

Account 11111
Date: 4 May 2020
Credit Sale: Yes/No

This agreement (**Agreement**) comprises two parts:

- The Specific Terms setting out the details of your loan and security; and
- The General Terms that apply to the loan and security.

References to “you” and “Borrower” are interchangeable as are references to “we” and “Creditor” – see the General Terms.

You and any Guarantor under this Agreement have each received an initial disclosure statement from the Creditor, with respect to this Agreement, with an effective date of (**Effective Date**).

SPECIFIC TERMS

Borrower Details

Account Name:	Smith, David	INFORMATION ONLY

Creditor Details

You may send notices to the Creditor by: <ul style="list-style-type: none"> • Writing to the Creditor at its postal address; or • Sending a fax to the number specified (if any); or • Sending an email to the address specified (if any) • You may also telephone the Creditor 	Name:	Stortford Auto Sales Ltd
	Physical Address:	919W Heretaunga Street Hastings
	Postal Address:	PO Box 2196 Hastings 4153
	Fax:	06 876 0296
	Email:	sasales@xtra.co.nz
	Phone:	06 876 8421

Details of Loan

Initial Loan Amount		
This is the amount you owe at the date of this Agreement (including any fees charged by the Creditor).		
\$9,345.00 made up of:	Cash Price	\$12,995.00
	less	
	Cash Deposit	(\$4,000.00)
	plus	
	Statutory Fees	\$8.00
	Documentation Fee	\$342.00

Subsequent advance(s)
There are no subsequent Advances.

Total Advances
This is the total amount of all advances made or to be made to you.
\$9,345.00

Purpose of Loan

If the Loan is advanced in connection with a Credit Sale (as specified above), then the loan is to be applied towards payment of the Goods (as defined under Goods and Security Details below) and related fees and expenses.

If the Loan is not advanced in connection with a Credit Sale then the Loan is to be used for the purposes of purchasing the Goods (if applicable and as defined under Goods and Security Details below), paying for agreed works on the Goods, or repaying all

existing borrowings from the Creditor or borrowings from other lenders.

Credit fees and Charges Details

The following credit fees and charges are, or may become, payable under, or in connection with, this Agreement.

- \$5.50 per month account maintenance fee. The account maintenance fee is payable by you at the same time as (and is included in) the scheduled payments referred to under the *Payment Details* heading below.
- \$8.00 for the registration of a financing statement on the Personal Properties Securities Register to perfect the security interest taken over the Goods. This fee will be charged to your Loan account upon establishment of the Loan.
- A prepayment fee amount may be payable on any full prepayment. Details are disclosed under the *Prepayment* heading below.
- A settlement fee of \$110 may be payable upon repayment of your Loan in full. This fee covers the cost of closing your account with us and releasing any security interest we have registered.

Payment Details

You are required to make each payment in the amount specified and on the date specified.

36 Payments due Monthly. First Regular Payment of \$320.25 on 4 June 2020. Final Regular Payment of \$319.86 on 4 May 2023.

Total amount of Payments
\$11,528.61

Payments by you to reduce the Loan principal in addition to your scheduled payments (see the provisions under the *Prepayment Details* heading below) will be accepted by the Creditor. These additional payments will be applied in reduction of the Loan principal on the date upon which they are received by the Creditor.

Guarantee



In consideration of the Creditor making the Loan to the Borrower at the request of the Guarantor, the Guarantor unconditionally and irrevocably guarantees the due and punctual:

- payment of all amounts payable by the Borrower under this Agreement (whether on a fixed date or on demand); and
- performance of all of the Borrower's non payment obligations under this Agreement.

This guarantee is a principal obligation (the Guarantor is a primary obligor) and is not subject to any defence or limitation of any nature whatsoever.

If for any reason any of the Borrower's obligations are or this guarantee is unenforceable, the Guarantor, as an original and independent obligation, indemnifies the Creditor on demand for the payment or performance of such obligation.

The Guarantor confirms the accuracy of all statements made by the Borrower in the General Terms.

If there are two or more Guarantors, each Guarantor shall be jointly and severally liable.

Cancellation Details

Time limits for cancellation:

If the initial disclosure statement is handed to you directly you must give notice that you intend to cancel within 5 working days of the Effective Date.

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

If the initial disclosure statement is mailed to you, you must give the notice within 9 working days after it was posted.

Saturdays, Sundays, and national public holidays are not counted as working days. (see: the General Terms)

You may cancel this Agreement by:

- giving the Creditor written notice of cancellation; and
- if the Loan is advanced in connection with a Credit Sale, paying the cash price of the Goods (or the balance of the cash price after deducting any amount already paid by you) to the Creditor within 15 working days of the date that you give notice, or otherwise repaying to the Creditor the Loan at the same time that you give notice to cancel; and
- repaying to the Creditor any interest or fees incurred for the period from the date of the Loan until the date that you pay the cash price for the Goods or repay the Loan (whichever is applicable)..

If you cancel this Agreement the Creditor can also charge you the amount of any reasonable expenses the Creditor will have to pay in cancelling this Agreement.

Prepayment

You may pay the unpaid balance outstanding under this Agreement in part or full before the Final Payment Date (**prepayment**).

If you prepay the unpaid balance outstanding in full then you may (at the same time) be required to pay an amount to compensate the Creditor for any loss resulting from the prepayment.

The Creditor may suffer a loss if the Creditor's interest rate at the time of prepayment is lower than the interest rate applying to this Agreement.

In relation to any full prepayment, the amount you may have to pay to compensate the Creditor for the loss suffered by the Creditor is calculated using the formula prescribed in regulation 9 or regulation 11 of the Credit Contracts and Consumer Finance Regulations 2004.

If you are thinking of repaying your Loan early you should ask the Creditor to give you an indication of how much you could be charged.

Interest Details

Interest Rate 12.95% fixed for the whole term of the contract being 36 months and thereafter until the balance is fully repaid. Daily Interest Rate: 0.035479452055%

Total Interest charges
This is the total amount of the interest charges payable under the contact.
\$1,985.61

Method of charging Interest

Interest charges are calculated by multiplying the unpaid balance at the end of the day by a daily interest rate. The daily interest rate is calculated by dividing the annual interest rate by 365. Interest is charged to your account monthly.

Default interest charges and default fees

INFORMATION ONLY

If you fail to make any payment (whether ~~interest or otherwise~~) under this Agreement on the due date, you will be required to pay, upon demand by the Creditor interest on the overdue amount at The daily Default Interest rate is calculated by dividing the annual Default Interest rate by 365. Annual Default Interest rate is 24% per annum (the **Default Interest Rate**) from the due date until the date that the Creditor receives full payment of that overdue amount. The Default Interest Rate will be charged on the overdue amount instead of the Annual Interest Rate for as long as the default in payment continues. You will not be charged interest at the Default Interest Rate on amounts that are accelerated for payment by reason of that default, until such time as those amounts would otherwise have become payable under this Agreement (assuming they then remain unpaid).

The following default fees and charges are or may be payable by you on demand by the Creditor:

- An administration fee of \$3.00 is payable if you are in default on any of your payments and we have to send you a letter or notice advising of the default;
- An administration fee of \$3.00 is payable if a payment is not received within 5 working days of the date on which the Creditor sends to you a letter or notice advising of the default;
- Repossession costs at the cost invoiced to the Creditor by the Creditor's repossession agent; and
- All other costs incurred by the Creditor in connection with the enforcement of, taking advice on or taking any action under, this Agreement or its security or any guarantee, on a full indemnity basis.

Goods and Security Details

If the Loan is required to be secured, you agree to give the Creditor a purchase money security interest over the following motor vehicle(s) or other goods (in each case, **Goods**) in accordance with the General Terms.

Motor Vehicle

Registration: **abc123**
VIN: **ASASASASA12121212**
Make and Model: **Nissan Elgrand**
Colour: **Black**
Year: **2006**

Insurance

You are required to arrange comprehensive insurance cover for the full replacement value of the Goods over which security is taken under this Agreement. The Creditor's interest must be noted on each insurance policy.

Dispute Resolution Scheme Details

The Creditor is a member of the Financial Service Complaints Limited dispute resolution scheme under number 4994. It is free for you 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 the dispute resolution scheme are as follows:

Name: Financial Service Complaints Limited
Phone: (0800) 347 257
Email:
Website: www.fscl.org.nz
Business Address: PO Box 5967, 101 Lambton Quay
Wellington 6011

Variations to this Agreement

Any variation to this Agreement must be in writing signed by all parties.

If you are at any time unable reasonably to meet your obligations under this Agreement on the grounds of unforeseen hardship, you may apply to the Creditor for a variation to this Agreement. Any such application must be:

- in writing;
- specify the reasonable cause for your inability to meet your obligations under this Agreement (such as illness, injury, loss of employment or the end of a relationship); and
- specify the variation requested (which must be one of the changes specified under section 56 of the Credit Contracts and Consumer Finance Act 2003).

You should do this as soon as possible after the hardship arises or else the Creditor may not have to consider your application.

Signature of Borrower(s)

Mr D Smith

Signed on behalf of Creditor:



Stortford Auto Sales Limited

Acknowledgement and Agreement of Guarantor(s)

The Guarantor acknowledges that:

- the Guarantor's signature is witnessed and the guarantee is to take the form of, and bind the Guarantor as a deed (despite forming part of this Agreement); and
- the Guarantor has had the consequences of the guarantee explained to the Guarantor by an independent advisor or has had the opportunity to do so before signing this Agreement.

Signed by the Guarantor(s)

Name:

Witnessed by:

Witness signature

Witness name

Occupation

Address

INFORMATION ONLY

General Terms

1. The following paragraphs are a record of the general terms of this Agreement.
2. We have discussed your circumstances and your financial needs.
3. We have discussed the Guarantor's circumstances and the Guarantor's financial needs.
4. You confirm that everything you have told us about you and your circumstances and needs is true and accurate. You confirm that everything the Guarantor has told us about the Guarantor and the Guarantor's circumstances is true and accurate.
5. You confirm that all the details of the Borrower and Guarantor in the Specific Terms are complete and accurate.
6. We agree to lend you the Loan on the date of this Agreement.
7. You agree to apply the Loan for the purposes specified in the Specific Terms (or such other purposes as we agree in writing). The purposes may include purchasing the Goods or repaying existing borrowings from us or from another lender.
8. You agree to repay the Loan, interest and all other amounts described in the Specific Terms on the dates specified in the Specific Terms or, if no date is specified, on demand. You also note our rights in paragraph 17 to require payment of amounts on demand.
9. You agree to pay all your debts as they fall due and never to become insolvent or bankrupt. You agree that the same applies to the Guarantor.
10. You agree to keep the Goods in a safe place at night and always maintained in good all round condition.
11. You agree to insure the Goods for their full replacement value noting our interest as loss payee. You confirm the insurance in the Specific Terms is in place and the details are complete and accurate. You will give us the policy if we ask you to and also confirm you are paying the premiums.
12. You agree to use the Goods only for your private purposes and not to let any other person claim a right to own or use it other than for your private purposes.
13. You agree to give us a purchase money security interest (as defined in the Personal Property Securities Act 1999) over the Goods to secure all of the things you have agreed to do including repaying the money that you owe us when you have agreed you will.
14. You understand that we will register details of our security.
15. You waive your right to receive a verification statement following registration of any security interest.
16. You agree not to grant any other person a security interest in the Goods while we have a security interest.
17. If you do not do any of the things you have agreed to do, if any of the confirmations you have given us were not true, or if you do not make payment of the Loan, accrued interest and other amounts that you owe us, you agree to make immediate payment of that demand.
18. You understand that we may need to enforce our security to recover the money you have agreed to pay us, if you do not do what you have said you will do. What you have said you will do includes, among other things, repaying money on specified dates (or on demand) and not granting a security interest over the Goods to any other person. You have agreed, as far as you can, to help us by waiving any rights that you have under statute to get things from us or to make us do things in connection with our security.
19. If we enforce our security, you are aware this could involve us repossessing and selling the Goods.
20. If we ask you will arrange for an agreed person to guarantee the money that you will owe us. This guarantee may already be provided by the Guarantor as part of this Agreement or in a separate deed of guarantee.
21. You agree that we can keep and use information about you to assess your ability to borrow and repay the Loan and to help us enforce our security if to do this is ever needed. You authorise us to provide details to other parties to help us do these things. We will comply with our obligations in respect of your privacy.
22. We want to know and will always listen if your circumstances change through illness or at work, particularly if this may affect your ability to do what you have said you will do. We encourage and rely on you to tell us everything about you that is material for us to know about.
23. We are a business and we will act reasonably for our business purposes. We will comply with our legal obligations (including our legal responsibility principles in the Credit Contracts and Consumer Finance Act 2003) and always talk to you, first, if you let us.
24. We consent to receive notices or other communications from you in electronic form. Such notices or communications must be sent to the email or fax address specified under the "Creditor" heading in the Specific Terms.
25. If you don't agree with anything we have done or what we have said we will do you can refer the difference to a dispute forum. Details of that forum are set out in the Specific Terms and if these change we will tell you.
26. "You" are the Borrower specified in the Specific Terms and when there is more than one Borrower, each of you is jointly and severally liable as a borrower under this Agreement. The "Guarantor" is the Guarantor specified in the Specific Terms or in any deed of guarantee and when there is more than one Guarantor, each of them is jointly and severally liable as guarantor under this Agreement or the deed of guarantee. "We" are the Creditor specified in the Specific Terms. "Working days" has the meaning from the Credit Contracts and Consumer Finance Act 2003 and does not include Saturdays, Sundays and national public holidays. Payments that are required to be made on a date that is not a working day must be made on the next working day. Payments that are stated to fall due on the last day of the month (e.g. 31st), shall for months (such as November) where there is no corresponding day, fall due for payment on the first day of the next month (e.g. 1 December). The singular includes the plural and vice versa. If the Loan is unsecured, the provisions in this Agreement relating to Goods do not apply.
27. You, we and the Guarantor (if the Guarantor signs this Agreement) agree to bind ourselves to this Agreement by signing the Specific Terms.
28. "Credit Sale" means a credit contract entered into for the purpose of deferring payment of the Goods owed to the Creditor under a separate sale and purchase agreement.
29. "Loan" means the principal amount outstanding from time to time under this Agreement.