



TERMS AND CONDITIONS OF YOUR LOAN CONTRACT WITH RAPID LOANS NZ LIMITED

These Terms and Conditions should be read in conjunction with the Loan and Security Agreement and Disclosure of Terms, before you sign any documents, including the Loan and Security Agreement, whereby you acknowledge acceptance of these Terms and Conditions.

Other Terms and Conditions

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

Meaning of words

Borrowers or **you** means the person(s) shown as borrower(s) and as co-borrowers in the disclosure statement and includes your/their executors, administrators and successors in title;

Collateral means the goods and any other personal property described in the disclosure statement in the box headed "**WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS** Security Interest" "A. Personal Property – Collateral" section and includes an interest in such goods or other personal property;

Default under this agreement means that you fail to do something you are required to do or do something you are required not to do;

Default Fees and **Default interest** are as listed and described under "Default interest charges and default fees" in the disclosure statement;

Financial default means that you have failed to pay and still fail to pay an instalment or other amount when due or demanded as the case may be;

Land includes an interest in land;

Land to be mortgaged means the land shown in the disclosure statement in the box headed "**WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS**" "B. The Land to be Mortgaged" section;

The money secured means the unpaid balance;

Own includes "having an interest in" and "owner" is interpreted accordingly;

Person includes an organisation as defined in the PPSA;

PPSA means the Personal Property Securities Act 1999;

Working day has the meaning ascribed to it in the Credit Contracts and Consumer Finance Act 2003.

Any expression not described or defined in this agreement shall have the meaning ascribed to it in the PPSA or the Credit Contracts and Consumer Finance Act 2003 unless the context requires otherwise. Unless the context prevents it, the singular shall include the plural and vice versa and one gender includes others.

Payments

- 1 You must make all payments as shown in the PAYMENTS schedule of the disclosure statement when due, without any deduction and in such manner as the lender requires. This may mean that you must allow the lender to directly debit your bank account or that you set up automatic payments. The lender may also accept any part prepayment, but the lender may charge you administrative costs associated with the part prepayment.

- 2 You must pay to the lender immediately upon demand or when otherwise due:
 - (i) the lender's credit fees shown in the "**CREDIT FEES AND CHARGES**" section of the disclosure statement; and
 - (ii) any early repayment fee provided for in the **FULL PREPAYMENT** section of the disclosure statement and any part repayment fee charged; and
 - (iii) the lender's default fees and default interest shown in the "**WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS** - default interest charges and default fees" section of the disclosure statement; and
 - (iv) all of the lender's costs (which include the lender's own internal administration fees), expenses and any other liabilities not now known to the lender (which include legal expenses on a solicitor and own client and on a full indemnity basis) which may be incurred or suffered by the lender in connection with:
 - a Any variation and release of this security agreement or any financing statement or Land Transfer Act registration in relation to this security agreement not provided for in the disclosure, and the negotiation and grant of any consent or waiver;
 - b Any dispute, negotiation or communication with any other party having or claiming to have any interest (whether registered or not) in any collateral or in the land to be mortgaged;
 - c If you are in default, the transfer of the security interest of any other secured party to the lender or the security interest of the lender to another secured party;
 - d The exercise or enforcement or protection, or the attempted exercise, enforcement or protection, of any right or remedy of the lender under this agreement or what the lender believes to be a right or remedy to which it is entitled, including the conduct of any Court or tribunal proceedings and any further checks and investigations necessitated by your breach or in pursuance of the enforcement;
 - e The lender's doing anything you should have done but you have not done, and you agree that amounts referred to in this clause 2 are, and are deemed to be, contractual damages if they are incurred by you with the lender, or suffered or incurred by the lender as a result of your default hereunder and in any event shall incur default interest until paid in full.

Change of name or contact details

- 3 If you change your name, address, email address or your landline or cellular telephone number, you must immediately notify the lender of your new name, address, email address or landline or cellular telephone number. The lender may contact you at the new address, email address or landline or cellular telephone number.

Consent to electronic communications

4 You and the lender consent to using, providing and accepting information in electronic form and the parties agree that the Electronic Transactions Act 2002 applies.

Full prepayment

5 In accordance with section 50 of the Credit Contracts and Consumer Finance Act 1993 you may repay the outstanding balance of your loan in full before it is due. However, you must also pay the lender the administrative costs arising from the full prepayment or a charge equal to its average administrative costs so arising.

Joint and several liability where more than one borrower

6 Where there is more than one borrower, all obligations on your part are joint and several. This means that one of you may be required to pay all of the money owing under the agreement by yourself.

When you are in default

7 You will be in default under this agreement if:

- a. The information you provided to the lender was false, misleading or fraudulent;
- b. You do not make any payment that is due under this agreement;
- c. You do not do what you have agreed to or do something you have agreed not to do under this agreement;
- d. The collateral is at risk;
- e. You allow collateral to be moved or stored outside New Zealand without our permission;
- f. You do not maintain adequate insurance over the collateral or land to be mortgaged;
- g. You give anyone else a security interest in the collateral or land to be mortgaged;
- h. If you become bankrupt or insolvent.

Your Loan and Security Agreement and these Terms and Conditions detail what constitutes a default under the agreement.

Acceleration of payment if in default

8 If any collateral is at risk, as defined in section 109 of the PPSA, if you breach clause 27 of this agreement, if you default in payment of any money for 14 days after it is due, or if you continue any other default for 14 days after the posting of any notice of that default to you, the lender may accelerate repayment of the loan and require you to pay the unpaid balance to the lender immediately. The lender may call up that money even although the time for payment has not yet been reached.

Default interest

9 If you fail to pay any instalment or other amount due on the due date (including any amount for which payment has been accelerated on default and demand has been made), you shall pay to the lender default interest on that instalment or other amount due from the due date of such instalment or other amount until you are no longer in default. Default interest shall compound monthly.

10 Subject to the lender's statutory obligation to disclose and notwithstanding anything else in this agreement, it is your responsibility to ascertain from the lender the amount of any default interest and default fee or credit fees incurred by you from time to time and to pay them.

Change to payments when you are in default

11 If you fail to pay one or more instalments in full so that you are in default, and the lender is unable to contact you regarding the default, the lender may vary the amount or

timing of your payments in order to clear the arrears. If the lender chooses to vary your payments, the lender will provide you with a variation disclosure statement within five working days of the changes taking effect advising you of the changes to your payments schedule. You must make all payments as shown in the payments schedule of the variation disclosure statement when due and in such manner as the lender requires. This may mean that you must allow the lender to directly debit your bank account or that you set up automatic payments.

The lender may extend term if you are in default

- 12 If you fail to pay one or more instalments in full so that you are in default but otherwise are paying on time, the lender, at its absolute discretion may add the unpaid amount to the loan thus extending the term and varying the final payment or payments.

Insolvency

- 13 For the purposes of the Insolvency Act 2006, the lender may call up the unpaid balance if you commit any act of bankruptcy, or enter into the No Asset Procedure or without the lender's consent become subject to a summary instalment order.

Power of attorney

- 14 In exchange for the loan of the initial unpaid balance and to enable the lender to protect its interests under this agreement, each borrower jointly and severally irrevocably appoints the lender, and any one director of the lender severally, to be the attorney of each borrower to carry out (at your expense) any of your obligations under this agreement that you have failed to do or do anything that the lender thinks desirable to ensure the lender is paid the money secured and otherwise to protect the interests of the lender.

- 15 If you fail to do anything which you must do, or do anything you must not do, the lender may do or pay anything to remedy the default and may add that cost to the unpaid balance, and if you do not pay the cost of such remedy on demand, the lender may charge you default interest.

- 16 The borrowers ratify anything done by an attorney under this power and further indemnify any person acting in reliance upon the power. If the lender assigns the benefit of this agreement, the assignee shall have the same rights and powers under this paragraph as does the lender and each of you named as borrower irrevocably appoints the assignee his attorney accordingly.

Security interest in collateral and mortgage of land

- 17 You must store any collateral which is goods at the address shown as that of its owner in the disclosure statement, or at the most recent address provided by you under clause 3.

- 18 You must not allow any collateral goods to be stored elsewhere without our permission nor any collateral to be taken out of New Zealand.

- 19 You must also care for and maintain collateral in good saleable condition and comply with any laws or government requirements relating to its ownership and use and you must not use it in any dangerous or illegal activity or for any purpose for which it was not intended.

- 20 The lender may inspect any collateral on giving reasonable written notice and you shall make such collateral available for inspection. The lender need not give notice if the collateral is at risk as defined in s.109 of the PPSA and its employees or agents may enter any place where it believes the goods may be to look for and inspect them. In doing so the lender's employees or agents are your agents.

- 21 You must not do anything or allow anything to happen which may impair or undermine any borrower's ownership of collateral or the lender's security interest in collateral.
- 22 You must tell us of anything that may affect the collateral or the land to be mortgaged.
- 23 Further you must not grant any other security interest over collateral, nor allow any lien to be created over it, nor dispose of, nor allow the disposal of collateral by sale or gift or in any other way, nor cause nor allow collateral to be taken out of the possession of the borrower who owns it, nor destroyed, damaged, endangered, disassembled, removed from the place where you are required to keep it, nor concealed from the lender. You must not alter or remove any collateral serial number unless you first obtain the lender's consent in writing. In any event, if any of these acts or omissions occur, you must immediately advise the lender in writing.
- 24 Any accessions (including replacements and accessories) which are attached to collateral goods shall become part of the collateral. This includes the borrower's interest in any personalised motor vehicle registration plates.

Insurance

- 25 You must insure the collateral which is goods, and of any buildings or improvements on the land to be mortgaged, to their full insurable value (in the case of such buildings or improvements for full replacement value if possible) and keep them insured against fire, accident, theft, flood and storm (and any other risks as the lender may require). You must ensure that the lender's name and the lender's security interest are noted on the insurance policy.
- 26 All payments, in the event of an insurance claim, are to be made to the lender. The lender may apply the proceeds in repayment of the unpaid balance even though it, or part of it, has not yet fallen due. You must not do or allow any act or omission which causes the insurance to be invalidated or cancelled or which may cause the insurer to refuse payment. You must provide receipts and an insurance company certificate of the insurance if required by the lender.

Repossession

- 27 Subject to clause 8 hereof as to acceleration of payment of the unpaid balance, if you default under this agreement, the lender may, without notice save that required by statute, seize the collateral and for such purposes you irrevocably give to the lender the right and licence for its agents, acting as your agents, to enter any premises and if necessary to break into any building where the lender may reasonably believe the collateral may be situated (whether or not you are present) or where you are for the purpose of searching for and seizing the collateral.
- 28 The lender shall not be liable in any way to you or to any third party for any damage or loss which occurs in the process of entry into any premises, or during, or as a result of, the seizure and/or sale of the collateral and you will indemnify the lender against such damage or loss.
- 29 On seizure, the lender may sell the collateral by auction or otherwise subject to any applicable statutory obligations. You will do every thing necessary to enable the lender to effect (and if applicable to register and otherwise publicly record) the sale, including the signing of all necessary transfers, assignments and other documents. On such sale, the receipt of the lender or its agent will be sufficient discharge to the purchaser for the purchase money and no purchaser shall be bound to investigate the propriety or regularity of any such sale or be affected by any notice, express or constructive, that such sale is improper or irregular. The lender is not obliged to account for the proceeds of sale of the collateral unless and until it has received the proceeds.

PPSA

- 30 You waive your right to receive a verification statement confirming registration of a financing statement or financing change statement regarding any security interest.
- 31 If the borrower makes a demand under section 162 of the PPSA (demand registration of financing change statement) and the lender obtains a court order under section 167 of that Act (in cases not involving security trust deed) the borrower must pay to the lender all costs, fees, disbursements and other expenses (including legal fees on a solicitor client basis and the internal costs of the lender) incurred by the lender dealing with the demand and obtaining the order and if there is still an unpaid balance of the loan, the money payable may be added to that balance.

Set off

- 32 To the extent allowed by law, the lender may from time to time without notice, set off against any claim or demand which you may have, any debt owed by you or claim or demand which the lender may have against you.

Rights and powers

- 33 No amendment to this agreement shall have any effect unless in writing and signed by a manager of the lender. The lender may exercise all or any right, power or remedy at any time and failure to do or delay in doing so shall not constitute a waiver unless the lender grants it in writing. Waiver of one right power or remedy is not waiver of another.
- 34 The lender may allocate any payment received from you or money which is proceeds of the sale of collateral or the land to be mortgaged against any debt owed by you as the lender may decide, notwithstanding any allocation you claim to have made.
- 35 If the lender accepts any payment or banks any cheque, which you have made or forwarded in purported full settlement of the unpaid balance, or in terms suggesting any settlement, the lender will not be deemed by such acceptance or banking to have accepted the terms upon which the payment is made or the cheque is forwarded, unless the lender has, before it receives the payment or cheque, agreed in writing to accept the amount in full settlement.

Service of notices

- 36 Subject to sections 352 to 359 of the Property Law Act 2007, any notice, demand, letter or other document (“such document”) for service on you shall be deemed to be properly served, in any court proceeding or otherwise, if served in accordance with the wording of Section 83ZQ of the Credit Contracts and Consumer Finance Amendment Act 2014 (“CCCFAA”) excluding sub-section 83ZQ(9). In addition, service on you shall be deemed to have been effected if such document is handed to any person in apparent occupation of your address shown in this agreement, or by attaching such document to an external door at such address.
- 37 In addition, if your address is a flat or apartment or room in a building and if the lender or its agents are unable to obtain access to such flat, apartment or room by virtue of the security system of the building or for some other reason, then service will be deemed to have been effected on you if such document is posted at an outside letterbox corresponding to such flat, apartment or room. If there is no such letterbox, service will be deemed to have been effected on you if such document is clearly addressed to you and given to any building manager or receptionist for the building and directed to be given to you.
- 38 Further, if any borrower has shown an email address or a facsimile number in his address in this agreement or the disclosure statement, or if the borrower is in default and has an email address or a public address, including an internet social media address or an address at any other internet communication system, that address shall be the

information system specified by that borrower for the purpose of service or general communication.

Governing law

- 39 This agreement is governed by New Zealand law and the parties irrevocably submit to the jurisdiction of the New Zealand courts. This does not limit the lender's rights to enforce this agreement against you or any judgment against you or against your real and personal property in any country where you or that property may be.

Indemnity

- 40 You indemnify the lender and will keep it indemnified against any claim from any person relating to the collateral or the land to be mortgaged or the use thereof. If the lender incurs any loss, liability or expense in respect of the collateral or the land to be mortgaged or this agreement as a result of any act or omission of yours, then the amount of such loss, liability or expense, plus goods and services tax if any, shall be payable by you to the lender on demand, and in any event shall become part of the money secured and the lender may charge default interest thereon.

General terms

- 41 You shall not be released from your obligations under this agreement or have your liability reduced by any lack of legal capacity of the other borrower, or for any other reason which would result in the agreement not being enforceable against the other borrower 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 reason whatsoever.

- 42 You promise that:

a. you have disclosed all information that a reasonable lender in the lender's position would wish to be aware of before granting the loan; and

b. all information provided by you, or on your behalf, to enable the lender to decide whether or not to lend to you is true and correct, and if you breach this clause 42, the lender may demand payment of the then outstanding balance of the loan and you will pay immediately on such demand.

- 43 If you are borrowing money from the lender in order to purchase property over which the lender is to take a security interest, the lender may pay the money directly to the supplier of that property.

- 44 As between the lender and the borrowers, each borrower is deemed to be a principal debtor and waives all defences which might be available to a surety. No waiver, giving of time, indulgence, compromise, failure or delay in exercising remedies, nor the exercise or non exercise of the lender's powers, nor any variation of security or other dealings by the lender with any other borrower, nor any failure to maximise value on realisation of any security, nor the fact that any borrower has had no or limited benefit from the loan of the amount of credit shall release any borrower from any obligation or affect his liability to the lender.

- 45 The Consumer Guarantees Act 1993 shall not apply if the money secured is applied in the purchase of property for business purposes.

Assignment of rights

- 46 The lender may assign its right, title and interest in the collateral and in the land to be mortgaged and its right, title and interest in this agreement, or any of them, at any time.