

AdvantageFinance

CREDIT CONTRACT and DISCLOSURE STATEMENT

Statement Date:

Borrower:

Guarantor:

IN CONSIDERATION of the Lender (also referred to as "We" or "Us") at the request of the Borrower (also referred to as "You") and the Guarantor (if any) making available a loan facility to the Borrower as detailed in Schedule A, the Borrower and the Guarantor (if any) hereby agree to make the payments referred to in Schedule A and covenant and agree with the Lender as set out in Schedules A, B, C and D (as applicable).

SCHEDULE A

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

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

IMPORTANT – This document sets out key information about your consumer credit contract. You should read it thoroughly. **If you do not understand anything in this document, you should seek independent advice.** You should keep this disclosure statement and consumer credit contract in a safe place.

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

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

You may send notices to the Lender by:

- Writing to the Lender at its postal address; or
- Sending a fax to the number specified (if any); or
- Sending an email to the address specified (if any).

Name:	Advantage Finance Limited
Physical Address:	C/-Harmans Lawyers, 485 Papanui Road, Papanui, Christchurch
Postal Address:	P O Box 36623 Merivale Christchurch 8146
Phone:	0800 175 000
Email:	leighton@advantagefinance.co.nz

CREDIT DETAILS

Initial unpaid balance is \$XXXXXX

This is the amount owing by the Borrower to the Lender as at the date of this statement (including any fees charged by the Lender). It is the total of all advances to be made under this contract made up of:

Advance to Borrower	\$XXXXXX
Establishment Fee	\$XXXXXX

PAYMENTS You are required to make each payment of the amount specified and by the time specified.

XX monthly payments
XX monthly payments of \$XXXXXX beginning on XXXXXX
Final payment of \$XXXXX on XXXXXX

Total amount of payments

\$XXXXXX

INTEREST

Annual interest rate

XX% fixed for the whole term of the contract, being from XXXXXX to XXXXXX

Total interest charges

This is the total amount of the interest charges payable under the contract.

\$XXXXXX

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 on the last calendar day of each month.

Interest and payments above are calculated assuming an advance date of XXXXXX and that all payments are made on the due date and that no additional default fees or other costs are incurred.

CREDIT FEES AND CHARGES

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

(a) The Lender's account administration fees of \$15.00 per month. These will be charged to your account on the last calendar day of each month. This fee is included in the calculation of the payments and the total amounts of payments sections above.

(b) If the Lender requires a solicitor to prepare any document associated with this transaction then the reasonable legal fees associated with that work, ascertained from the Solicitor's invoice, will be payable by the Borrower when invoiced.

(c) The Lender's costs of and incidental to the preparation, execution, registration, renewal and discharge of any securities or any priority documentation. These costs will be debited to the unpaid balance.

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

CONTINUING DISCLOSURE

The Lender is required to provide you with regular statements. The statements will give you information about your account (eg, any interest or fees charged during the statement period) and the amount and timing of your next payment.

Statements will be provided every six months.

Statements will also be provided on request.

The Borrower consents to receiving electronic disclosure. The Lender may send electronic disclosure to the email addresses specified on the front page of this Agreement.

WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS

Security Interest

This is secured credit. The Lender has an interest in the property listed below to secure performance of your obligations under the contract, or the payment of money payable under the contract, or both.

If you fail to meet your commitments under the contract, then to the extent of the security interest, the Lender may be entitled to repossess and sell this property.

SECURITY: All securities given to the Lender by the Borrower or the Guarantor as detailed below shall be security for the unpaid balance and all other obligations of the Borrower and Guarantor under this Contract.

Registered First Ranking All Obligations Mortgage over the following Real Estate:

Address: XXXXXX

Certificate of Title: XXXXXX

Land Registry: XXXXXX

Real Estate Mortgaged to Lender:

Any Land which the Borrower and Guarantor (if any) own or may own in the future.

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.

Default interest of 10.00% per annum is charged from the time you fail to make a due payment until the arrears (including all interest at the default rate, default fees and all other monies payable by reason of or in relation to such failure to comply) are paid.

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

For the avoidance of doubt, default interest is charged in addition to all interest charged at the annual interest rate in accordance with this contract.

Default fees:

(a) Letter Fee of \$20.00 will be debited to the unpaid balance of your account any time we have to write to you with regard to missed payment(s).

(b) The Lender's reasonable charge (based on its overhead cost at any time) for time spent on your account when you are in default and includes all work in any way associated with recovery, or the attempted recovery, of the unpaid balance or the amount that you are in default.

(c) Any amount payable by the Lender to reimburse another person, body or agency as a consequence of your default. Examples include (but are not limited to) amounts the Lender may have to pay to any repossession agent, collection agency, process server, solicitor, auctioneer, real estate agency, valuer, storage facility, insurance company or Local Body. These will be charged to the Borrower by debiting the unpaid balance with the actual cost invoiced to the Lender.

FULL PREPAYMENT

You may repay the unpaid balance partially or in full and interest will cease from the date of payment on the amount repaid.

Administrative Costs/Fees: The Lender shall be entitled to charge for Discharge of Mortgage/Withdrawal of Caveat Costs. These costs will be passed to the borrower at the amount invoiced by the Lender's solicitor or registration agent and/or the charges levied for such fees from time to time by the Land Titles office.

RIGHT TO CANCEL

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

Time limits for cancellation

If the disclosure is made in person and on the statement date then you must give notice that you intend to cancel the contract within 5 working days of the statement date on the front of this document.

If the disclosure is made in person but not on the statement date then you must give notice that you intend to cancel the contract within 5 working days of the date the disclosure is given to you.

If the disclosure is made by email you must give notice that you intend to cancel the contract within 7 working days of the date of the emailed disclosure to you.

If the disclosure is made by post you must give notice that you intend to cancel the contract within 9 working days of the date disclosure was posted 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 the 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); or
- sending the notice to the Lender's fax number (if specified on the front of this disclosure statement).

You must also, within the same time, return to the Lender any advance and any other property received by you under the contract.

What you may have to pay if you cancel

If you cancel the contract the Lender can also charge you:

- 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
- interest for the period from the day you received the advance until the day you repay the advance.

WHAT TO DO IF YOU SUFFER UNFORESEEN HARDSHIP

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

To apply for a hardship variation, you need to:

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

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

DISPUTE RESOLUTION

Name of dispute resolution scheme: Financial Services Complaints Limited

It is free to make a complaint to this independent dispute resolution scheme. This scheme can help you to resolve any disagreements you have with the Lender.

Contact details of the dispute resolution scheme:

Phone: 0800 347 257

Website: www.fscl.org.nz

Business address: Level 4, 101 Lambton Quay, Wellington

REGISTRATION ON FINANCIAL SERVICE PROVIDER REGISTER

Lender registration name: Advantage Finance Limited

Registration number: FSP13501

SCHEDULE B - GENERAL TERMS and POWER OF ATTORNEY

The Borrower agrees and acknowledges:

1. This document when executed by the Borrower takes effect as a Deed.
2. The law applicable to this contract shall be the law of New Zealand.
3. For more effectually enabling the Lender to obtain the benefits of the covenants contained herein the Borrower hereby irrevocably nominates, constitutes and appoints the Lender to be the true and lawful attorney of the Borrower to do all things which the Borrower covenants to do, sign all such instruments, deeds, notices, applications, transfers and other documents, and execute and perform all transfers, mortgages and other documents under the Land Transfer Act 1952 or otherwise and all such acts, deeds, matters and things as shall be necessary or, in the opinion of the Lender, reasonably required or expedient to renew or keep on foot any licence or obtain a new licence and in his name and on his behalf to do and execute all acts and documents which may be necessary to protect fully the security afforded by these presents and in particular (without limiting in any way the complete generality of this power) to execute and register the mortgage referred to in schedule C and the Borrower hereby covenants with the Lender to ratify and confirm whatsoever the Lender shall do or purport to do or pursuant to the provisions aforesaid.
4. Whenever the terms "Borrower" or "Lender" are used in this contract they shall be deemed to mean and include the plural and in the case of an individual or individuals to include his, her or their executors and administrators and assigns, and in the case of a corporation to mean and include such corporation, its successors and assigns and any word importing the masculine shall also include the feminine and the neuter and vice versa in each case, and it is hereby declared that all covenants expressed and implied on the part of the Borrower shall be deemed joint and several. The term "Borrower" unless the context otherwise requires, includes the Guarantor (and the existence of separate references to the Guarantor in conjunction with "Borrower" in this Agreement shall not give rise to any contrary inference in any instance where "Borrower" appears alone) to the intent that wherever the expression "Borrower" appears it shall be construed as a reference to the Borrower and the Guarantor unless the context otherwise demands or the Lender in its sole discretion decides that it would be adverse to the Lender's interests so to construe.
5. The term "unpaid balance" means the amount owing under this contract at a particular time, being the difference between all amounts credited and all amounts debited to the Borrower under this contract at that time.
6. The expression "default" under this contract means that the Borrower does something he is required not to do or fails to do something he is required to do and the expression "default in payment" means that the Borrower fails to pay any amount due under this contract when it is due.
7. To pay to the Lender the initial unpaid balance plus the Lender's account administration fees as they fall due together with all interest thereon by making the payments as shown in the PAYMENTS section of Schedule A without any deduction or set-off or counter-claim and in such a manner as the Lender requires. Payments subsequent to the first payment are due on the same day of each consecutive week, fortnight or month, as the case may be, as the first such weekly, fortnightly or monthly payment falls.
8. To pay to the Lender upon demand or when otherwise due:
 - a) any credit fees as disclosed in Schedule A (Credit Fees and Charges) that are payable or may become payable under this contract.
 - b) default interest charges and default fees as disclosed in Schedule A (Default interest charges and default fees) that may become payable in accordance with the provisions of that section.
 - c) any amount of interest, charged at the annual interest rate, over and above the total amount disclosed in the INTEREST section of Schedule A that may be debited to the unpaid balance in accordance with the provisions of that section as a result of a default by the Borrower.
 - d) all costs (including legal costs as between solicitor and own client) of and incidental to the preparation, execution, registration, renewal and discharge of this contract and any of the securities and also all moneys expended or charged by the Lender as a consequence of the default or neglect of the Borrower or which the Lender considers in any way necessary to incur in the attempted protection, enforcement or attempted enforcement of the Lender's rights and remedies pursuant to this contract or the securities and the amount of any loss, liability or expense whatsoever incurred by the Lender in respect of this deed or the real estate to be mortgaged to the Lender.

And any such amounts are deemed to be contractual damages if they are incurred by the Borrower with the Lender or incurred or suffered by the Lender while the Borrower is in default hereunder and are due on the date they are debited to the unpaid balance whether or not demand has been made by the Lender and the Lender shall not be obliged to make any demand for any payment due from the Borrower.

9. The Borrower shall repay the unpaid balance remaining, so far as not otherwise repaid or prepaid under this contract, on the due date of the last payment as disclosed in the PAYMENTS section of Schedule A or as otherwise extended by the Lender subject to the Lender's right to require repayment at an earlier date pursuant to the terms of this contract.
10. If the Borrower makes a default in payment any such amount will form part of the arrears under the contract and default interest will apply to the amount in arrears from the due date until all the arrears (including all interest at the default rate, default fees and all other moneys payable by reason of or in relation to such failure to comply) are paid. The Lender, at its absolute discretion, may allow all or part of the arrears to be paid at the end of the loan by extending the term or varying the final payment amount. The Lender may do this more than once.
11. The Lender may appropriate any payment received from the Borrower or money which is the proceeds of any real estate mortgaged to the Lender against any debt owed by the Borrower to the Lender in any manner that the Lender may decide, notwithstanding any appropriation the Borrower claims to have made or the fact that the time for payment of the amount has not arrived.
12. If the Lender accepts any payment or banks any cheque, which the Borrower has made or forwarded in purported full satisfaction or in terms denoting accord and satisfaction, the Lender will not be deemed by such acceptance or banking to have accepted the terms upon which the payment or cheque is forwarded unless the Lender has, before it receives the payment or cheque, agreed in writing to accept the amount in full satisfaction or otherwise as accord and satisfaction.
13. Notwithstanding anything expressed or implied elsewhere in this deed the Lender may from time to time without notice set off against any claim or demand the Borrower may have against the Lender or, by arrangement with such party, any party that is involved in a collateral or related contract, guarantee or arrangement, any claim or demand whatsoever that the Lender may have against the Borrower.
14. If the Borrower makes default in the performance or observance of any covenant, provision or stipulation herein, or any event or material adverse change occurs in the financial condition or stability of the Borrower or the enforceability of this deed or any other security given by the Borrower to the Lender or any contract between the parties, the Lender may demand payment of all moneys for the times being owed and unpaid under this contract notwithstanding the appointed time for payment may not have arrived.
15. There are no circumstances known to the Borrower and not disclosed to the Lender, which might be considered misleading or false in relation to the real estate to be mortgaged, or the Borrower or which in the sole opinion of the lender would render the implementation of the loan transaction imprudent. If, prior to making the advance, such a circumstance becomes known to the lender or any event whatsoever occurs which in the opinion of the lender materially affects its decision to make the advance then the lender may at its sole discretion decline to proceed with the advance and all matters between the borrower and the lender shall be at an end.
16. The Borrower has not relied on any statement, representation or warranty made by the Lender in entering into this deed. Any finance broker involved in this transaction is acting solely for the borrower and not as agent for the Lender.
17. This deed may be signed in several counterparts (including by way of facsimile) which together shall constitute one document which shall be deemed to be sufficient to satisfy the requirements of Section 2 of the Contracts Enforcement Act 1956. Any party is deemed to be bound by this deed immediately upon signing it.
18. The Lender's rights under this or any other contract or security in operation between the parties shall remain in full force and effect notwithstanding any waiver, neglect or forbearance on its part. The Borrower shall not be released from any obligation under this contract or have any liability reduced by any lack of legal capacity or other reason that would result in the contract not being enforceable against or any moneys not being recoverable from any other person nor by virtue of any security becoming all or partly void or unenforceable for any other reason whatsoever.
19. This and any other securities given by the Borrower to the Lender are each collateral one with the other to the intent that a default under any one or more of such securities or under any one or more of the loan contracts entered into between the parties including any guarantee shall be a default under all of the other securities and contracts and the Lender may exercise its rights and remedies under all or any of such securities and contracts either separately or concurrently and at any time and shall not be obliged to marshal in favour of the Borrower or any other person.
20. This deed secures future advances and shall be and remain security for the Lender for all moneys actually or contingently owed by the Borrower and any obligations pursuant to any guarantee. This will apply even though any sum has been paid from time to time to the Lender or any account between the Borrower and the Lender may be or have been in credit or settled.

21. That the real estate described in Schedule A has been acquired for the private and domestic use only and will not be used in the course or furtherance of any taxable activity and that any supply of the real estate if sold by the Borrower would not be a taxable supply. The lender may rely on this covenant for the purposes of Section 5(2) of the Goods and Services Tax Act 1985.
22. (a) The Borrower will insure (including earthquake insurance) all improvements on the real estate mortgaged to the Lender for replacement value with an insurer acceptable to the Lender.
 - (b) If default is made by the Borrower under 22 (a) the Lender may without prejudice to and concurrently with the powers granted to the Lender under this contract or otherwise by law so insure the improvements on the real estate mortgaged to the Lender and the cost of such insurance shall be payable by the Borrower to the Lender and shall be debited to the unpaid balance.
 - (c) Should any loss of or damage to the improvements on the real estate to be mortgaged to the Lender or any part thereof occur and the insurer of the improvements not repair, reinstate or replace the same, such moneys as are payable under any policy of insurance shall be paid to the Lender which may at its option elect to expend such moneys toward repairing, reinstating or replacing the improvements or the Lender may elect to have such moneys as shall be payable under any such policy of insurance paid to it in discharge or partial discharge of the moneys owing under this contract.
23. The Lender is authorised to pay or apply the initial unpaid balance to the recipients or for the purposes set out in the disclosure statement or in any other document signed by the Borrower.
24. The Lender may at any time assign, transfer or grant a security interest in respect of its right title and interest in this Agreement or the Securities detailed in Schedule A. Any assignee or transferee shall have the same rights and remedies available to it as the Lender has.

SCHEDULE C - MORTGAGE OF REAL ESTATE

1. When called upon by the Lender the Borrower shall execute at the cost of the Borrower a registrable mortgage in favour of the Lender or its assigns over the real estate described in Schedule A. The mortgage shall be the current Auckland District Law Society form of All Obligations Mortgage or such other form as the Lender may reasonably require and shall secure payment of all moneys payable under this Deed and the Borrower hereby charges such property accordingly.
2. The Borrower acknowledges and agrees that the property to be mortgaged shall include the Borrower's interest in any land or other property whether real or personal and whether or not described in the Schedule A and the Borrower hereby charges all such property accordingly.
3. The Borrower hereby authorises the Lender to lodge and maintain a caveat against the title to the property in the Schedule A or referred to in the preceding clause.

SCHEDULE D - GUARANTEE PROVISIONS

The Lender having entered into this transaction at the Guarantor's request obtains the following agreements and covenants from the Guarantor:

1. That the Guarantor guarantees to the Lender payment of all money owed by the Borrower and performance of all the Borrower's obligations under this Deed.
2. If the Guarantor comprises more than one person, then the Guarantors' liability will be joint and several.
3. The guarantee will be binding on the Guarantor even if the terms of this deed are not strictly enforced against any person.
4. The guarantee will continue until all the money and obligations owed to the Lender are paid and satisfied in full.
5. The Guarantor shall be deemed a principal debtor and not merely a surety.
6. The Guarantor acknowledges having been advised to obtain legal advice on the signing of this Deed and that any failure to obtain such advice is entirely a result of the Guarantor's own choice made without pressure or coercion after having sufficient time to consider.

PRIVACY ACT 1993

By signing this loan contract you agree that we may collect (including by way of recorded telephone conversations), retain and use personal information about you for the purposes of assessing your creditworthiness and administering this contract. The information may be sought from and given to any person for these purposes and you specifically consent to the collecting, using and disclosing your personal information for the following purposes:

- a) Verifying any information that you give to us (or information that we may collect from other sources) with third parties and third party databases, including Government agencies (for eg. NZ Transport Authority, Motor Vehicle Register, PPSR).
- b) Carrying out credit checks on you with a credit reporting agency for a purpose of making a credit decision affecting you (including debt collection) or for the requirements of the Anti-Money Laundering and Countering Financing Terrorism Act 2009. This will require us to give your information to the credit reporting agency as well as the credit reporting agency providing information about you to us.
- c) Debt recovery including appointing an agent to collect any outstanding debts and listing defaults with a credit reporting agency.
- d) Checking the Ministry of Justice fines database for any overdue fines you may have. This will require us to give your information to the Ministry of Justice. This check may be carried out by a credit reporting agency, which will require the search results to be disclosed to the credit reporting agency.
- e) Verifying any information that you give to us (or information that we may collect from other sources) with third parties and third party databases for the purposes for fraud prevention or the Anti-Money Laundering and Countering Financing Terrorism Act 2009.
- f) Where you have voluntarily given us your driver licence information, this information may also be disclosed to a credit reporting agency and the Ministry of Justice as part of the checks we undertake with them.

By signing this loan contract you authorise and acknowledge as follows:

You authorise any third party to provide your personal information to us for any of the above purposes.

You acknowledge that if we disclose your personal information to a credit reporting agency, they may hold your information on their credit reporting database and use it for providing credit reporting services and for any other lawful purpose and they may disclose your information to their subscribers for the purpose of credit checking or debt collection or for any other lawful purpose.

COMPLAINTS

If you are not satisfied with the service you have received from us you should contact us. We have an internal complaints process and undertake to investigate your concerns promptly and fairly. You may contact us to make a complaint by telephone, by email or in writing.

We are a member of an independent dispute resolution scheme operated by Financial Services Complaints Limited ('FSCL') and approved by the Ministry of Consumer Affairs. We have 40 days to respond to your complaint. If you are not satisfied by our response, you may refer the matter to FSCL by emailing info@fscl.org.nz or calling FSCL on 0800 347257. Full details of how to access the FSCL scheme can be obtained on their website www.fscl.org.nz. There is no cost to you to use the services of FSCL.

EXECUTION: The Borrower and Guarantor in executing this Contract acknowledge that they have been handed a copy of it plus copies of any additional security documents (if applicable) and that they understand the full nature and effect of the said documents and that they have had sufficient time to consider whether to sign them.

DATED this day of 2015

EXECUTED by the Borrower

_____ [signature of borrower]

In the presence of:

_____ [signature of witness]

_____ [full name of witness]

_____ [occupation]

_____ [address]

EXECUTED by the Guarantor

_____ [signature of guarantor]

In the presence of:

_____ [signature of witness]

_____ [full name of witness]

_____ [occupation]

_____ [address]