

Gem Personal Loan Contract

Terms & Conditions



Contents

What we lend and when	1
The annual interest rate	2
Interest charges	2
Repayments	2
Early repayment	3
Fees and charges	3
Statements	4
If you are in default	4
Securities	6
Personal information	9
General matters	9
Meaning of words	12

Contract Terms and Conditions

These Personal Loan Contract Terms and Conditions do not contain all the information making up the agreement between you and us. Other contractual information is contained in the schedule which together with these Personal Loan Contract Terms and Conditions constitute the agreement between you and us.

The meaning of words printed like this in these Personal Loan Contract Terms and Conditions is explained in 12 (Meaning of Words).

1. What we lend and when

- 1.1 We agree to lend you the advance amount by making the payments set out in the schedule. You authorise us to use the advance amount to make these payments.

- 1.2 You are liable for all your obligations under this agreement both separately on your own and jointly with any one or more of the persons named in the schedule as “Customer(s)”. You includes your successors and permitted assigns.

- 1.3 However, we only have to lend if:
 - (a) we have received in a form satisfactory to us:
 - each security and related document (such as title documents and acknowledgments); and
 - evidence of any insurance we require adequately noting our interest; and
 - any report or valuation we require; and
 - any other document or information (including a direct debit authority) we require; and
 - (b) your financial circumstances have not changed significantly since information concerning those financial circumstances was first provided to us; and
 - (c) no security has been withdrawn or is otherwise unenforceable and you have not withdrawn from a security; and
 - (d) the property the subject of a security has not become the subject of a claim from a third party; and
 - (e) you are not in default under this agreement or a security.

- 1.4 Our obligation to lend you the advance amount terminates if you do not borrow it within 20 days of the disclosure date (or any longer period we consent to).
- 1.5 Unless we otherwise agree, you may only borrow the advance amount in one lump sum.

2. The annual interest rate

The annual interest rate at which you will be charged interest for any day under this agreement is as described in the schedule.

3. Interest charges

How we calculate interest charges

- 3.1 Interest charges for each day are calculated by applying the daily interest rate to the balance owing on your loan account at the end of that day.

When we debit interest charges

- 3.2 Interest charges accrue daily from and including the settlement date and are debited to your loan account (so increasing the balance owing on your loan account):
 - (a) at monthly intervals, the first debiting to occur one calendar month after the settlement date; and
 - (b) on the day you repay the total amount owing in full.

If, however, the relevant month does not contain the scheduled day for debiting then we debit interest charges on the last working day of that month.

4. Repayments

What you must pay

- 4.1 You must repay to us:
 - (a) the advance amount; and
 - (b) all interest charges; and
 - (c) all fees and charges (as changed by 6.4); and
 - (d) all other amounts payable under this agreement, by making repayments in accordance with the schedule and your continuing disclosure statements and, in any event by no later than the last day of the loan term or by any later date that we determine.
- 4.2 The schedule sets out the repayments we require as at the disclosure date.

How to make repayments

- 4.3 You must make the required repayments in any manner approved by us.
- 4.4 You must ensure that there are sufficient funds to allow any cheque, direct debit, automatic payment or other payment facility to be honoured at first instance.

5. Early repayment

What you must pay if you repay early

If you repay the total amount outstanding prior to the end of the loan term you will have to pay:

- (a) the total amount outstanding as at the date of early repayment;
- (b) all accrued interest charges to the date of early repayment.
- (c) fees and charges that may apply to your loan from time to time (if any).

6. Fees and charges

Enforcement expenses may become payable under this agreement or any security in the event of a breach

- 6.1 Subject to this clause, you must pay us:
- (a) all credit fees and charges in the circumstances indicated in the schedule and any new fees and charges we impose under 6.4; and
 - (b) any expenses we incur in enforcing this agreement or a security after a default (including repair costs, legal costs (including costs incurred on a solicitor/client basis), storage costs, expenses incurred in preserving and maintaining property such as by paying insurance after a default). These expenses are payable when we ask for them.

A government or other third party fee or charge will only be payable by you to the extent of the actual amount finally determined as being payable by the relevant third party.

- 6.2 You authorise us to debit any of these amounts to your loan account. We may do so on or after the date we pay them or the date they become due or payable by you or us (whichever is earlier).

The amount, frequency or time for payment or method of calculation of a fee or charge may change or a new fee or charge may be imposed under this agreement. Clause 6.4 sets out how, when and if, you will be notified of any change.

- 6.3 The credit fees and charges current at the disclosure date are shown in the schedule.

Changes to fees and charges

- 6.4 We may change the amount of any fee or charge or change the method of calculation, frequency or time for payment, or impose a new fee or charge at any time, provided that such change does not affect the repayments set out in the schedule.

We will notify you in writing either within 5 working days of the date of such a change or of the introduction of a new fee or charge, or in your next statement.

Disclosure of credit fees and charges

- 6.5 Where we have provided you with an offer to enter into another loan contract at the same time as we provide you with an offer on which this agreement is based, the credit fees and charges disclosed in this agreement are disclosed on the assumption that credit is provided under one loan agreement before it is provided under the other loan agreement and where relevant the credit fees and charges are apportioned accordingly.

7. Statements

- 7.1 We will send you periodic statements. These statements constitute continuing disclosure under the Credit Contracts Act and show all amounts debited or credited to your account during the statement period.
- 7.2 Where you have consented to disclosure being made in electronic form, an email containing either your statement or a link to an internet page containing your statement may be sent to the email address provided by you. Alternatively, statements will be posted to your last known mailing address.

8. If you are in default

When are you in default?

- 8.1 You are in default if:
- (a) you do not pay on time all amounts due under this agreement; or
 - (b) you do something you agree not to do, or don't do something you agree to do under this agreement or a security; or
 - (c) you or another person gives us or has given us incorrect or misleading information in connection with this agreement or a security; or

- (d) we reasonably believe you or another person has acted fraudulently in connection with this agreement or a security; or
- (e) you are in default under a security or withdraws from it or it becomes unenforceable; or
- (f) you become insolvent, or steps are taken to make you so; or
- (g) at any time any judgment of any Court against you remains unsatisfied for more than seven days; or
- (h) a power of sale arises under any security interest over any collateral which is secured by a security; or
- (i) distress or execution is levied or issued against or any lien is claimed over the collateral.

What can happen then?

- 8.2 If you are in default, then subject to the requirements of any legislation:
- (a) the total amount owing becomes immediately due for payment (to the extent it is not already due for payment) without notice to you, and notwithstanding that the time or times appointed for payment under this agreement may not have arrived; and/or
 - (b) we may sue you for the total amount owing or enforce any security or do both; and/or
 - (c) we may take possession of the collateral and enter on any lands or premises where the collateral may be as your agents and if we incur any liability to any third party you shall indemnify us against any liability upon demand by us; and/or
 - (d) we may sell or lease all or part of the collateral in a manner and for consideration and on such terms and conditions as we think fit, without being responsible to you or any other party for any loss and we may do all things we consider necessary to complete any sale or lease.
- 8.3 Your obligation to pay on time is not cancelled by the provisions of this clause.
- 8.4 We will not be responsible for any property left in repossessed or returned collateral. Unless you collect the same within one month of the date of repossession or return of the collateral we may sell the property and credit the net proceeds to your loan account.

9. Securities

Security interest in collateral

9.1 Clauses 9.1 to 9.5 (inclusive) only apply if the schedule indicates that you are to grant a security interest in collateral as security for payment of the secured moneys.

By granting this security interest you undertake certain obligations. You also give us rights concerning you and the collateral - for example, if you do not comply with your obligations, in certain circumstances we may take possession of the collateral, sell it and sue you for any remaining money you owe us.

9.2 In consideration of us agreeing to this loan, you as legal and beneficial owner of the collateral grant a security interest in the collateral to us as security for payment of the secured moneys and the performance of your obligations under this agreement. Unless you already own the collateral, when you enter into this agreement, the loan is to be spent (wholly or partly) in purchasing the collateral.

9.3 You warrant that you have, or will have as soon as you purchase it, good title to and sufficient rights in the collateral and that it is, or will be, when purchased, free from any security interest.

9.4 You must:

- (a) keep the collateral insured for its full replacement value and to our satisfaction in our absolute discretion. We will be entitled to receive all moneys payable under the insurance policy;
- (b) keep the collateral in good condition and replace any defective or worn out parts with new parts and any such replacement parts, accessions or accessories will upon attachment become part of the collateral and subject to the security interest created by this agreement;
- (c) comply with all legal requirements concerning the collateral or its use or possession, including those relating to registration;
- (d) notify us immediately if the collateral is lost, seized, confiscated, taken, detained or damaged;
- (e) notify us immediately in writing if you change your name or address of your new name or address; and
- (f) punctually pay all rents, taxes and charges from time to time falling due in respect of any premises in which the collateral or any part of it may for the time being be kept and produce to us when required by us the receipt or receipts for the payments.

- 9.5 You must not:
- (a) do anything which might prejudice our security interest in the collateral;
 - (b) mortgage, sell, dispose of, pledge, charge, hire out or otherwise create, allow to be created or permit to exist a security interest in the collateral;
 - (c) do anything or allow any state of affairs to exist which would give us reasonable grounds to believe that either you intend to remove or dispose of the collateral without our consent;
 - (d) permit the collateral to become affixed to any land or to become an accession to any other property without first obtaining an acknowledgement or waiver in such form as we may require acknowledging that our interest is paramount; or
 - (e) part with possession of or allow or permit the collateral to become damaged, lost, seized, confiscated, detained or damaged.

Effect of securities generally

- 9.6 You agree that:
- (a) each security listed in the schedule is given to secure payment of the secured moneys;
 - (b) if you default under this agreement it shall constitute a default under any other security, deed, document or agreement between you and us; and
 - (c) if you default under any other security, deed, document or agreement between you and us it shall constitute a default under this agreement.

Collateral securities

- 9.7 You agree that each security listed in the schedule shall be collateral with all other security, deeds, documents and agreements given to us by you to secure the secured moneys. You also agree that all such documentation will be read and construed together so that a default under one will be a default under all.
- 9.8 You agree that with respect to any default we may exercise our rights, powers and remedies under any of the documents either together or separately and in any order we think fit.

Liens

- 9.9 We may pay any money in our opinion reasonably necessary to discharge or have withdrawn any lien or security interest on any collateral and such cost may be debited to your loan account as if it were an amount referred to in 6.2.

GST

9.10 For the purposes of the GST Act, you agree with us that the collateral (if any) has been acquired for private or domestic use only and will not be used in the course or furtherance of any taxable activity and further that any supply of the collateral if it was sold by you would not be a taxable supply and you acknowledge that we may rely on this covenant for the purposes of section 5(2) of the GST Act.

Power of Attorney

9.11 You, and if there is more than one of you, each of you jointly and severally, irrevocably appoint us and each of our managers, officers and nominees (severally) for the time being to be your attorney to do all such things as we reasonably believe may be necessary or desirable to protect fully our interest under this agreement including (without limitation) for the purposes of executing any security agreement, and doing all such other things as are necessary to register or perfect a security agreement.

Consumer credit insurance

9.12 You acknowledge that you do not have to take out consumer credit insurance unless you want to. Unless we waive the requirement you must take out insurance over the collateral.

Commission

9.13 You acknowledge that:

- (a) we may receive a commission for the introduction of any insurance business financed by this agreement; and
- (b) we may pay a commission to the vendor of any collateral for the introduction of lending business; and

Personal Property Securities Act

9.14 You acknowledge receipt of a copy of this agreement and waive any right you may have to receive a copy of any financing statement, financing change statement or verification statement that is registered, issued or received at any time by us in relation to this agreement.

10. Personal information

- 10.1 You agree that we may disclose your personal information to credit reporters and that those credit reporters may hold the information on their systems and disclose it to authorised users of the credit reporters' services. You also agree that we may disclose to any credit provider named in a credit report relating to you information about your creditworthiness and credit history.
- 10.2 You agree that we may collect and monitor such personal information about you as is necessary for the administration and protection of the advance amount (including without limitation utilising any credit reporters' monitoring services to receive updates if the information held about you changes) and may disclose repayment history, details relating to your account, and any payment default information to credit reporters which may hold the information on their systems and disclose it to authorised users of the credit reporters' services.
- 10.3 We may (if necessary) disclose your personal information to fraud reporting agencies, and to any person we may appoint to assist in enforcement of this contract.
- 10.4 Where you have requested insurance cover through us, we may disclose your personal information to Hallmark Life Insurance Company Ltd., Hallmark General Insurance Company Ltd. and/or any other insurer that provides that insurance cover.
- 10.5 You authorise us to use all personal information held about you to offer you further finance, to consider any future applications for finance from you and to provide you from time to time with details of other products and services.
- 10.6 Your personal information is held at our offices. Where the personal information may be readily retrieved, you shall have access to it and the right to request correction.
- 10.7 For the purpose of this clause reference to we and us means Latitude Financial Services Limited and its related companies.

11. General matters

What happens to payments we receive?

- 11.1 We will use a payment applied to this agreement to reduce the total amount owing under this agreement in any order we choose.

Effective date of transactions

- 11.2 The advance amount (or the relevant part of it) is provided on the day on which we debit your loan account for that purpose.

Adjustments

- 11.3 We may subsequently adjust debits and credits to your loan account so as to accurately reflect the legal obligations of you and us (for example, because of an error or a dishonour). If we do this we may make consequential adjustments (including to interest charges).

End of day

- 11.4 A day of the week ends for any purpose under this agreement at 4 pm.
- 11.5 We may change the time at which any day ends for any purpose under this agreement. We will give you notice of any such change in writing no later than 5 working days of the date the change takes effect.

Assignment

- 11.6 We may assign our rights under this agreement. You agree that we may disclose any information or documents we consider desirable (including any “personal information” about you as that term is defined in the Privacy Act 1993) to help us exercise this right.
- 11.7 Your rights are personal to you and may not be assigned.

Variations and waivers

- 11.8 A provision of this agreement, or a right created under it, may not be waived except in writing signed by the party or parties to be bound.
- 11.9 We may agree to change this agreement or defer or waive any of these terms and conditions without creating a new contract.
- 11.10 We may change any provision of this agreement in addition to those specifically mentioned unless such change alters the repayments required as set out in the schedule. We will notify you of any such change in accordance with the provisions of the CCCFA.

Set-off

- 11.11 Subject to any statutory right of set-off which we cannot by law exclude by agreement, you must pay all amounts due under this agreement in full without setting off amounts you believe we or any of our related entities owe you and without counterclaiming amounts from us.

11.12 We may at any time without notice set off against any money owing by us or any of our related entities to you any debt or liability you may have to us on any account whatsoever.

Applicable law

11.13 This agreement is governed by the laws of New Zealand.

Credit Contracts and Consumer Finance Act

11.14 Where you use credit provided under this agreement primarily for business or investment purposes (or both) or you enter into this agreement as the trustee of a family trust, this agreement will not be a consumer credit contract for the purposes of the Credit Contracts and Consumer Finance Act 2003. Accordingly, you acknowledge that, in these circumstances, you do not have any of the rights of a debtor under a consumer credit contract under that Act. Nothing in this agreement which refers to or incorporates provisions of that Act (including but not limited to the statement of right to cancel in the disclosure statement) is intended to imply that any customer has rights which it would not otherwise have under that Act.

12. Meaning of words

words printed like this but not defined in this section have the meaning given to them in the disclosure statement.

advance amount is stated in the schedule.

agreement means the Schedule and these Personal Loan Contract (Branch) Terms and Conditions.

annual interest rate means a per annum rate of interest.

balance owing on your loan account means, at any time, the difference between all amounts credited and all amounts debited to your loan account under this agreement at that time. When this amount is to be calculated at the end of a day, it includes all debits and credits assigned to that day.

collateral means the goods described in the schedule as being subject to a security and includes any goods acquired in replacement for or as additions or accessories to those goods.

costs includes charges and expenses and costs, charges and expenses in connection with legal and other advisers.

CCCFA means the Credit Contracts and Consumer Finance Act 2003 and the regulations thereunder.

daily interest rate for a day is the annual interest rate for that day divided by 365, or 366 in a leap year.

disclosure date is stated in the schedule.

disclosure statement means the information disclosed to you in the schedule as required by the CCCFA.

for example see including.

GST Act means the Goods and Services Tax Act 1985.

including, for example or such as when introducing an example, does not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

insolvent means being insolvent - such as being bankrupt, in receivership, in receivership and management, in liquidation, in provisional liquidation, wound up, subject to any arrangement, assignment or composition, protected from creditors under any statute, dissolved (other than to carry out a reconstruction while solvent) or otherwise unable to pay debts when they fall due.

loan account means an account we establish in your name for recording all transactions in connection with this agreement.

loan term is stated in the schedule.

person includes an individual, a firm, a body corporate, an unincorporated association or an authority.

PPSA means the Personal Property Securities Act 1999.

schedule means the Personal Loan Contract schedule and disclosure statement provided with this booklet.

secured moneys means all moneys you owe us under this agreement and all other moneys, costs, charges, interest, expenses and fees, both accrued and contingent, now or at any time owing by you to us on any account whatsoever.

security means each security interest described in the schedule under “Securities”, any substitute or additional security interest given in connection with this agreement and any other security interest given by you which is security for the secured moneys.

security interest means any mortgage, assignment, charge, lien, pledge, trust, power or other rights given as or in effect as security for the payment of money or performance of obligations and includes a security interest as defined in the PPSA.

settlement date means the date we first lend you any of the advance amount and settlement has a corresponding meaning.

such as see including.

total amount owing means the balance owing on your loan account, plus all accrued interest charges and other amounts which you must pay under this agreement but which have not been debited to your loan account.

we means Latitude Financial Services Limited and its successors and assigns and our and us have a corresponding meaning.

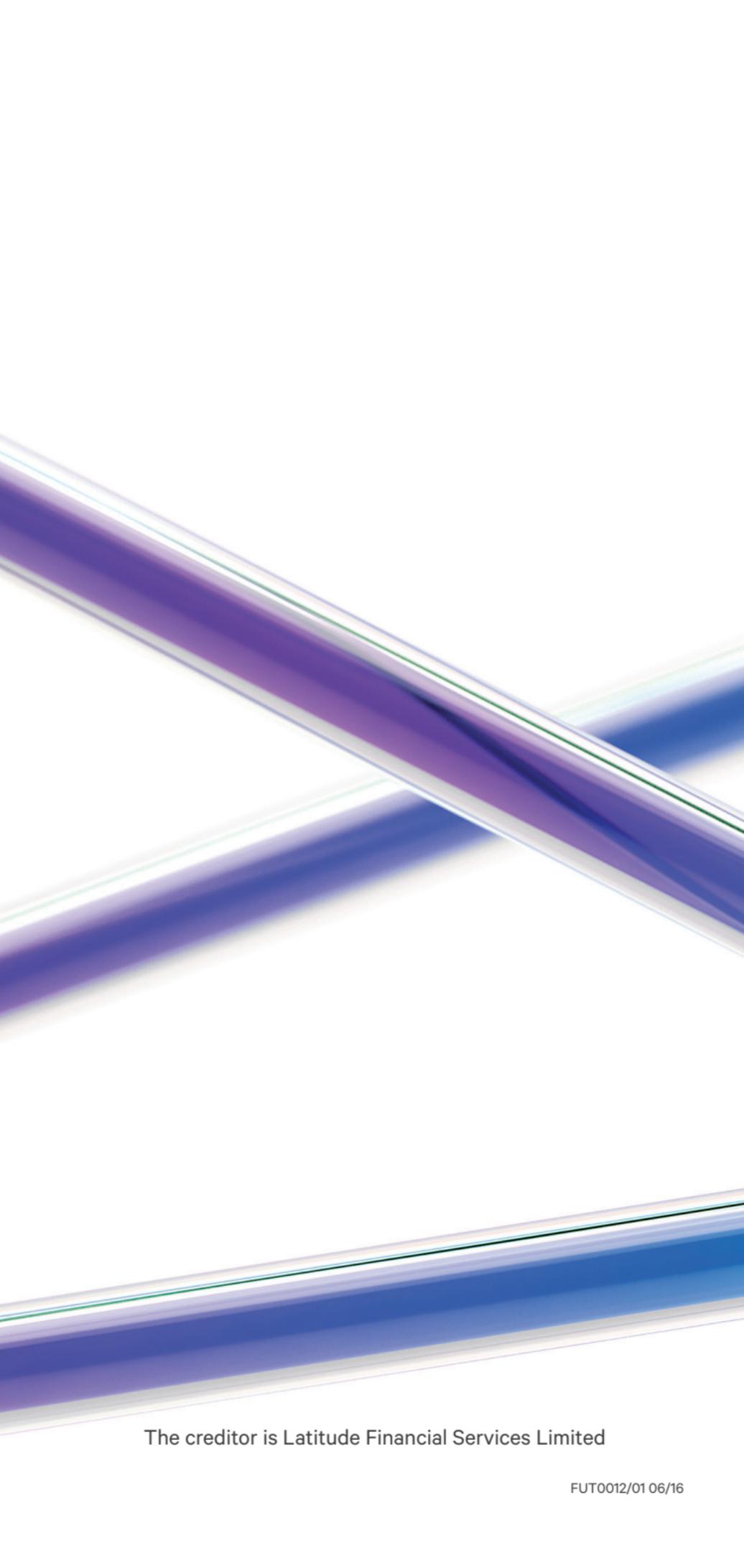
working day means any day other than a Saturday or Sunday or public holiday in New Zealand.

you means the person or persons named in the schedule as “Customer(s)” and your has a corresponding meaning.

The singular includes the plural and vice versa.

A reference to:

- (a) a document includes any variation or replacement of it;
- (b) law means common law, principles of equity, and laws made by parliament (and laws made by parliament include regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of them); and
- (c) any thing includes the whole and each part of it.



The creditor is Latitude Financial Services Limited

FUT0012/01 06/16