), you will be required to pay, in addition to the balance, our reasonable administration costs arising from the repayment and a charge representing a reasonable estimate of our loss arising from the full repayment calculated in accordance with clause 8. In addition, you will be entitled to obtain from the relevant insurance providers a rebate of insurance premiums paid and calculated in accordance with the Credit Contracts and Consumer Finance Act 2003.

**Part Prepayment:** The Borrower has no right to make part prepayments of the Loan, subject to clause 8.

**Security for Loan:**

**Accountsecurity**

You agree to grant the Lender a security interest over the above motor vehicle and any vehicle that you acquire as a replacement for this vehicle under a specific security agreement.

**Land**

Certificate of Title PropertyTitle, address PropertyAddress

You agree to grant the Lender a mortgage over the above land under a specific security agreement.

This security interest and mortgage could be enforced if you are in breach of the Loan Contract. In particular, if you fail to make the required payments. If the security interest is enforced, the vehicle (or its replacement) could be repossessed and sold. If the mortgage is enforced, the land could be sold. Sale proceeds will be used to pay any unpaid loan amount, interest and fees which you owe us.

If there is a surplus following sale, it will be used to satisfy the claims of other creditors as required by law. If any amount remains following satisfaction of these claims, it will be returned to you. If you still owe us money following the sale of these assets, we are entitled to recover this balance from you. You should be aware of these consequences before granting the security interest, and any mortgage, to us.

If you grant a security interest or mortgage over the above assets to another creditor, without our prior written approval, this is a breach of this Loan Contract. If you do not remedy (i.e. fix) this breach by arranging for such security to be discharged, we may demand the full amount owing under the Loan Contract be repaid to us. In the event that you are unable to make this payment, then we may repossess or take possession of the assets, sell them and apply the proceeds to the amounts owing to us in the manner described above.

**Insurance Details:**

Insurance Co: Policy No: Expiry:  
Amount of Cover:

**GST Declaration:**

Is the Borrower GST registered? Yes / No \_\_\_\_\_ If yes, GST No .....

**General Authority from Borrower(s) and Guarantor(s) to Lender for collection, use and disclosure of information:**

The Borrower(s)/ Guarantor(s) severally acknowledge, authorise and agree that:

5. The Lender may make enquiries of any reference, source, credit reference or government agency including N.Z.

Income Support Services, as may from time to time be required by the Lender in connection with my applications and obligations to the Lender or services or any other dealings of whatever nature that I may have with the Lender.

6. Any default in my obligations to the Lender may be disclosed to credit reference agencies or other credit providers.
7. The Lender may rely on this authorisation for all and any further applications for the Lender's lending services and for all other dealings of whatever nature I may have with the Lender.
8. This authority is irrevocable.

Under the Privacy Act 2020 you have the right of access to and correction of personal information which we hold about you. You may also request the details of every organisation or person to whom we have disclosed information about you.

#### **Hardship:**

If due to illness, injury, unemployment, relationship breakdown or other similar cause, you consider that you are unable to meet your obligations under the Loan Contract, you may apply to us in writing for an extension to the term of the Loan Contract and/or postponement of obligations to make payments to us. Your application should be sent by post, fax or email to us. Our contact details are set out above. Your application will need to set out the reasons why you think these unforeseen events mean you cannot meet your current obligations. Also, you may not make an application if you have been in default for two weeks or more after receiving a repossession warning notice or a notice under the Property Law Act 2007 or you have failed to make four or more consecutive periodic payments by or on the due dates or you have been in default for two months or more, or if the circumstances which cause your hardship (or similar circumstances) were reasonably foreseeable when you signed the Loan Contract. We will not take enforcement action against you while your application is being decided. However, if your application is successful, we are permitted to charge a fee that compensates us for the costs incurred in re-documenting any changes to the Loan Contract.

#### **Dispute Resolution:**

You are entitled to complain to us in relation to any enforcement action we may take including repossession of the motor vehicle. If we are unable to resolve the complaint, you may within 14 days of receiving notice of our decision, refer the complaint to our dispute resolution scheme: Financial Dispute Resolution, Level 9, 101 Featherstone Street, Wellington 6011, further details available on [www.fdr.org.nz](http://www.fdr.org.nz)

#### **Registration under Financial Services Providers (Registration Dispute Resolution) Act:**

Broadlands Finance Limited is registered as a financial service provider under registration number FSP 39968.

**ADVICE TO THE BORROWER** - Under the provisions of the Credit Contracts and Consumer Finance Act 2003

#### **Statement of Right to Cancel**

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

#### **How to cancel**

If you want to cancel this Loan Contract you must give written notice to the Lender. You must also return to the Lender the Loan and any other property received by you under the Loan Contract. You must also pay the cash price for the property (or the balance of the cash price after deducting any amount you have already paid) within 15 working days of the day you give the cancellation notice.

#### **Time Limits for Cancellation**

If the Loan Contract is handed to you directly, you must give notice that you intend to cancel within 5 working days after you receive the Loan Contract. Saturday, Sunday and National Public Holidays are not counted as working days.

#### **What you have to pay if you cancel**

If you cancel the Loan Contract, we can charge you:

- the amount of any reasonable expenses we have to pay in connection with the Loan Contract and its cancellation (including legal fees and fees for credit reports, etc);
- interest and credit fees payable up until the date you repay the advance;

- interest for the period from the day you received the property which you used the loan to purchase until the day you either pay the cash price for that property or return the property to us;
- If any returned property has been damaged while in your possession, the costs of repairing the damage.

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

### **Acknowledgement**

In signing this Loan Contract, the Borrower(s)/ Guarantor(s) jointly and severally acknowledge and agree that he/she/it:

6. has read and understood this Loan Contract and the above "Advice to the Borrower";
7. has received a copy of this Loan Contract and the securities for the Loan;
8. has signed this Loan Contract and as applicable, the attached securities relying on his/her/its own judgment;
9. will notify the Lender two (2) days in advance of any change of name or address; and
10. is liable and undertake to pay, perform and comply with all payments, covenants and agreements on his/her/its part to be paid, performed or complied with under the Loan Contract.

### **Execution by the**

JointNames2

## OTHER TERMS AND CONDITIONS OF THIS LOAN CONTRACT:

### 16. Definitions

1.1 In this Loan Contract, unless the context otherwise requires:

**Act or CCCFA** means the Credit Contracts and Consumer Finance Act 2003;

**Event of Default** means any of the events described in clause 5;

**Insolvency Event** means, in relation to a person:

- (d) If any step is taken by anybody for the winding-up or bankruptcy of the person, except, by a reconstruction on terms approved by the Lender before that step is taken;
- (e) if a receiver, or administrator is appointed in respect of the person or any of that person's assets; or
- (f) if the person:
  - (iv) becomes insolvent or is unable to pay its debts as they fall due or is deemed to be so under any law; or
  - (v) stops or suspends payment of any of its indebtedness or threatens to do so; or
  - (vi) makes, or proposes to make, an arrangement or composition with other creditors.

**a person** includes reference to any natural person, body corporate or unincorporated body.

Any terms capitalised in the Disclosure Statement are defined terms in this Loan Contract.

**PPSA** means the Personal Property Securities Act 1999.

**security interest** includes any arrangement which falls within the definition of a "security interest" in the PPSA.

### 17. Interest- Special Provisions

2.1 **Determining a day for interest charges:** A day shall be regarded as ending at 3 pm for the purposes of determining interest. Interest is calculated daily and will be charged on that day or at a later time if permitted by us.

2.2 **Default Interest Rate:** Where any amounts payable are overdue for payment, interest shall be payable at the Default Interest Rate on the overdue amounts (including interest which has been charged to the account of the Borrower and which remains unpaid) computed from the dates on which the payment should have been made until the dates of actual payment. Where the whole of the balance of the Loan and other moneys has become payable due to an Event of Default, that balance and the other moneys are amounts which are overdue for payment.

### 18. Securities

3.1 The terms of the Securities are incorporated into the Loan Contract so that a breach of such terms is a breach of the Loan Contract.

3.2 To the extent there is any conflict, the terms of the Loan Contract shall prevail over the terms of the Securities.

### 19. Notices

4.1 Any notice or communication to be given to the Borrower and/or to the Guarantor under his Loan Contract shall be in writing and shall be delivered personally or sent by post to your or the Guarantor's last known address.

### 20. Events of Default

5.1 Upon the happening of any of the events listed below, you agree that the balance of the Loan outstanding and all other moneys payable including all accrued interest (including any Default Interest payable) shall become due and payable immediately.

The events are:

- (l) If you default in performing any obligation under the Loan Contract or any other agreement to which the Lender and you are parties or in payment of any of the moneys payable under this Loan Contract on the date for payment (time being strictly of the essence); or
- (m) If an Insolvency Event occurs in respect of you or the Guarantor; or
- (n) Your or the Guarantor's property becomes subject to repossession; or
- (o) If any judgment is obtained against you or the Guarantor which is unsatisfied for 7 days; or
- (p) If you default under any of the Securities and do not remedy the default within 7 days of us asking you to

remedy it; or

- (q) Any statement made by you or the Guarantor in the Loan Application is found to be incorrect in any material respect; or
- (r) Any term in the Loan Contract or Securities is or becomes unenforceable, of no effect or you or the Guarantor make a claim of this nature; or
- (s) You or the Guarantor default under any other financing or security agreement; or
- (t) If we are unable to register our securities or you cause the securities to be registered late; or
- (u) You or the Guarantor fail to maintain full replacement insurance over any secured personal property (i.e. any vehicle) or material damage insurance over any land subject to the security.
- (v) If you grant security over any of the assets which are security for this loan to another party without our prior written consent.

## **21. No Deductions**

6.1 All payments to be made by you under this Loan Contract are made free of any deduction including tax.

## **22. Lender's Right of Set-Off**

7.1 We may set off any money we hold for you against any amount you owe under the Loan Contract without advising you.

## **23. Early Repayment**

8.1 We are obliged to accept full repayment of the loan on the terms set out in the Loan Contract. However, we may decline to accept any part prepayment of the Loan. If we agree to accept a part prepayment:

- (c) We may credit the part prepayment in accordance with the proposed schedule of payments in the Loan Contract; and
- (d) You must pay our administrative costs arising from the part prepayment and a charge representing a reasonable estimate of our loss arising from the part repayment.

8.2 The amount of our loss when a prepayment of the Loan is made in full is calculated using the formula prescribed in regulations made for that purpose under the CCCFA.

## **24. Instrument Costs**

9.1 You shall also pay all legal costs incurred in discharging the Loan and security on repayment. These charges will include any fees incurred in discharging any financing statements under the PPSA and/or any other registered security including any caveats.

## **25. Power of Attorney**

10.1 You and the Guarantor each severally appoint us, our directors and managers as your attorney to give effect to our rights under the Loan Contract and Securities to make and sign any instrument, deed or document and do any other act or thing that the attorney considers necessary.

## **26. Joint and Several Liability**

11.1 Where there is more than one Borrower each Borrower shall be jointly and severally liable under the Loan Contract.

11.2 Where there is more than one Guarantor each Guarantor shall be jointly and severally liable under the Loan Contract.

## **27. Security Interest**

12.1 You and the Guarantor agree to provide us with any requested details regarding any property over which we take security which we ask for in order to protect our interest in that property. You also agree to deliver to us any property which we agree shall form part of the security provided.

12.2 You waive the right to be given a verification statement in relation to a financing statement under the PPSA.

## **28. Guarantor**

13.1 The Guarantor unconditionally agrees to guarantee payment of all moneys owing under the Loan Contract by you, the performance of all obligations under the Loan Contract and securities. The Guarantor's liability will be as principal debtor. In other words, we will be entitled to recover the money owing and take other action against the Guarantor as if he or she is the Borrower. Such action will not release you from your obligations as Borrower. The

Guarantor also agrees to indemnify the Lender. This means that the Guarantor agrees to pay all amounts owing, costs and expenses which arise from a breach of any obligations under the Loan Contract and Securities.

## **29. Credit Contracts and Consumer Finance Act 2003**

14.1 The parties agree that the provisions of the Act applicable to consumer credit contracts will only apply if:

- (c) You are a natural person; and
- (d) You enter into this Loan Contract primarily for personal, domestic or household purposes.

## **30. Further Assurances**

15.1 You agree to sign any additional or replacement documents that we request to ensure that we can enforce our security and are properly protected under our security.

15.2 You acknowledge that a statement from us setting out any amounts which you owe us under the Loan Contract is conclusive proof that you owe us that amount.

## **16 Payment of Standard Fees and Charges**

16.1 You agree to pay the standard fees and charges applied to Consumer Credit Contracts as and when appropriately charged by the Lender as follows:-

### **Loan Application and Account Maintenance Fees**

#### **Loan Establishment Fee**

A fee relating to receiving, approving and establishing of a new loan or a top-up as disclosed in the individual credit contract. Paid upon payment out of the loan advance.

- \$350 for one borrower
- \$450 for two or more borrowers

#### **Loan Administration Fee**

A fee to cover the administration of a loan. Calculated as part of the instalment and disclosed in the individual credit contract.

- \$2 per week

#### **Referral Fee**

A Broker or Vehicle Dealer has the option of charging a referral fee that, if taken, is charged to the loan when the loan is paid out. Maximum Amount charged is \$1,500. Not applicable if loan application is made direct to Broadlands Finance Limited by the borrower.

#### **Security Modification Fee**

A fee charged to the loan when the security offered for a loan is to be changed.

- \$95

#### **Loan Restructure Fee**

Charged when an existing loan is restructured to assist a borrower who is having difficulty in maintaining current payments or wishes to restructure the loan

- \$100

#### **Refund Transaction Fee**

We may charge you this fee if you overpay us and we have to refund you.

- \$20

#### **Additional Statement Fee**

The charge when you request an additional statement outside of the normal statement cycle.

- \$5

**Settlement Fee**

We may charge this administration fee on settlement of the loan.

- \$65

**COLLECTION FEES**

These fees are charged to the loan if activity is required as a result of your default.

**Text Message Fee**

A fee is charged to the loan when attempts are made to contact the borrower(s) / guarantor(s) via text message after a breach of the loan agreement has occurred (eg overdue loan instalments). Applies per text sent.

- \$0.20

**Phone Call Fee**

A fee is charged to the loan when attempts are made to contact the borrower(s) / guarantor(s) via telephone after a breach of the loan agreement has occurred (eg overdue loan instalments). Applies on a per-call basis.

- \$2

**Repossession Warning Notice Fee**

Issued under the Credit Contracts and Consumer Finance Act 2003 after a breach of the loan contract (eg overdue loan instalments). Charged to the loan at the time the notice is issued.

- \$25

**Repossession Order Fee**

Issued when we authorize our repossession agent to repossess the loan security when the action stated in a Repossession Warning Notice has not been completed within the stated timeframe.

- \$35

**Post Possession Notice Fee**

Issued following the repossession of security under the Credit Contracts and Consumer Finance Act 2003. Charged to the loan at the time the notice is issued.

- \$40

**Letter of Demand**

Issued when we demand payment of the loan if we have not repossessed the security.

- \$25

**Recovery Costs**

Costs incurred by a third party (eg a repossession agent) will be charged to the loan for the invoiced amount. Copies of invoices are available on request.

**Default Interest**

In the event of the loan instalment not being made in full on due date we will charge default interest at the default interest rate stated on the individual loan agreement from the time the payment was missed until the arrears are paid. The default interest rate is the annual interest rate at the time of the default plus 10% per annum.

**Default Fee**

A fee of \$15.00 per week charged to the loan when the loan or loan payments are in default.

**Fees and Costs added to loan balance**

If the Lender charges you any of the above fees or costs, we will add that amount to the Loan principal. That means we will charge interest on that amount until you pay it.



**SPECIFIC SECURITIES AGREEMENT**

Broadlands Finance Limited ("Broadlands" and "Security Holder")

(the "Debtor")

In consideration of us agreeing to make a loan to you under the Loan Contract, you agree to grant us a security interest in the collateral described below ("Collateral"). This security interest also applies to any proceeds from the sale or other dealing with the Collateral.

**Schedule**

(Description of Collateral) Collateral Type –

<b>AccountSecurity</b>
------------------------

You also agree to grant the Security Holder a security interest over any vehicle that you acquire as a replacement for this vehicle.

**Real Property** – You agree to mortgage the land described and comprised in Certificate of Title PropertyTitle, address PropertyAddress on the terms set out in this SSA and otherwise on the terms set out in ADLS Registerable Memorandum 2011/4300

**Signed by the**

JointNames3

## SPECIFIC SECURITY AGREEMENT-TERMS AND CONDITIONS

### Laws

This Agreement is governed by New Zealand law, including the Personal Property Securities Act 1999 and any amendments ("the Act"). The terms of this Agreement are binding on the Security Holder and the Debtor except where they may conflict with the Act

**Definitions:** In this Specific Security Agreement (SSA) the following terms should be read in the following context:

"CCCFA" means the Credit Contracts and Consumer Finance Act 2003 and includes all modifications and amendments.

"Collateral Securities" means a security interest given at any time in favour of the Security Holder by any Covenantor as an additional security or guarantee collateral to or in support of this Agreement and such expression includes any variation of any such security interest.

"Covenantor" means any other person, including a Guarantor, who has agreed to pay any amount you owe to us.

"Event of Default" means an event listed in clause 7 of this SSA.

**14. Joint and Several Liability:** If there are two Borrowers, your obligations under this SSA will be joint and several.

**15. Notice to Others:** You should advise your insurance company that you have provided security over the Collateral to us.

**16. Collateral to be Acquired:** If a loan is provided to purchase Collateral over which Security is given, you agree to apply the funds to the purchase of this Collateral and sign all documents and do all things required to make the Collateral subject to this SSA.

### 17. Debtor's Undertakings:

You agree (until the SSA is released) to:

- o) comply with all laws relating to the ownership and use of the Collateral;
- p) Pay all outgoings (including rates, taxes, insurance, registration costs) in respect of the Collateral no later than the time when due;
- q) Not allow any other property to become an accession to the Collateral without our consent;
- r) Not otherwise modify, alter, deface or dismantle the Collateral;
- s) Not remove the Collateral from New Zealand;
- t) Not provide a security interest over the Collateral to another party;
- u) Advise us of any enforcement action taken in respect of the Collateral or if any event occurs which could result in enforcement;
- v) Use your best endeavours to comply with your obligations under the SSA;
- w) Maintain the Collateral in good condition and not modify or otherwise interfere with it;
- x) Repair the Collateral if we ask you to do so;
- y) Not do anything or omit to do anything which could result in a material deterioration of the Collateral or prejudice any insurance policy in respect of the Collateral;
- z) Keep in place all warranties, licences, registrations and other approvals required to operate or maintain the Collateral;
- aa) Pay all moneys owing under the Loan Contract or other arrangement with us on time and otherwise comply with all obligations under the Loan Contract or any other arrangement between us.

**18. Use of Collateral:** If the Collateral has been acquired for business use, the Consumer Guarantees Act 1993 and the CCCFA will not apply to the SSA.

**19. Maintenance of Collateral:** You agree to keep the Collateral in good order and repair, fair wear and tear accepted. If repairs are required, we will need to approve the repairer unless this is not practical in the circumstances. In which case, repairs will need to be carried out in a proper and workmanlike manner. You are responsible for paying for all repairs unless such costs are covered by a warranty or insurance. If you do not pay for repairs and we need to pay for them, we may recover our costs from you. This clause will not apply where the repairs are required as a result of a breach of a guarantee under the Consumer Guarantees Act 1993.

### 20. Debtor Covenants:

You agree to:

- h) Not remove the Collateral from the address provided to us or from New Zealand without our prior written consent;
- i) Advise us immediately if the Collateral is taken from you for any reason and give us any information we request about the removal;
- j) Not sell, otherwise deal with or give up possession without our prior written consent;
- k) Let us know if you change your address;

- l) Keep the Collateral insured for its full insurable value, punctually pay all premiums to your insurer, provide us with copies of the relevant insurance policy and premium receipts. Note that we are entitled to receive any money payable under your insurance policy in respect of damage to or loss of the Collateral. For this purposes, you agree to assign by way of security the insurance policy to us. Any moneys payable under the policy to us will be applied, at our choice, to repairing the Collateral or towards payment of any amounts you owe to us.
- m) Not do anything which could result in a lien being placed on the Collateral or becoming an accession to any other collateral without our prior written consent;
- n) Give us, our staff and contractors access to the Collateral, all records and insurance policy and other documents relating to it during daylight hours.

**21. Representations:**

You represent and warrant to us that:

- f) You have the power to enter into, perform and comply with your obligations under this SSA;
- g) The SSA will be binding on you and enforceable in accordance with these terms;
- h) Any information you have provided to us is accurate in all respects;
- i) You are the legal sole owner of the Collateral;
- j) There are no other security interests in the Collateral (except as advised to and agreed by us).

**22. Priority:** The security interest granted under this Agreement has the same priority in relation to all moneys payable or secured under this Agreement

**23. Default:**

You are in default if:

- h) You fail to make payment secured by this SSA;
- i) You commit an act of bankruptcy, go into liquidation, have a receiver appointed or enforcement action is taken against the Collateral or any of your other property;
- j) You cannot obtain insurance for the Collateral or if any insurance policy for the Collateral is cancelled;
- k) You fail to comply with any of the terms of the SSA without making good such failure within 15 days of us requiring you to do so;
- l) You breach the terms of any loan secured by this SSA;
- m) You do anything which prejudices or compromises our rights under this SSA (subject to any rights you have under the CCCFA).
- n) If such event occurs then all moneys payable under the SSA become immediately due and payable whether or not the date for payment has arisen. In this event, we may exercise all of our powers of enforcement.

**24. Enforcement:**

11.1 Subject to any obligations under the CCCFA, the Property Law Act 2007 or otherwise at law, if the Collateral is at risk or there is an unremedied default, we may take possession of it and sell or dispose of it by auction, tender or such other means as we see fit without any liability for any loss incurred through such action.

11.2 You grant us a licence to allow us to exercise our repossession and enforcement rights to enter upon any land or buildings where the Collateral may be held. This licence allows us to search for, remove and take possession of the Collateral from the premises without being liable for any consequential loss or damage.

11.3 You agree to pay any costs incurred by us in enforcing or attempting to enforce our rights under this SSA. Such amount is also secured by this SSA.

**25. Attorney:**

You appoint us and our managers and directors severally to be your attorney to act on your behalf and at your cost to do anything which you have agreed to under this SSA for the purposes of obtaining payment or enforcing our security. This power includes executing any documents.

**26. Contracting Out:**

13.1 You agree to contract out of certain rights under the PPSA which you are permitted to contract out of as follows:

Section 109(1) - if we do not have priority over all other secured parties in respect of the Collateral;

Section 114(1)(a) – right to receive notice under the PPSA that we intend to sell the Collateral;

Section 133 – right of debtor to reinstate security agreement;

Section 134 - right to reinstate the security agreement more than once;

Section 121 - right to object to our proposal to retain Collateral;

Section 125 – right not to have goods damaged when removing accession;

Section 129 – right to receive notice of a removal of an accession;

Section 131 – right to apply to the court for an order concerning removal of accessions;

Any right to receive a copy of a verification statement confirming registration of a financing statement or financing change statement in relation to the security interest granted under this SSA.

13.2 You agree to pay any costs we incur in registering a financing statement or a caveat in respect of the security under this SSA.