

Loan Number: 100000

Statement Date: 5 June 2015

Security Agreement



We are Linsa Finance Limited and we thank you for choosing us to be your financial services provider. In this agreement we refer to our company as "we or "us and refer to you, our customer, as "you". We are pleased to be of service to you and it is our wish that both of us benefit from this relationship.

There are 3 parts to this agreement. One Part is called Part A and it contains a Disclosure Statement. Another Part is called Part B and it contains additional terms of your agreement with us. The last Part is called Part C and it contains Your Right To Cancel This Agreement.

Please read this agreement carefully. It contains the terms of our relationship. We have attempted to write it in plain English and set it out so that both of us can understand our rights and responsibilities to each other.

Part A Disclosure Statement

IMPORTANT - The creditor is required to provide you with this disclosure statement under section 17 of the Credit Contracts and Consumer Finance Act 2003. This document sets out the 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 credit contract and disclosure statement in a safe place.

This disclosure statement must be provided to you within 5 working days of the day on which the contract is made. The law gives you a limited right to cancel the consumer credit contract. See the statement of right to cancel below and your consumer credit contract for full details of your right to cancel. **Note that strict time limits apply.**

YOUR DETAILS

Primary Debtor: Name and Address

Mr Joe Bloggs
174 Devonport Road
Tauranga

FULL NAME & ADDRESS OF CREDITOR. This is the person providing you the credit.

You may send notices to the creditor by:	Name:	Linsa Finance Limited
Writing to the creditor at its postal address; or	Physical Address:	176 Devonport Road Tauranga
• Sending a facsimile to the number specified ; or	Postal Address:	P O Box 14020 Tauranga
• Sending an email to the address specified	Facsimile:	07-5787716
	Phone:	0800-34-62-63
	Email:	finance@linsa.co.nz

CREDIT DETAILS

Initial unpaid balance.

This is the amount you owe at the date of this statement (including any fees charged by the creditor).

\$1,271.48 made up of:	Cash Price	\$1,000.00
	Loan Establishment Fee	\$220.00
	Repayment Waiver Fee	\$51.48
	Finance Charge	\$208.46

Subsequent advance(s) – There are no subsequent advance(s)

Total advances – This is the total amount of all advances made or to be made to you: \$1,271.48

Please Initial Here

PAYMENTS.

You are required to make each payment of the amount specified and by the time specified. You acknowledge that we require the repayments to be made either by Direct Debit, or Automatic payment, which ever method is deemed appropriate by us. Usually this will be by Direct Debit.

Unless advice to the contrary is received from you at least two days before the due date of the payment, the amounts as set out below will be directly debited to your Bank account on the dates set out below.

39 weekly payments of \$38.94 beginning on 12/06/2015

Total Amount of Payments: \$1,557.54

Final payment of \$38.88 on 11/03/2016

INTEREST

Annual interest rate:

39.75% fixed for the whole of the contract, being 40 Weeks.

Total interest charges

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

Daily interest rate: 0.108904109589%

\$208.46

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 weekly.

Default Interest

Default interest will be charged to your account in the manner described in the section in Part A marked 'Default interest charges and default fees'.

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

Weekly Administration Fee; \$1.94; Every Week.

NB: If the payment frequency on this loan is altered with Linsa Finance Ltd approval the \$1.94 administration fee will also be charged at the same frequency thereafter. E.g. If the loan contract is set for a weekly payments and changed to a fortnightly payment with Linsa Finance Ltd approval then the admin fee will also be charged at \$1.94 fortnightly thereafter.

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

WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS

Security interest

The creditor has an interest in the property listed in the **Schedule** below under the heading **SECURITY INTEREST** to secure performance of your obligations and the payments of money payable under this contract and any further contracts you enter into with us. **If you fail to meet your commitments under the contract, then to the extent of the security interest, the creditor may be entitled to repossess and sell this property.**

SECURITY INTEREST

After you sign this agreement we have a security interest in the property described in the Schedule or (attached Schedule F for a chattels loan).

SCHEDULE

Advance Funds from	New / Used	Description of Security Interest	Type	Colour	Year	Make & Model	Regn. No.	

You must initial below the content of each column to indicate your agreement with the information

Extent to which the debtors obligations to the creditor are secured.

Please Initial

Secures debtors obligations to and the payment of money to the creditor as specified in this Agreement.

Purchase Money Security Interest: Are Goods that you purchase for finance that you offer as Security

Non Purchase Money Security Interest: Are Goods that you own that you offer as Security

Please Initial Here

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 creditor to vary these fees and charges.

Default interest is charged from the time you fail to make a due payment at a rate of 5% per annum above the annual interest rate (a total of 44.75%) and is calculated on the unpaid balance at the end of each day until the arrears are paid in full. The daily default interest rate is calculated by dividing the default interest rate by 365. Default interest is charged to your account either weekly, fortnightly or monthly, depending on the original payment frequency you elected when the loan was processed. The daily default interest rate 0.1226027%.

Default Interest is 44.75% per annum; Default Fee of \$3.83 per week for missed payments, charged weekly until arrears paid in full; Default Reminder Letters \$6.00 for first letter sent; \$6.00 for second letter sent, payable immediately with arrears

Dishonour Fee \$1.25;

Prepossession Notices \$6.00, payable immediately with arrears

Repossession Notices \$65.00, payable immediately with arrears

Actual Costs against Repossession, payable immediately with arrears

Any costs incurred in the collection or enforcement of this agreement

FULL PREPAYMENT

If you pay the unpaid balance in full before the final payment is due (full prepayment), you may be required to pay a fee or charge to compensate the creditor for any loss resulting from the full prepayment. The creditor may have suffered a loss if the creditor's current interest rate is lower than the interest rate applying to your original consumer credit contract. You may also have to pay the creditor's administrative costs relating to the full prepayment.

The amount you may have to pay to compensate the creditor for the loss is calculated using the formula prescribed in regulation 9 or regulation 11 of the Credit Contracts and Consumer Finance Regulations 2004

Administrative costs/ fees – to a maximum of: \$75.00

EXECUTION & DATE

Signed as Primary Debtor

Mr Joe Bloggs

Witness Signature

Witness Name

Witness Address

Occupation

Date

For & on behalf of Linsa Finance Limited

Manager Name

Signature of Manager

Date

Signed in my presence by the creditor

Witness Name

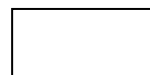
Occupation

Address

Signature of Witness

Date

Please Initial Here



Part B Additional Terms of Your Agreement With Us

Defined Words

In this document we sometimes give words a particular meaning. Some of these words are:

“Agreement” means the contents of every page of Parts A, B and C and includes the words “contract” and “consumer credit contract” wherever used in this document.

“CCCFA” means Credit Contracts and Consumer Finance Act 2003 and all regulations made under that Act;

“collateral” means personal property that is subject to a security interest under this Agreement;

“CRA” means Credit (Repossession) Act 1997 and all regulations made under that Act;

“non-purchase money security interest” has the meaning contained in the PPSA;

“PPSA” means Personal Property Securities Act 1999 and all regulations made under that Act;

“purchase money security interest” has the meaning contained in the PPSA;

“security interest” has the meaning contained in the CCCFA;

“we” or “us” means Linsa Finance Limited and includes the meaning of the words “secured party” (as used in the PPSA) and “creditor” (as used in the CRA and CCCFA);

“you” means you our customer and includes the meaning of the word “debtor” (as used in the PPSA and CCCFA);

General Clause

1.01 In exchange for our providing, or agreeing to provide:

- the collateral to you or at your request to others; or value, to allow you or at your request others, to acquire rights in the collateral; or value, so that you can do something else, you:
- agree to pay the number and amounts to us at the times stated under PAYMENTS above;
- agree to meet all your responsibilities under this Agreement;
- grant us a security interest in the personal property described in the Schedule above
- (where applicable) direct us to pay the amount we advance to the person described in the Schedule.
- you authorise us to use the additional signed automatic payment authorities to recover any outstanding arrears.
- you authorise us vary the date and amount deducted by Direct Debit to include any penalties or recover any arrears on your account.
- you agree to stop any automatic payment at the conclusion of your loan, or when asked by us to do so.
- agree administration fees may be charged in the event of overpayment as if the loan was open.
- agree that if a refund is required due to overpayment of your account, a handing and administration fee may apply.
- In the event of a statutory holiday where you are in receipt of any benefit, superannuation or pension payment from Work and Income or Ministry of Social Development, you hereby authorise us to alter the due date(s) on your loan in conjunction with the altered payment dates that are posted on the Work and Income website.

Your Responsibilities To Us

1.02 In addition to the responsibilities set out in clause 1.01 you agree to meet these responsibilities:

- make sure all information you give us is accurate and complete;
- give to us all title documents, concerning the property over which we have a security interest, particularly where the collateral is a document of title, chattel paper, investment security, negotiable instrument, money or intangible (as defined in the PPSA);
- seek our written consent if you wish to give or permit: a security interest or interest of any kind to be given over the collateral or to sell or otherwise dispose of it;
- provide secure accommodation for the collateral and keep it insured with our interest being recorded in the insurance policy;
- comply with the terms of any other agreement regarding the collateral;
- pay all sums payable to us under this Agreement, including any costs incurred in the collection or enforcement of this agreement.

Security Interest

1.03 Regarding the security interest you agree that:

- the personal property described in the Schedule or (attached schedule F for a chattels loan) is collateral;
- at our request you will do all things necessary to ensure we receive a perfected security interest in the collateral;
- the security interest includes any part of the collateral or proceeds of it which come into existence after the date of this Agreement
- you have received value from us;
- (where you receive value to acquire the collateral) you acquire rights in the collateral;
- the security interest has attached to the collateral and has in not been deferred or postponed to any date after we both signed this Agreement;
- (where applicable), we retain title in the collateral until you have paid all amounts owed to us under this Agreement;
- the collateral is at your risk once it has been delivered to you or your authorised agent in writing;
- the collateral will be stored at your premises and kept in good repair and you agree to make it available at any time for inspection by us;
- you will keep the collateral free of any interest of any kind except the security interest created by this Agreement and you will not relinquish possession or remove the collateral from your premises except in the ordinary course of your business;
- if you fail to make a payment required by, or are in other default of, this Agreement then we may enter your premises and remove the collateral and where permitted by law you waive any right that may arise as a result of this removal. Any shortfall on sale of the collateral will be paid by you and/or the covenantor to us.

Agreement to Mortgage

You will on demand by the Creditor sign a registrable all obligations mortgage (“the mortgage”) of the property described in the Schedule (refer page 2) (“the property”) in favour of the Creditor to secure repayment of all moneys owing to the Creditor.

- The mortgage will be the Auckland District Law Society form memorandum number 2005/4180.
- The Creditor may caveat the property to protect the Creditor's interests under this agreement.
- In consideration of the sum of \$1.00 paid by the Creditor to you (receipt of which is acknowledged) you appoint the Creditor (being its directors) your attorney to sign the mortgage on your behalf if you fail to properly complete and return it to the Creditor within seven days of receiving it for signature purposes.
- You will pay the Creditor for all costs in the preparation, execution and registration of the mortgage.

Default Events

1.04 We treat default under this Agreement as being:

- (a) the failure by you to make a payment to us when it is due; or
 - (b) the failure by you to perform one or more of your obligations under this Agreement
- A breach of either (a) or (b) gives us the right to enforce the security in the collateral.

If you fail to make a payment to us when it is due then in addition to our other rights, we may charge you default interest charges and default fees (see WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS).

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If you commit or permit the occurrence of an event described in this clause 1.04, then we may enforce the security in the collateral see WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS). The events are:

- failure by you to perform any of your obligations under this Agreement; or
- alteration of your management or control if you are a business, without our written consent;
- presentation of a petition for your bankruptcy or liquidation (if you are a company); or
- the passing of a resolution to wind you up (if you are a company).

• If you are in default as defined in this clause, the whole sum outstanding on your loan including default interest and other charges becomes immediately due and repayable

Right To Appoint Receiver	1.05 In addition to all our other rights and to the extent we are legally permitted to do so, we may appoint or remove a receiver of all or any of the collateral. During his or her appointment any receiver shall have all powers regarding the collateral as if he or she were the owner of it.
Privacy	1.06 During any relationship you have with us, you agree that we may collect information about you. The information may be obtained from you and others. You may decide whether to provide any information we seek from you. However, if you do not provide it, we may not be able to provide our services to you. You may ask to see information we hold about you and ask for any details that are wrong to be corrected. We may hold the information, use it to market our goods and services to you and share it with the persons who we consider need it: <ul style="list-style-type: none"> • to register a financing statement for the security interest created by this Agreement; or • because of the existence, continuance or enforcement of this Agreement.
Waiver of Certain PPSA Rights	1.07 You agree that you waive your right to receive a copy of the verification statement confirming registration of a financing statement relating to the security interest created by this Agreement
Meeting Our Duties Through Agents	1.08 We may have any company owned by us or agent approved by us in writing perform any part of our side of the Agreement you have with us. If that occurs, each of those people and their officers, employees, contractors or agents shall have the benefit of any terms that confer benefits on us.
Consent to Electronic Communications	1.09 We both agree that we accept notices or other communications from each other by: <ul style="list-style-type: none"> • post; • delivery to a physical address; • fax; or text messaging to mobile numbers on your file or • email. Our fax number, physical, postal and email address is contained in FULL NAME AND ADDRESS OF CREDITOR in Part A. Your physical, postal and email address is contained in YOUR DETAILS in Part A. We both agree to tell each other if any of our respective contact details change. <ul style="list-style-type: none"> • You agree we may send you marketing information and offers from time to time.
Transferring Responsibilities	1.10 We may transfer the whole of our side of this Agreement to someone else. We will tell you if we do this. You may not transfer this Agreement or any benefit or obligation of it to anybody.
More Than One Client	1.11 All the people recorded as a debtor in this Agreement must meet all your responsibilities under it.
Responsibility of Covenantor	1.12 Where a person has signed this Agreement as covenantor then that person agrees with us to: <ul style="list-style-type: none"> • pay the number and amounts to us at the times stated under PAYMENTS above; • meet your responsibilities under this Agreement unless performance is only possible by you whenever we ask that person to do so. The covenantor also agrees that he/she or it may be treated by us as a debtor under this Agreement.
Interpretation	1.13 Subject to the content of CRA & CCCFA: <ul style="list-style-type: none"> (i) any words suggesting any gender include all other genders and words suggesting the singular shall include the plural and vice versa; (ii) any reference to: <ul style="list-style-type: none"> • a clause or sub-clause and schedule means a clause, sub-clause or schedule in this Agreement; and • a party means a party to this Agreement; (iii) except as stated otherwise in this document, any word defined or explained in an Act or Regulation shall have that meaning in this Agreement and where there is inconsistency between the content of: <ul style="list-style-type: none"> • CRA, this Agreement and PPSA in the context of a taking of possession of consumer goods by a creditor, then the content of CRA will prevail • CCCFA, this Agreement and PPSA then the content of CCCFA will prevail; (iv) subject to sub-clause (iii) above, a word defined in this Agreement will be treated as having the defined meaning; (v) any heading used is for reference only and shall be ignored in interpreting this Agreement; (vi) any reference to a statute or regulation includes any laws amending, consolidating, re-enacting or passed under, such statute or regulations; (vii) any promise not to do anything includes an obligation not to suffer, permit or cause that thing to be done; (viii) a right granted or reserved may be exercised from time to time and at all times; (ix) a variation to or waiver of this Agreement will only be effective if it is expressly stipulated in writing and signed by both of us and shall only apply to the extent stipulated; (x) each clause of this Agreement is separately binding. If for any reason either or both parties cannot rely on any clause all other clauses remain binding; (xi) any reference to a date or time is to a date or time in New Zealand; (xii) any reference to a sum of money means the lawful currency of New Zealand; (xiii) this Agreement shall be considered as always speaking and the obligations contained in it shall be observed and performed from time to time and at all times; (xiv) this Agreement shall be construed and take effect according to the laws of New Zealand.

Please Initial Here

Part C Your Right To Cancel This Agreement

Statement of right to cancel

Right to Cancel	The Credit Contracts and Consumer Finance Act 2003 gives you a right for a short time after the terms of this contract have been disclosed to you to cancel the contract.
How to Cancel	If you want to cancel this contract you must give written notice to the creditor. You must also return to the creditor any advance and any other property received by you under the contract.
Time Limits for Cancellation	If the disclosure documents are handed to you directly you must give notice that you intend to cancel within 3 working days after you receive the documents. If the disclosure documents are sent to you by electronic means (for example e-mail) you must give notice that you intend to cancel within 5 working days after the electronic communication is sent. If the documents are mailed to you, you must give the notice within 7 working days after they were posted. Saturdays, Sundays and national public holidays are not counted as working days.
What You May have To Pay if You Cancel	If you cancel the contract the creditor can charge you (a) the amount of any reasonable expenses the creditor 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 advance until the day you repay the advance.

This statement only contains a summary of your rights and obligations in connection with the right to cancel. If there is anything about your rights or obligations under the Credit Contracts and Consumer Finance Act 2003 that you do not understand, if there is a dispute about your rights, or if you think that the creditor is being unreasonable in any way you should seek legal advice immediately.

Please Initial Here