

In these Terms "we" or "us" means Chasmont Finance Limited and "you" means the borrower named in the Contract Details on the front page of this Contract. These Terms do not contain all of the information that makes up the Contract. Other terms are contained in the Contract Details, which together with these Terms constitutes the entire Contract between you and us.

## 1. What we lend and when

- 1.1 The Flex-Account Facility is a revolving credit facility. This means provided you comply with these Terms we will provide you with credit to draw and re-draw funds from the Flex-Account Facility up to the amount of your Credit Limit from time to time, in accordance with these Terms.
- 1.2 We will make the Flex-Account Facility available to you to draw and re-draw against as required from time to time (from the Initial Drawdown Date until the date the Flex-Account Facility is terminated) provided that we have received the following documents in a form satisfactory to us prior to the Initial Drawdown Date:
  - a. any related document listed in the Contract Details;
  - b. evidence of any insurance we require noting our interest; and
  - c. any other document or information (including direct debit authority) we require from you.
- 1.3 The maximum amount that we will lend to you at any time is the amount of the Credit Limit.
- 1.4 We may from time to time at our discretion reduce or increase your Credit Limit and will notify you in writing of any change in your Credit Limit. We will also reduce your Credit Limit (and may at our discretion increase your Credit Limit) if you ask us in writing to do so. You may decline any increase in your Credit Limit that is not requested by you by giving us notice to this effect within 5 days of receiving our notice regarding the increase.

## 2. Repayments

- 2.1 You will make any repayments necessary from time to time to ensure that the outstanding Flex-Account Balance does not at any time exceed the Credit Limit. You may re-draw any amount that has been repaid by you from time to time subject to clause 1.3 of these Terms.
- 2.2 You must immediately pay to us any amount that has been debited to the Flex-Account Facility in excess of your Credit Limit.
- 2.3 You must repay us the Total Outstanding Amount under this Contract on demand by us (which demand may be made at any time at our absolute discretion) or upon this Contract being terminated for any reason.
- 2.4 You must make all repayments to us in the manner we specify, in cleared funds and in New Zealand dollars without any deduction or withholding (unless required by law). If you are required to make any deduction or withholding from any repayment you must increase the repayment to the extent necessary so that after making the deduction or withholding, we receive a net sum equal to the amount we would have received if there had been no deduction or withholding.
- 2.5 We may at any time and without notice, set off any amounts we owe or hold on your behalf against any amounts payable under this Contract.

## 3. Early repayment

- 3.1 You may fully prepay the Total Outstanding Amount under this Contract at any time without notice. We will not charge you any additional fees if you repay the Total Outstanding Amount under this Contract in full before this Contract is terminated or before we make demand for repayment.

## 4. Interest, fees and other charges

- 4.1 Interest will accrue on your Flex-Account Balance daily and will be charged to your Flex-Account Facility at the end of each day. Interest will be calculated by multiplying the outstanding Flex-Account Balance at the end of each day by the daily interest rate. The daily interest rate is calculated by dividing the Annual Interest Rate by 365.
- 4.2 We may change the Annual Interest Rate at any time without prior notice to you. We will notify you of any change in the Annual Interest Rate and the date the change takes effect within 5 working days of the change taking effect.
- 4.3 You must pay the applicable fees and charges set out in the Contract Details. Any fees and charges will be debited to your Flex-Account Facility as soon as they become payable under this Contract.
- 4.4 Default Fees:
 

a.	Payment Reminder Letter:	\$5.00
b.	Default Letter Fee	\$15.00
c.	Repossession Warning Notice:	\$30.00
d.	Repossession Warrant:	\$90.00
e.	Payment Default Fee:	\$10.00
f.	Collections Text Message:	\$0.50
g.	Collections Email Message:	\$2.50
- 4.5 Contract Amendment Fees:
 

a.	Payment Amendment Fee:	\$10.00
b.	Security Amendment Fee:	\$30.00
c.	Variation Fee:	\$150.00

## 5. What happens if you default

- 5.1 You are in default if:
  - a. at any time the outstanding Flex-Account Balance exceeds your Credit Limit;
  - b. you do not pay any amount under this Contract when it is due;
  - c. you breach this Contract or any other contract between you and us;
  - d. any information you or any other person has given us in connection with this Contract is incorrect or misleading;
  - e. you or a Security Provider becomes Insolvent or steps are taken to make you or a Security Provider insolvent;
  - f. you assign or attempt to assign any of your rights or obligations under this Contract;
  - g. we become entitled to enforce any Security;
  - h. you or a Security Provider is in default under a Security, withdraws from a Security or a Security becomes unenforceable;
  - i. any judgment of any Court against you or any Security Provider remains unsatisfied for more than seven days; or
  - j. distress or execution is levied or issued against or any lien is claimed over the Collateral.
- 5.2 If you are in default under clause 5.1a or 5.1b of these Terms, you will be charged Default Interest on the unpaid or excess amount (as the case may be) from the date you are in default until the date the default is remedied (e.g. the date we receive payment in full of any unpaid or excess amount). Default Interest will be calculated by multiplying the amount in default at the end of each day by the daily default interest rate. The daily default interest rate is calculated by dividing the annual default interest rate by 365.
- 5.3 If you are in default we may (at our option) do one or more of the following:
  - a. require you to remedy the default (if it is capable of being remedied) in the manner and within a period we tell you;
  - b. require you to pay us the Total Outstanding Amount immediately;
  - c. sue you for the Total Outstanding Amount;
  - d. exercise our rights and remedies under any Security; or
  - e. take possession of any Collateral and enter any land or premises where the Collateral may be as your agent and if we incur any liability to any third party you will indemnify us against such liability.
- 5.4 Nothing in this clause 5 will affect any of our other legal or equitable rights. Any termination of this Contract will be without prejudice to any rights, liabilities and remedies arising prior to or on termination.

## 6. Security

- 6.1 All Securities must be first in priority unless we agree otherwise.
- 6.2 You warrant that you have, or will have as soon as your purchase it, good title to and sufficient rights in the Collateral and that it is, or will be when purchased, free from all Security Interests (except the one you are granting under this Contract).
- 6.3 You must keep the Collateral insured for its full insurable value at all times and ensure our interest is noted on each policy. You must provide us with any relevant insurance policy on request.
- 6.4 You must keep the Collateral in good condition and not do anything that would prejudice our Security Interest in the Collateral including, mortgaging, selling or disposing of the Collateral or granting another Security Interest in the Collateral without our prior written consent. You must notify us immediately if the Collateral is lost, seized, confiscated, taken, detained, damaged or replaced.
- 6.5 We will not release any Security Interest until the Secured Amount and all obligations to be performed by you under this Contract have been paid and satisfied in full. You must not grant any other party a Security Interest in the Collateral without our consent, which will be given at our discretion.

## 7. PPSA

- 7.1 You waive the right to receive a verification statement under the PPSA. You also agree that nothing in sections 133 and 134 of the PPSA will apply to this Contract. You also waive your rights under sections 114(1)(a), 116, 120(2), 121 and 148 of the PPSA.

## 8. Personal Information

- 8.1 You authorise us to collect, retain and use, and third parties to provide us with, personal information about you for administrative, credit assessment and marketing purposes. You also agree that we may disclose personal information we hold about you (now or in the future) to credit agencies for credit assessment purposes.

- 8.2 We will hold your personal information at our offices. You can contact us at any time to access the information we hold about you, and if you believe any of the information is incorrect, you have the right to request us to correct it.
9. **Costs**
- 9.1 You must pay all costs and expenses (including client solicitor costs) we incur in connection with the preparation, execution and enforcement of this Contract and the registration, enforcement, attempted enforcement and discharge of all documents necessary to give full effect to the Security.
10. **General**
- 10.1 We will provide you with a statement setting out information about your Flex-Account Facility every 45 days.
- 10.2 We may vary these Terms by giving you one months' notice in writing.
- 10.3 Any certificate we give to you setting out the Flex-Account Balance or Total Outstanding Amount under this Contract will be conclusive, subject to your rights under the CCCFA.
- 10.4 If there is more than one of you, you are jointly and severally liable for the amounts due under this Contract. We may make a claim or demand on one or more of you.
- 10.5 You may not transfer or assign your rights and obligations under this Contract without our prior consent, which we may give at our discretion. We may disclose any information we think fit to a proposed assignee or transferee for the purpose of the assignment or transfer.
- 10.6 You agree that we may send you disclosure notices and other communications in electronic form, whether through our website, email or other electronic communication. You must tell us as soon as possible if there are any changes to your personal details recorded in the Contract Details.
- 10.7 No failure or delay by either party in insisting on the strict performance of this Contract or exercising any right under this Contract will operate as a waiver of that right. A waiver will not be effective unless it is in writing. A waiver of any breach will not be a waiver of any other breach.
- 10.8 If any provision of this Contract is found to be unenforceable or invalid that will not affect the legality or enforceability of any other clause in this Contract.
- 10.9 The warranties, undertakings, agreements and indemnities under this Contract do not merge upon agreement but remain enforceable to the fullest extent despite any rule of law to the contrary.
- 10.10 You agree to take all actions and sign all documents reasonably required to give effect to the provision of this Contract.
11. **Definitions**
- 11.1 "**CCCFA**" means the Credit Contracts and Consumer Finance Act 2003, as amended from time to time.
- "**Credit Limit**" means the Approved Credit Limited set out in the Contract Details as amended from time to time in accordance with clause 1.4 of these Terms.
- "**Collateral**" means any goods described in the Contract Details as subject to a Security and includes any goods acquired in replacement for or as additions or accessories to those goods.
- "**Disclosure Date**" is the date stated in the Contract Details.
- "**Flex-Account Balance**" means at any time, the difference between all amounts credited and all amounts debited to your Flex-Account Facility under this Contract at the end of the relevant day.
- "**Flex-Account Facility**" means an account we establish in your name for recording all transactions in connection with this Contract.
- "**Insolvent**" means being insolvent, including being bankrupt, in receivership, receivership and management, liquidation, provision 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.
- "**Contract Details**" means the Flex-Account contract details and disclosure statement attached as the first page of this Contract.
- "**PPSA**" means the Personal Property Securities Act 1999, as amended from time to time.
- "**Secured Amount**" means all amounts you owe us under this Contract and all other money, costs, charges, interest, expenses and fees (both accrued and contingent) owed to us by you at any time in connection with any contract or account.
- "**Security**" means each Security Interest described in the Contract Details, any substitute or additional security interest given in connection with this Contract and any other Security Interest given by you or any other person which is security for the Secured Amount.
- "**Security Interest**" has the meaning set out in section 17 of the PPSA.
- "**Security Provider**" means any person other than you who gives a Security and includes any guarantor.
- "**Total Outstanding Amount**" means your current Flex-Account Balance plus all accrued interest, fees and charges and other amounts payable by you under this Contract that have not been charged to your Flex-Account Facility.

#### **STATEMENT OF RIGHT TO CANCEL**

The Credit Contracts and Consumer Finance Act 2003 gives you a right for a short term 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 of receiving the documents.

If the disclosure documents are sent to you by electronic means (for example, email) 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 and 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.

#### **WHAT TO DO IF YOU SUFFER UNFORESEEN HARDSHIP**

If you are unable to keep up your payments because of an unexpected event that causes you hardship, for example illness, injury, loss of employment or the end of a relationship, you can apply to the creditor for a hardship variation.

To apply for a hardship variation you need to make a request to the creditor in writing which explains your situation and requests one of the following variations:

- (a) extending the term of the contract and reducing the amount of each payment due under the contract accordingly (without a consequential change being made to the annual interest rate(s));
- (b) giving you longer to pay by postponing, during a specified period, the dates on which payments are due under the contract (without a consequential change being made to the annual interest rate(s)); or
- (c) both of the above – postponing payments for a specified time and reducing the amount of your payments by extending the term.

Do this as soon as possible because, if you leave it for too long, the creditor does not have to consider your application.