

GENERAL TERMS AND CONDITIONS FOR SECURED LOANS (01/2019)

Parties:

Customer (Borrower)

NZ Fintech LIMITED (Lender)

The following terms form part of any Credit Agreement between the Borrower and the Lender.

1. Interpretation

1.1 **Definitions:** Terms used in these terms and any associated Credit Agreement have the following meaning:

"Business Day" means a day that the Lender's bank is open for business;

"CCCFA" means the Credit Contracts and Consumer Finance Act 2003;

"Credit Agreement" means the credit agreement between the Borrower and the Lender pursuant to which the Lender agrees to make a loan available to the Borrower on the terms set out in the Loan Disclosure and these terms (and includes the Loan Disclosure).

"Expiry Date" means the date specified as such in the Loan Disclosure.

"Interest Rate" means the annual interest rate stipulated in the Loan Disclosure.

"Lender" means NZ Fintech Limited (including under a trading name, including "Zooma") and any assignee referred to in clause 10.2.

"Loan" means the principal amount of the loan made available by the Lender to the Borrower under the Credit Agreement.

"Loan Disclosure" means the disclosure statement relating to the Loan provided by the Lender to the Borrower under section 17 of the Credit Contracts and Consumer Finance Act 2003.

"Payment Date" means a date specified for a repayment instalment in the Loan Disclosure.

"PPSA" means the Personal Property Securities Act 1999.

"Secured Obligations" means all debts, liabilities, and obligations of the Borrower to the Lender under the Credit Agreement.

"Secured Property" means the property described in the Loan Disclosure as being property in which the Lender has a security interest, together with any proceeds of that property.

1.2 Interpretation

Person A reference to a "person" includes an individual, company, body corporate, association of persons (whether corporate or not), trust, state or agency of a state or other entity, in each case whether or not having separate legal personality.

Headings are to be ignored in construing these terms.

Parties References to parties are references to parties to the Credit Agreement, and include reference to their successors and permitted transferees and assignees.

Clauses References to clauses are references to such as they appear in these terms.

Examples No example or instance shall limit whatever else may be included.

Money References to money are to New Zealand currency.

Legislation References to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it. If the Borrower wishes to read any legislation referred to the Borrower can view it at <http://www.legislation.govt.nz/>.

"upon demand" means upon demand in writing signed by the Lender or made electronically by the Lender, or on behalf of the Lender by any officer, employee, solicitor or agent of the Lender.

Business Day Convention Where any date which is specified in, or determined pursuant to the terms, would otherwise fall on a day that is not a Business Day, that date will be adjusted so that it will be the first following day that is a Business Day, unless that day falls in the next calendar month, in which case that date will be adjusted so that it will be the first preceding day that is a Business Day.

Security The terms "security interest", "perfected" and "verification statement" have the meaning given to them in the PPSA and "disabling device" and "activated" have the meaning in the CCCFA.

2. LOAN

2.1 **Loan amount:** If the Lender accepts the Borrower's application, the Lender may approve all or part only of any Loan requested by the Borrower and may, in the Lender's absolute discretion, credit any such lesser amount to the account of the Borrower as the Lender may determine.

2.2 **Loan advance:** The Lender will advance the Loan as specified in the Loan Disclosure.

3. INSURANCE

3.1 **Asset insurance:** The Borrower must keep the Secured Property insured at all times for its full replacement value against all risks against which it is prudent practice to insure property of that kind (being comprehensive vehicle insurance, if the Secured Property is a vehicle). The Lender's interest as secured party must be noted on the policy. The Borrower must:

(a) arrange this insurance himself or herself, with any licensed insurer selected by the Borrower (in which case

- the Borrower must provide a certificate of currency issued by the insurer to the Lender before the Loan can be approved or drawn down); or
- (b) request the Lender to arrange this insurance on the Borrower's behalf, as specified at www.zooma.co.nz/static/insurances.
- 3.2 **Consumer credit insurance:** If the Loan Disclosure specifies that the Borrower must maintain consumer credit insurance in relation to the Loan, the Borrower must maintain (and the Lender will arrange) such consumer credit insurance as set out on the Borrower's website at www.zooma.co.nz/static/insurances.
- 3.3 **Financing of insurance premiums:** The Loan amount will be increased by an amount equal to the premiums for:
- (a) the consumer credit insurance described in clause 3.2
 - (b) the asset insurance described in clause 3.1(b), if applicable; and
 - (c) any other insurance relating to the Loan or the Secured Property that the Lender agrees to arrange on the Borrower's behalf or to finance it under the Loan (as set out at www.zooma.co.nz/static/insurances), if applicable.
- The Lender will at drawdown apply that amount to pay the premiums to the relevant insurers on the Borrower's behalf.
- 3.4 **Rebate of premiums if Loan is prepaid:** If the Borrower prepays the Loan in full prior to the Expiry Date, the premium for insurance financed by the Loan may be proportionately rebated in certain cases, as from time to time set out at www.zooma.co.nz/static/insurances.

4. REPAYMENT AND CANCELLATION

- 4.1 **Repayment:** The Loan together with accrued and unpaid interest and any other amounts outstanding to the Lender (including fees) shall be due and payable on each Payment Date (if applicable and in the amount specified in the Loan Disclosure) and, if not already paid, on the Expiry Date. All payments are to be free of any deduction or set-off.
- 4.2 **Cancellation:** The Borrower may cancel the Loan within 7 working days of the statement date shown on the front of the Loan Disclosure (in the manner specified in the Loan Disclosure) and immediately repay the Loan together with all accrued interest thereon. The Lender may charge the Borrower the amount of any reasonable expenses the Lender necessarily incurs in connection with the Credit Agreement and its cancellation.
- 4.3 **Prepayment:** The Borrower may prepay the Loan (or any part of it) at any time, without any prepayment charge or premium. If the Borrower prepays the Loan in full, the premium for any insurance financed by the Loan will, where required by the CCCFA, be proportionately rebated to the Borrower.

5. INTEREST

- 5.1 **Payment:** The Borrower shall pay ordinary interest on the Loan at the Interest Rate. Such interest shall be calculated daily on the unpaid balance at the end of each day (and upon the basis of a 365-day year) from (and including) the date upon which the Loan is made to (and including) the date upon which it is repaid, shall be debited and capitalised daily in arrears, and shall be payable as provided in clause 4.1.

6. SECURITY

- 6.1 **Security interest:** The Borrower grants the Lender a security interest in the Secured Property, as security for the due payment and performance of the Secured Obligations. The security interest remains in effect until the Lender is satisfied that all the Secured Obligations have been performed and the Lender has discharged the security interest.
- 6.2 **Borrower's warranties:** The Borrower warrants to the Lender that:
- (a) all information the Borrower has provided to the Lender about the Secured Property when the Borrower applied for the Loan is correct; and
 - (b) the Borrower is the sole owner of the Secured Property, and no third party has any security interest or any other right or interest in or to the Secured Property.
- 6.3 **Borrower's undertakings:** Unless the Lender otherwise agrees in writing, the Borrower will:
- (a) not change the Borrower's name without giving the Lender at least 14 days' prior notice;
 - (b) keep the Secured Property in New Zealand and in the Borrower's possession;
 - (c) keep the Secured Property insured as set out in clause 3.1;
 - (d) not cause the Secured Property to be lost, destroyed or damaged or its condition to deteriorate (fair wear and tear excepted);
 - (e) not sell, lease, or otherwise dispose of the Secured Property;
 - (f) not grant any third party (or allow any third party to have) a security interest or interest in the Secured Property.
- 6.4 **Disabling device:** Without limiting the Lender's other rights under the Credit Agreement or by law, the Lender may:
- (a) connect a disabling device (having such functions when activated as the Lender may determine) to the Secured Property; and
 - (b) activate the disabling device (or any function of it, as the Lender may determine) if the Borrower fails to comply with the Credit Agreement. However, the Lender will give reasonable notice of its intention to activate the device and of what action the Borrower may take to prevent the device being activated.
- The Lender has no obligation to remove (or bear the cost of removing) the disabling device from the Secured Property at any time, including after the Loan has been repaid.
- 6.5 **Lender's powers of entry, possession and sale:** Without limiting the Lender's other rights under the Credit Agreement or by law, if the Secured Property is at risk or the Borrower fails to comply with the Credit Agreement

the Lender may:

- (a) take possession of the Secured Property;
- (b) enter (personally or by an agent) any premises on which the Secured Property is in order to take possession of the Secured Property, even if the occupant of the premises is not present at that time; and
- (c) sell the Secured Property and use the proceeds to pay down the Secured Obligations

However, the Lender cannot exercise these powers (or any other enforcement powers) unless the Lender complies with all mandatory legal requirements and restrictions that apply.

6.6 Borrower's waiver of PPSA Rights: The Borrower:

- (a) waives any right to receive a copy of a verification statement in relation to the security interest in the Secured Property;
- (b) agrees that where the Lender has right in addition to, or existing separately from those in Part 9 of the PPSA, those rights will continue to apply (and in particular, will not be limited by section 109 of the PPSA); and
- (c) agrees that sections 114(1)(a), 133 and 134 of the PPSA will not apply to the security interest and that the Borrower will have none of the rights under sections 116, 120(2), 121, 125, 129 and 131 of the PPSA.

7. AUTHORITY TO DEDUCT

7.1 Salary and wage deduction: The Borrower agrees that, if the Borrower has not paid any amount owing to the Lender when due, the Lender may deduct that amount directly from the salary or wages of the Borrower and consents to the Lender contacting the employer of the Borrower to effect such deduction. The Borrower's attention is drawn to section 5(2) of the Wages Protection Act 1983 which allows the Borrower to withdraw this consent for a deduction from wages or salary. To withdraw the consent the Borrower must give written notice to the Borrower's employer (subject to the notice periods specified in section 5(2)) with a copy of that notice to the Lender.

7.2 Direct debit: The Borrower authorises the Lender (until further notice in writing) to debit by way of a direct debit from any account or accounts that the Borrower holds with any bank or other financial institution, every amount due under the Credit Agreement.

7.3 Debit card charges: The Borrower authorises the Lender to charge every amount due under the Credit Agreement to any debit card held by the Borrower. The Borrower shall provide the Lender with the necessary debit card details to make the payment and give all such payment instructions to a debit card issuer as the Lender may require for this purpose.

8. FURTHER ASSURANCES

8.1 The Borrower shall if and when requested by the Lender and at the cost of the Borrower execute all such agreements, assurances and other documents and do all such acts and things as the Lender may require to better protect the Lender and its security position, or if the Borrower has failed to do something the Borrower has agreed with the Lender to do. This includes:

- (a) arranging or amending any direct debit authority, updating any debit card details and payment instructions to any debit card issuers, and doing any other thing the Lender may require to facilitate the deduction of any amounts due from salary or wages of the Borrower (to the extent that the Borrower has not withdrawn consent for the deduction from salary or wages within the applicable notice period);
- (b) signing and delivering any documents and doing anything else that the Lender requires to ensure that the security interest over the Secured Property is a perfected first ranking security interest under the PPSA; and
- (c) on request by the Lender, providing the Lender with a certificate of currency and copy of the policy for any insurance the Borrower is required to maintain under the Credit Agreement.

9. NOTICES AND CCCFA DISCLOSURES

9.1 Any notice given by the Lender under the Credit Agreement shall be deemed to be validly given and served if done so by SMS text message, email or post, in each case to the Borrower's address or number recorded in the Loan Disclosure or if given and served in accordance with any other method recognised by law.

9.2 In respect of any disclosure statement to be provided to the Borrower under the CCCFA:

- (a) the Borrower nominates the Borrower's email address as specified in the Loan Disclosure (or such other email address as the Borrower may notify to the Lender) as the information system to which any such disclosure statement may be sent. Any such disclosure statement may be provided to the Borrower by sending the Borrower an electronic communication that allows the disclosure statement to be accessed from a website or by means of the internet; and
- (b) without limiting clause 9.2(a), the Borrower further agrees that any disclosure statement that the CCCFA requires to be provided to the Borrower may be disclosed to the Borrower by enabling the Borrower to access the relevant information on the Lender's website at www.zooma.co.nz.

9.3 The Borrower nominates the Borrower's email address as specified in the Loan Disclosure (or such other email address as the Borrower may notify to the Lender) as the address to which any notice or other document to be provided to the Borrower under the CCCFA that may be sent by way of an electronic communication (including any notice relating to the enforcement of security over consumer goods or relating to an unforeseen hardship application) may be sent.

10. ASSIGNMENT AND DISCLOSURE

10.1 The Borrower may not assign or otherwise transfer or grant an encumbrance over all or any of its rights, benefits and obligations under this Credit Agreement.

10.2 Any reference in these terms, the Loan Disclosure, or the Credit Agreement generally to "the Lender" shall be

construed to include a reference to the Lender and the assignees and transferees of all or any of the Lender's rights and obligations hereunder or thereunder.

11. GOVERNING LAW

- 11.1 These terms and the Credit Agreement are governed by and shall be construed in accordance with the laws of New Zealand. Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New Zealand.

12. DEFAULT, REMEDIES AND WAIVERS

- 12.1 **Powers on default:** If the Borrower fails to comply with the Credit Agreement, the Lender may:
- (a) declare the Loan and all unpaid interest and other amounts owed to the Lender to be due and payable; and
 - (b) exercise any right or remedy it has under the Credit Agreement or by law.
- 12.2 **Default interest:** If the Borrower does not pay any amount due under the Credit Agreement on or before the due payment date, the Borrower shall pay the Lender default interest on the overdue amount (both before and after judgment) at the default interest rate specified in the Loan Disclosure. Such default interest shall be calculated and debited at the end of each day (and upon the basis of a 365 day year) from (but excluding) the due payment date up to (and including) the date on which the overdue amount is paid in full, and shall be payable immediately upon being debited. Any default interest that is not paid when due shall itself be treated as an overdue amount that is part of the Loan and itself bear default interest under this clause 12.2.
- 12.3 **Delay and waiver:** Time shall be of the essence of the Credit Agreement but no failure to exercise, and no delay in exercising, any right or remedy of the Lender under the Credit Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude any other nor further exercise thereof or the exercise of any other right or remedy. No waiver by the Lender of any default, right or remedy under the Credit Agreement shall be effective unless it is in writing signed by the Lender.
- 12.4 **Circumstances beyond Lender's control:** The Lender and Borrower shall not be in breach of the Credit Agreement if there are circumstances beyond the Lender's control, such as the failure of the Lender's bank to process a payment or natural disaster occurs.

13. COSTS, FEES, APPLICATION OF PAYMENTS, AND ACCOUNTS

- 13.1 **Fees:** The Borrower will pay all credit fees and default fees payable from time to time as described on the Lender's website at www.zooma.co.nz under the "Fees" section. The Borrower shall pay any such fee on the first Payment Date after the day on which the fee has been debited to the Borrower's account (or, if no such Payment Date remains, on demand by the Lender).
- 13.2 **Costs:** The Borrower will on demand by the Lender pay all costs, expenses, and liabilities incurred by the Lender in connection with the exercise or attempted exercise by the Lender of any of the Lender's powers, rights or remedies under the Credit Agreement.
- 13.3 **Application of payments:** The Lender may apply any payment or amount it receives or recovers from the Borrower to reduce the total amount owing under the Credit Agreement in whatever order the Lender determines.
- 13.4 **Statements:** A statement signed by the Lender's representative will, in the absence of obvious error, be conclusive evidence against the Borrower of the amount of any money owing and of any other matter set out in the statement.

14. PRIVACY

- 14.1 The Lender's privacy policy (as amended from time to time, and available at www.zooma.co.nz/static/privacypolicy) is incorporated in, and forms part of, these terms and the Credit Agreement.