



Loan Date:

Loan No:

**Community Financial Services Ltd (trading as CFS Finance)
SPECIFIC SECURITY AGREEMENT and DISCLOSURE STATEMENT**

IMPORTANT Community Financial Services Ltd (the *creditor, we or us*) 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 agreement. You should read it thoroughly. **If you do not understand anything in this document, you should seek independent advice.** You should keep this credit agreement and disclosure statement in a safe place. The law gives you a limited right to cancel the consumer credit agreement. See below for further details. **Note that strict time limits apply.**

BORROWER

Borrower 1 Name: _____ Borrower 2 Name: _____
 Address: _____ Address: _____
 Home Ph: _____ Mobile Ph: _____ Home Ph: _____ Mobile Ph: _____
 Email: _____ Customer email@gmail.com Email: _____

Please tick the box if you agree to receive your statement of accounts by the above email addresses provided by you.

GUARANTOR

Guarantor 1 Name: _____ Guarantor 2 Name: _____
 Address: _____ Address: _____
 Home Ph: _____ Mobile Ph: _____ Home Ph: _____ Mobile Ph: _____
 Email: _____ Email: _____

FULL NAME AND ADDRESS OF CREDITOR (This is the person providing you with the credit)

You may send notices to us by:

- Writing to us at our postal address
- Sending a fax to the number specified
- Sending an email to the address specified

Community Financial Services Ltd
 Physical Address: 2-4 Sultan St, Ellerslie, Auckland
 Postal Address: PO Box 11-096, Ellerslie, Auckland
 Phone Number: 0800 88 2000 Fax Number: 09 580 3063 Email: info@cfsfinance.co.nz

CREDIT DETAILS

Initial Unpaid Balance:

The Initial Unpaid Balance is the total of all advances made to you in connection with this agreement, it is made up of:

Cash Price	\$
GAP Cover	\$
Credit Contract Indemnity	\$
Mechanical Breakdown	\$
Other Charges	\$
Establishment Fee	\$350.00
Less	
Cash Deposit	\$
Trade In Allowed	\$

TOTAL ADVANCES \$

PAYMENTS REQUIRED

You must pay the amounts specified below, each such payment being due when specified. If in a particular month the date you are to make your payment is not a working day you must make that payment before the end of the next working day.

When payments are due

Payments are calculated, and must be paid **fortnightly**.

Your First Payment is due on / /20 .

Your Last Payment is due on / /20 .

Payment Method: Direct Debit

Number of Payments:

Amount of each payment:

Total amount of payments

Made up of Initial Unpaid Balance, interest and monthly administration fee across agreement term

Number of Payments:	
Amount of each payment:	\$
Total amount of payments	\$

INTEREST

Annual interest rate (fixed for the Agreement term)

% fixed for the whole of the agreement.

Total interest charges (Finance Charges)

This is the total amount of the interest charges payable under the agreement

Agreement Term

\$

Method of charging Interest:

Interest charges are calculated by multiplying your unpaid balance at the end of each 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 at the end of each month.

MOTOR VEHICLES

Make	Model	Year	Reg No.	VIN (or Chassis No. if no VIN number)	Colour

PARTICULARS OF COMPREHENSIVE VEHICLE INSURANCE

Company/Branch:		Expiry Date:	
Amount of Cover: \$		Policy Number:	

WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS

Security Interest

This is secured credit. If you fail to meet your commitments under this credit agreement, we may be entitled to repossess and sell the motor vehicle detailed above. If we repossess and sell the vehicle and, after we apply the sale proceeds to your loan, there is still a balance outstanding, you will have to pay that balance to us.

DEFAULT FEE AND DEFAULT CHARGES

Should you fail to make a payment on time (and while your default continues) you must pay default interest and the default fees specified below. .

Default interest is charged on any amount overdue from the time you fail to make a payment when due until the overdue amount is 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 annual default interest rate by 365. Interest is charged to your account at the end of each month. Annual Default Interest rate is the Annual interest rate shown above plus 5% pa.

Default fees only apply if you miss any of your regular payments and are charged as follows:

Payment reminder letter \$5. This will be charged every time we write to you to remind you of a missed payment

Late payment fee \$25. This will be charged each time a payment is not received by the regular due date

Prepossession fee \$25. This fee is charged once you have missed multiple payments and we write to you to notify you of our intention to repossess your vehicle

Repossession fee \$100. This fee is charged as a result of your vehicle being repossessed

You will also be charged with such fees we incur with third parties as relate to your default.

OTHER FEES

The Balance Payable includes a \$5 monthly administration fee. This amount is not included in the Initial Unpaid Balance, but is included in the regular payment listed on the front page.

FULL PREPAYMENT

If you pay your unpaid balance in full before the final payment is due (full prepayment) you may be required to pay a fee or charge to compensate us for any loss resulting from the full prepayment. We may have suffered a loss if our current interest rate is lower than the interest rate applying to this credit agreement or if we cannot immediately relend the prepayment. You will also have to pay our administration costs relating to the full prepayment. The amounts payable in this respect are as follows:

1. our administration fee relating to the full prepayment of \$125.00; plus
2. an amount to compensate us for the loss we incur on the full prepayment calculated according to the following formula:

$$[a \times (\frac{b \times c}{100})] \times \frac{d}{365}$$

Where;

- a = the principal sum outstanding at prepayment date;
- b = annual interest rate under this agreement;
- c = Westpac Bank 90 day bank bill rate current at the prepayment date.
- d = the lesser of: the number of days between the prepayment date and the date the final payment under this agreement is due; or 90 days.

RIGHT TO CANCEL

You are entitled to cancel this credit agreement by giving us notice.

Time limits for cancellation

If the disclosure documents are handed to you directly you must give notice that you intend to cancel within 5 working days after you receive 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 7 working days after the electronic communication is sent.

If the documents are mailed to you, you must give the notice within 9 working days after they were posted.

Saturdays, Sundays, and national public holidays are not counted as working days.

How to cancel

To cancel, you must give us written notice that you intend to cancel the credit agreement by one of the following:

- giving notice to us or one of our employees or agents
- posting the notice to us or one of our agents
- emailing the notice to our email address
- sending the notice to our fax number

You must also, within the same time, pay to us the advance made to you under the credit agreement.

What you may have to pay if you cancel

If you cancel the credit agreement, we can charge you the amount of any reasonable expenses we have had to pay in connection with the credit agreement and its cancellation (including legal fees and fees for credit reports, etc).

If you cancel the credit agreement, we can also charge you interest for the period from the day you received the advance until the day you repay the advance.

WHAT TO DO IF YOU SUFFER UNFORSEEN HARDSHIP

If you are unable 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 us for a hardship variation.

To apply for a hardship variation you need to:

- a) make an application in writing
- b) explain your reason(s) for the application; and
- c) request one of the following:
 - an extension of the term of the credit agreement (which will reduce the amount of each payment due under the agreement); or
 - a postponement of the dates on which payments are due under the credit agreement (specify the period for which you want this to apply); or
 - both of the above; and
- d) give the application to us. Do this as soon as possible. If you leave it for too long, we may not have to consider your application.

DISPUTE RESOLUTION

If you have any concerns about how your account is being managed, please contact the company and it will be handled through our internal complaints process.

Failing which, you may contact the external resolution scheme: Financial Services Complaints Limited

Phone: 0800 347 257

Website: www.fscl.org.nz

Business Address: Level 4, Lambton Quay

Wellington 6145

Creditor registration name: Community Financial Services Limited

Registration Number: 4035

AGREEMENT/DISCLOSURE

I/we agree to make the payments referred to in this Agreement and otherwise observe its terms and conditions. I/We acknowledge that I/we received a copy of this Agreement on the Loan Date shown above.

Borrower(s) signature

WITNESS TO ALL SIGNATURES

X _____

X _____

X _____

(If the Borrower is a company then two directors should sign or if the company only has one director then a witness is also required)

Name:

Occupation:

Address:

Guarantor(s) signature (must be witnessed)

X _____

X _____

X _____

Name:

Occupation:

Address:

(You are advised to obtain independent legal advice as to the terms of this guarantee and indemnity prior to signing)

TERMS and CONDITIONS

We may credit all payments you make under this Agreement according to the payment schedule overleaf (irrespective of the date you make the payments).

1. Security Interest

You agree to grant us a security interest (as defined in the Personal Property Securities Act 1999 (*PPSA*)) in all your right title and interest in and to the Goods to secure payment of all monies payable by you and the performance of all your obligations as set out in this Agreement or in any other loan agreement you may enter into with us in future; You waive the right to receive a copy of any financing statement, financing change statement or verification statement as is registered in relation to this Security Interest.

2. Possession of Goods

You must keep the Goods in your possession and control until you have paid all monies due under this Agreement (except where the Goods are being repaired). You must not take the Goods out of New Zealand.

3. Insurance

- a. You will keep the Goods fully insured at your expense with an insurer we approve. Such insurance must cover loss through fire, accident, theft, earthquake and such other risks as we require and be issued in your and our names for our respective rights and interests.
- b. You will promptly pay the premiums for the insurance.
- c. We will be entitled to receive all moneys payable under this insurance (or payable by any other person in respect of damage to or loss of the Goods).
- d. We may apply the insurance moneys towards the cost of repairing damage to the Goods or on account of your unpaid balance whether or not the due date for payment has arrived.

4. Maintenance

- a. You must take good care of the Goods and keep them properly serviced and in good order, repair and condition. You must ensure the Goods are used solely for the purpose intended by the manufacturer having regard to their design capabilities and limitations.
- b. You must promptly pay for all work done to the Goods (unless the work is carried out under warranty). You will not allow any lien, charge or other security interest to be created over the Goods.
- c. You must ensure all charges and all licences and registrations relating to the Goods paid and are up to date;
- d. You must ensure the Goods is not altered in any way, or allow them to become attached to or part of any other personal property;

5. Default

- a. Should you fail to make any payment on time or otherwise do not observe any provision of this Agreement then we may, but subject to the Act;
 - i repossess the Goods according to clause 6 and/or;
 - ii cancel this Agreement in which case all outstanding monies due to us will immediately become payable (whether they are at the time payable or not);
- b. Nothing in this Agreement will prevent us from taking immediate possession of the Goods should an event described in s.8(2) of the Act occur.

6. Repossession

When entitled we may repossess the Goods according to the Act.

We may (through agents) enter into any land or buildings where we believe the Goods to be held so as to repossess them. You authorise us and our agents to break down any door, window or other obstruction as may be necessary to carry out such repossession without being liable to you or any other person.

7. Inspection

We and our agents may inspect the Goods upon giving you reasonable verbal or written notice.

8. Assignment

We may assign our rights under this Agreement to any other party without restriction. If we so assign this Agreement then you must pay all monies due to the assignee as it directs. You cannot assign this Agreement;

9. Fees

If you fail to make any payment on time or otherwise do not observe any provision of this Agreement;

- a. we may pass on such costs to you as we incur (whether in relation to payment reminder or default notice letters, repossession, repair or maintenance of the Goods or the bringing of legal proceedings against you or otherwise) so as to protect our interest under this Agreement such costs being repayable by you upon demand;
- b. Without limiting sub clause (a) we may charge you with the particular fees noted in Default Fees section above.

10. Notices

You must advise us immediately should you change your residential or postal address along with any change or damage to the Goods.

11. Guarantee

In return for us advancing the Principal Sum at the Guarantor's request the Guarantor irrevocably and unconditionally guarantees the Borrower's payments due under this Agreement along with the Borrower's observance of all other terms and conditions of this Agreement as if he/she/they was/were the Borrower. The Guarantor indemnifies us for any loss cost or damage we may suffer by reason of lending the Principal Sum to the Borrower. This guarantee is not affected by any waiver, time or other indulgence we may extend to the Borrower or by any other act or thing which might release the Guarantor if the guarantor was a surety only.

12. Interpretation

In this Agreement:

Goods includes the motor vehicles or other property described overleaf or where those Goods has been lost, stolen, destroyed or replaced then any Goods substituted therefore (together with all attachments accessories and parts which may at any time be attached to or placed on the Goods).

The *Act* means the Credit Contracts and Consumer Finance Act 2003 (as amended)

The plural means the singular and vice versa.