



IMPORTANT This document sets out key information about your consumer credit contract. You should read it thoroughly. If you do not understand anything in this document you should seek independent advice. You should keep this disclosure statement and a copy of your credit contract in a safe place. Please read this paragraph. The law gives you a limited right to cancel the consumer credit contract. (See below for further details). **Note that strict time limits apply.**

Full Name and Address of Debtors

| | |
|---------------|--|
| Debtor | Joe Kaitaia 64 Kaitaia Drive Kaitaia 0410 Phone: 0211234567 |
|---------------|--|

| Credit Details | Annual Interest Rate | Total Interest Charges | | | | | | | | | | | | |
|--|--|------------------------|-------------------|----------|------------------------------------|---------|--------------------------------|----------|------|--|------------------|------------|--|--|
| <table border="1"> <tr> <td>Cash Price - Archibald Cars</td> <td>\$9,000.00</td> </tr> <tr> <td>Establishment Fee</td> <td>\$395.00</td> </tr> <tr> <td>Security Check & PPSR Registration</td> <td>\$20.00</td> </tr> <tr> <td>GAP Insurance OR waiver fee AS</td> <td>\$549.00</td> </tr> <tr> <td>Less</td> <td></td> </tr> <tr> <td>Trade In Allowed</td> <td>\$2,000.00</td> </tr> </table> | Cash Price - Archibald Cars | \$9,000.00 | Establishment Fee | \$395.00 | Security Check & PPSR Registration | \$20.00 | GAP Insurance OR waiver fee AS | \$549.00 | Less | | Trade In Allowed | \$2,000.00 | 15.9500% p.a. for the balance of the term being 145 weekly payments. Your credit contract allows the lender to vary this rate – see clause 13. | This is the total amount of the interest charges payable under this contract \$1,915.42 |
| Cash Price - Archibald Cars | \$9,000.00 | | | | | | | | | | | | | |
| Establishment Fee | \$395.00 | | | | | | | | | | | | | |
| Security Check & PPSR Registration | \$20.00 | | | | | | | | | | | | | |
| GAP Insurance OR waiver fee AS | \$549.00 | | | | | | | | | | | | | |
| Less | | | | | | | | | | | | | | |
| Trade In Allowed | \$2,000.00 | | | | | | | | | | | | | |
| | 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 to provide a daily rate of 0.043698630137%. Interest is charged to your account monthly. | | | | | | | | | | | | | |
| | Subsequent advance(s) This amount (or these amounts) will be advances to you by the lender at the time specified. | | | | | | | | | | | | | |
| Initial unpaid balance This is the amount you owe at the date of this statement (including any fees charged by the lender) \$7,964.00 | Total advances This is the total amount of all advances made or to be made to you: \$7,000.00 | | | | | | | | | | | | | |

PAYMENTS You are required to make each payment of the amount specified and by the time specified. Please note that if you owe us money under another loan agreement we may use payments you make for this agreement to pay amounts under the other agreement. Further, if you make a payment under the other agreement we may use that payment under this agreement. Paragraph 20 in the operative terms gives more details.

| Timing of payments | Number of payments | Amount of each payment | Total amount of payments |
|---|--------------------|------------------------|--------------------------|
| Frequency weekly 1 st payment 19/05/2017 Last payment 21/02/2020 | 145 | \$70.00 | \$10,110.42 |

Additional Payments:

Payments must be made directly to our bank into Family Finance's bank account at ASB account number: 12-3096-0256708-00

CONTINUING DISCLOSURE

We must provide you with statements every 6 months, which will give you information about your account.

CREDIT FEES AND CHARGES

The following credit fee(s) and charge(s) (which are not included in the initial unpaid balance) are, or may become, payable under, or in connection with, the contract.

Your credit contract may allow the lender to vary this/these fee(s) and charge(s).

- (i) Management fee \$7 per month as long as there is an unpaid balance.
- (ii) Letter fee of \$15 is charged to you any time you ask for a statement of your account that we do not have to send you otherwise.
- (iii) If you vary your direct debit more than once a month, a \$5 fee may apply.
- (iv) \$50 to \$100 if you ask and we agree to advance you more money under this agreement.
- (v) \$80 per hour fee if you wish to alter security or other terms of this agreement or if we have to deal with any third party about your debt or the security provided after the agreement begins or if you ask for a settlement figure for a certain date and you do not pay on that date or if you cause us to carry out any work in relation to your loan not covered separately in this list.
- (vi) If we use a solicitor to prepare any document for this loan, the fees charged by that solicitor, usually from \$640 to \$800.
- (vii) \$180 to \$350 mortgage or caveat or discharge fee to provide any document we may register or whatever is payable by the lender for Land Information NZ and solicitors fees at the time if the figure we must pay is different from that shown.
- (viii) \$50 early full repayment administration fee if you prepay the unpaid balance in full. This is a fee for management work if you repay the unpaid balance early.
- (ix) \$20 fee for varying or discharging registration on the Personal Property Securities Register or whatever is payable by the lender at the time if the figure we must pay is different from that shown. The costs expenses and other liabilities listed in paragraph 11 of the operative terms which arise when you are not in default.

WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS
SECURITY – THIS IS A SECURED LOAN AGREEMENT

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

Description of Security Interest in Personal Property

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

Personal Property – Collateral

All present and after-acquired personal property owned by Joe Kaitaia (However, such property does not include consumer goods which are beds and bedding, cooking equipment including cooking stoves, medical equipment, portable heaters, washing machines and refrigerators unless the lender's security interest is a purchase money security interest. Further, such property completely excludes travel documents, identification documents and bank cards).

The collateral INCLUDES the following:

| | |
|-----------------------------|-------------|
| Registration : ABC123 | Goods Other |
| Make & Model : Mazda Mazda3 | |
| Year : 2007 | |
| Colour : Black | |
| VIN : JMBK1234567890101 | |
| | |

owned by Joe Kaitaia together with any replacements and accessions.

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

Whoever owns the collateral (you or a guarantor) may not give security over the collateral to any other person and, if the owner does so, the owner will be in breach of this agreement and we may call up payment of the unpaid balance and may repossess and sell the collateral.

Additional note about security. If you owe us money under any other loan agreement, then the collateral will be security for repayment of the money you owe us under that agreement too and for you to carry out your obligations under that agreement. The same applies to a guarantor who has guaranteed a loan of yours under another agreement and who provides security for the unpaid balance under this loan agreement.

DEFAULT INTEREST CHARGES AND DEFAULT FEES

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

Default Interest

- 1 Default interest charges are calculated by multiplying the amount in arrears at the end of the day by a daily default interest rate. The daily default interest rate is calculated by dividing the annual default interest rate by 365. Interest is charged to your account at the end of each month. Annual Default Interest rate is 20.9500%. per annum charged (subject to paragraph 2 of this **Default Interest** section) on any overdue instalment or overdue amount. Default interest is charged from the time that you fall into financial default until you are no longer in financial default. It is calculated by multiplying the overdue instalment or overdue amount by the daily default interest rate. The daily default interest rate is calculated by dividing the annual default interest rate by 365. All default interest is debited to your account monthly.
- 2 If we accelerate payment (call up payment early) of the unpaid balance because you have failed to pay a regular instalment or any other amount when due, we will only charge you default interest on overdue instalments or other overdue amounts for which payment has not been accelerated. (This paragraph does not apply if this agreement is not a consumer credit contract and if it is not, then we will charge default interest on the unpaid balance).
- 3 However, if we accelerate payment of the unpaid balance as a result of your default (other than your failure to pay an instalment or other overdue amount) we will charge you default interest on the unpaid balance. Default interest on the unpaid balance in this circumstance is charged from when payment is accelerated or otherwise falls due until you repay it in full and it is calculated and charged to your account in the same manner as other default interest.
- 4 Also if you have not repaid the loan in full by the end of the agreed term we will charge you default interest on the unpaid balance from that date until you pay in full.
- 5 You must pay default interest after we obtain judgment against you as well as before judgment.

DEFAULT FEES AND CHARGES

1. Defaulted payment fee of \$15 if any regular payment to the lender is made late after the date due, or is reversed or dishonoured or is otherwise not made. If you miss an instalment we will charge you this fee.
2. Letter Fee of \$15 or email fee of \$10 any time we write to you or to anyone representing you about a missed payment(s) or about any other default you commit under this agreement or about ongoing default.
3. Default time fee of \$80 per hour if any staff member of ours spends time on the administration of your account when you are in default. "Administration" in this case includes all work on our recovery of the unpaid balance but which is not charged to you otherwise. The default time fee may include time our staff spends outside our offices. This means that if our staff have to spend time, for example, trying to find you or travelling to see you or talking to debt collectors or lawyers we may charge you that hourly rate.
4. Mileage fee if a staff member of ours travels to visit you or any guarantor or to attend any meeting or any court or tribunal. We may charge mileage at the current rate recommended by the Automobile Association for a 2 litre petrol engine motor car.
5. Local Telephone Call Fee of \$5.00 any time we have to telephone you about a missed payment(s) or about any other default you commit under this agreement.
6. Toll Telephone Call Fee of \$8.00 any time we have to telephone you on a mobile phone number or any STD code about a missed payment(s) or about any other default you commit under this agreement.
7. \$50 – to send a repossession warning notice, or post possession notice or post sale statement of account.
8. \$200 – to issue a warrant to a repossession agent to seize goods and to issue any other legally required documents.
9. The costs to us of Court or Disputes Tribunal proceedings and repossession and sale of collateral and the sale of the land to be mortgaged. These include filing fees actual solicitors' fees and disbursements (assessed on a solicitor client basis) and debt collection agency commissions, fees and disbursements. Additionally, you must pay us the costs and disbursements of repossession agents, valuers, auctioneers, process servers and any of our agents in enforcing this agreement. You must also

pay the cost of any dealings (we have while you are in default) with other persons with respect to the debt or any security you (may) provide. In addition, we will charge you the cost of doing anything which you have failed to do and which we have done. We will also charge you for the costs, expenses and other liabilities listed in paragraph 11d of the Operative terms arising out of your default.

ACKNOWLEDGEMENT AND AGREEMENT OF GUARANTOR(S) AND BORROWERS(S)

Please note that this section is not the loan agreement and is merely an attempt to make sure that you understand important facts about it.

1 I understand that by signing the loan and security agreement or guarantee I become liable for repayment of the loan in full. If I am borrower I must make all the payments. **If I am a guarantor I know that if the borrower does not pay I have to pay. As guarantor, I have to do everything the borrower must do if he does not do it.** I have read the agreement and guarantee or I have been given an opportunity to read it/them before signing.

2 I have been advised to obtain independent legal advice as to what I must do and what rights the lender has in this agreement. That means I should talk to a lawyer about this agreement. I should talk to a lawyer who is independent. That means a lawyer who is not advising any other borrower or guarantor or anyone else who receives the money. I have been asked to take the time to obtain advice before signing the loan agreement or guarantee. **If I am a guarantor I am particularly asked to note this advice before signing any guarantee.**

3 I promise to the lender that I have the financial ability to pay any instalments due under the loan agreement and to make the final payment OR if I cannot make the payments, I am prepared to lose the property I provide as security. I have thought about this carefully.

4 I acknowledge that the borrower and any guarantors all must pay the unpaid balance. This means the lender may claim up to the unpaid balance from one of us or all of us. Also if I am guarantor I know I must do all the other things that the borrower must do as well as pay. I must not do the same things that any borrower must not do.

5 I understand that if I provide collateral (e.g. a car or other goods or company shares or present and future personal property) as security I could lose them. That means that if I or any other borrower or guarantor do not pay, that car or goods or other collateral may be

Reposessed by the lender (if the lender does not already hold it) or seized by court officers after judgment and sold to pay the debt. **If I am a guarantor I am also particularly asked to note this.**

6 I understand that if I provide land as security, the lender may lodge a caveat against the title to that land. That means I could not mortgage my own land unless the lender agreed. The lender may also register a mortgage and may sell that land if I or any other borrower or guarantor do not pay the unpaid balance. **If I am a guarantor I am also particularly asked to note this.**

7 I understand that I am being asked to grant a power of attorney to the lender which the lender may use to protect its rights under the agreement. That means the lender may sign in my name as if the lender was me. If I am agreeing to give security over land, the lender may use that power to register a mortgage over land to itself. **If I am a guarantor I am also particularly asked to note this.**

Guarantor and /or Borrower

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

BORROWER'S SIGNATURE

Date:/...../.....

Witness

BORROWER/GUARANTOR SIGNATURE

Date:/...../.....

Witness

SIGNED FOR FAMILY FINANCE

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

You may send notices to the lender by:

- Writing to the lender at its postal address; or
- • Sending an email to the address specified

Name: Family Finance Limited
 Physical Address: 143 Commerce St., Kaitaia 0410,
 Postal Address: Box 250 Kaitaia, 0441.
 Email: apply@familyfinance.co.nz

FULL PREPAYMENT

If you pay the unpaid balance in full before the final payment is due (full repayment) you may be required to pay a fee or charge (Early Termination Fee) to compensate Family Finance for any loss resulting from the full repayment. Family Finance may have suffered a loss if Family Finance's interest rate is lower than the interest rate applying to this Agreement. The amount of Early Termination Fee is calculated using the formula prescribed in regulation 9 of the Credit Contracts Act and Consumer Finance Regulations 2004. We will charge you administrative costs/fees \$50 for our staff's work associated in receiving the request for and processing the full prepayment and in discharging or releasing any security. This may change if you ask for a full prepayment figure more than once. (Amounts we have to pay for security release are additional).

RIGHT TO CANCEL

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

Time limits for cancellation

You must give notice that you intend to cancel this contract

Within 5 working days of your being given a copy of this contract if it is handed to you personally

Within 7 working days of this contract being faxed or emailed to you

Within 9 working days of this contract being mailed to you.

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

How to cancel

To cancel you must give the lender written notice that you intend to cancel a contract by –

- * giving notice to the lender or an employee or agent of the lender; or
- * posting the notice to the lender or an agent of the lender; or
- * emailing the notice to the lender's email address (if specified on the front of this disclosure statement).

You must also:

- (a) Return to the lender any advance and any other property received by you under the contract (but you cannot do this if you have taken possession of any goods or if you have bought any property at an auction or if the contract is for the sale of services that have been performed); or
- (b) Pay the cash price of the property or services within 15 days of the day you give notice.

What you may have to pay if you cancel

If you cancel the contract the lender can charge you:

- (a) the amount of any reasonable expenses the lender had to pay in connection with the contract and its cancellation (including legal fees and fees for credit reports, etc.), and
- (b) Interest for the period from the day you received the property or services until the day you either pay the cash price for the property or services or return the property to the lender.
- (c) The cost of repairing any property you return if the property was damaged while it was in your possession.

WHAT TO DO IF YOU SUFFER UNFORESEEN HARDSHIP

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

To apply for a hardship variation, you need to:

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

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

DISPUTE RESOLUTION*

Name of dispute resolution scheme: Financial Dispute Resolution Service operated by Fairway Resolution Limited.

It is free to make a complaint to this independent dispute resolution scheme. The scheme can help you to resolve any disagreements that you have with the lender. Contact details of dispute resolution scheme: Fairway Resolution Ltd, PO Box 1279, Penrose Auckland 1642.

Phone: 0598 337 337 Web: www.fdr.org.nz

REGISTRATION ON FINANCIAL SERVICE PROVIDER REGISTER

Lender registration name: Family Finance Limited

Registration number: FSP24603