

VEHICLE SALES & FINANCE LTD

SCHEDULE D - DISCLOSURE STATEMENT FOR CONSUMER CREDIT CONTRACTS

Disclosure includes all information provided in this Contract and Schedules and is not limited to Schedule E

IMPORTANT – The Lender 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 disclosure statement and a copy of your credit contract in a safe place. This disclosure statement will be provided to you prior to you signing or entering into this contract. The law gives you a limited right to cancel the consumer credit contract. The Lender may, from time to time, make changes to its disclosure statement. A copy of the disclosure statement can be found on the Lenders website www.vehiclesalesfinance.co.nz

See the statement of right to cancel for full details of your right to cancel. Note that strict time limits apply.

Payments - You are required to make each payment in the amount specified and at the time specified.

Total amount to be advanced to you as per Schedule A - Loan Advance	Total number of weekly payments commencing:	Weekly amount	Last Weekly payment amount	Total interest amount at XX.XX% per annum fixed from the date of advance	Total amount of Advance plus interest
\$	\$	\$	\$	\$	\$

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 at the end of each month.

Credit Fees and Charges – as per attached Fee Schedule

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. If the Lender charges you any of these fees or costs the Lender will add that amount to the Loan Advance that means the Lender will charge the Default Fee until the arrears are paid in full.

- (i) The Lenders Fee Schedule can be viewed on its website www.vehiclesalesfinance.co.nz and may be amended at any time. The Lender will provide you with five working days’ notice of any changes.
- (ii) Additional Establishment fee of up to \$600 if the initial unpaid balance is increased, extended or rearranged at the Borrowers request.
- (iii) A monthly Management fee of \$9.00 will be charged to your loan on the last day of each month. This is to cover the cost of administering your loan and processing payments.
- (iv) A Missed Payment fee of \$30 is charged any time you miss a payment, short pay or are late with a payment or other such default.
- (v) A Default fee of \$2.50 per day is charged for each day you fail to make, or are late making, a scheduled payment, until all arrears are paid.
- (vi) A Communication fee of \$7.00 is charged any time the Lender has to write, email, fax, telephone or message you regarding a missed payment, short payment, late payment or any other communication not already listed in the Fee Schedule.
- (vii) Letter fee of \$25 is charged any time you request a statement or balance of your account that we are not already required to send you.
- (viii) Letter fee of \$25 is charged if the Lender writes to you regarding a breach of contract or if you request they write to a third party eg WINZ.
- (ix) Letter fee of \$50 is charged if the Lender has to send you a Repossession Warning Notice (RWN)
- (x) Letter fee of \$150 if the Lender has to send you a Security at Risk Repossession Notice (SARR).
- (xi) Administration fee is of \$75/hr is charged if the Lender spends time administering your account. This includes, but is not limited to, all work associated with our recovery of the full account balance, default balance or any other administrative work required.
- (xii) A Log Entry Fee (min \$8.00) is charged any time the Lender is required to update your loan with important information.
- (xiii) Attendance fee (from \$75 per visit) is charged if the lender is required to physically visit you or your residence.
- (xiv) Variable Enforcement costs will be charged for all enforcement action, including court action, repossession, debt collection, solicitor fees.
- (xv) Vehicle insurance premiums or Vehicle Registration costs if the Lender elects to insure or register the Vehicle on your behalf.
- (xvi) PPSR preparation and registration fee of \$20.00 if the Lender has to register a security on the Personal Properties Securities Register.
- (xvii) Mortgage and/or Caveat preparation and registration fee of \$115.00 including LINZ registration fee of \$80.00, agency fee of \$25.00 and a compulsory notice fee of \$10.00. We may choose not to register a mortgage but may choose to register a caveat.
- (xviii) Mortgage and/or Caveat discharge fee of \$95.00. This is the cost of preparing a discharge of any mortgage or caveat taken by the Lender as security for the loan. The Lender must provide the discharge to the Borrower when the account balance is paid in full. This includes LINZ charges of \$80.00 and Agency fees of \$15.00
- (xix) Cancellation fee, in the event you cancel the contract, is an amount of any reasonable expenses the Lender has to pay in connection with this Contract and its cancellation (including legal fees and disbursements) and interest for the period from the day you receive the Loan until the day the Loan is repaid.
- (xx) Surrender Fee, all client/solicitor fees and charges, repair costs, registration and warrant of fitness costs and all other fees and disbursements incurred by the Lender will be charged to the Borrower. This also applies if the Borrower elects to surrender the Vehicle.
- (xxi) The Early Settlement Fee of up to \$600 represents a reasonable estimate of the Lenders loss arising on any full or part payment.

CONTINUING DISCLOSURE

The Lender may be required to provide you with regular statements. The statements will give you information about your account. Statements will be provided on a 6 monthly frequency OR upon request at the cost shown in the Credit Fees and Charges section above.

STATEMENT OF RIGHT TO CANCEL

NOTE: THERE ARE STRICT TIME LIMITS FOR CANCELLATION

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 you must give written **notice to the Lender of the cancellation within 5 working days** from the date this disclosure was made. You must also return to the Lender 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 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 disclosure 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.

What you may have to pay if you cancel

If you cancel the contract the Lender can charge you:

- (i) The amount of any reasonable expenses the Lender had to pay in connection with the contract and its cancellation (including legal fees and fees for credit reports, etc) and
- (ii) Interest for the period from the day you received the advance until the day you repay the advance.

If you wish to keep the property (including vehicles) you must pay the unpaid balance within 15 working days of the day the notice is given.

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 Lender is being unreasonable in any way, you should seek legal advice immediately.

WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS

The Lender has an interest in the Vehicle and/or property (collateral and real property) detailed in Schedule C (and on any attached schedules if used) to secure performance of your obligations under the contract, or the payment of money payable under the contract, or both.

If you fail to meet your commitments under the contract, then to the extent of the security interest the Lender may be entitled to repossess and sell this property and the money you owe will be deemed as a disputed debt and the Lender will have the right to seek the Courts assistance in the recovery of the debt at your cost.

Default Reporting

If you fail to meet your commitments under the contract the Lender may provide information about that default to Equifax NZ, or any other such Credit Agency, for credit reporting purposes who may give information about the default to their customers.

In the event of any default in payment and while the default continues you must pay the Default Fees on any unpaid balance.

In the event of any breach of the contract or on enforcement of the contract, the default fees specified below are payable.

Default fees:

- (i) A fee of \$2.50 per day will apply from the time you fail to make a due payment until the arrears (including all default fees and all monies payable by reason of or in relation to your default) are paid. The daily default fee will be charged to your account on the same day and on the frequency as your payments are due.

We will also charge to your account (Default fees):

- (ii) Missed Payment Fee of \$30.00 is charged anytime you miss a payment, short pay or are late with a payment or other such default.
- (iii) Travel fee if any staff member of ours, or our agents, finds it necessary to travel to visit you or any other Borrower listed in the agreement or otherwise to attend any meeting or any court or tribunal. Mileage may be charged at the current rate recommended by the Inland Revenue Department.
- (iv) An Attendance Fee, starting at \$75.00 will be charged if the Lender is required to physically visit you or your residence you will be charged per visit. A travel fee may be charged in this instance also.
- (v) Default Communication Fee of \$7.00 is charged any time the Lender has to write, email, text, fax, or telephone you regarding a missed, short or late payment or other such default.
- (vi) In the case of enforcement, including Court or Disputes Tribunal proceedings, we will charge your account all court and tribunal costs and actual solicitors fees and disbursements (assessed on a solicitor client basis) and debt collection agency fees and disbursements and the costs and disbursements of valuers, auctioneers, process servers and any agents of the Lender in effecting such enforcement plus any other necessary disbursements as those costs are ascertained.

WHAT TO DO IF YOU SUFFER UNFORESEEN HARDSHIP

If you are unable reasonably 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 apply to the Lender for a hardship variation.

To apply for a hardship variation, you need to:

- (a) Make an application to the Lender in writing, along with documentation which will support the application; and
- (b) Explain your reason(s) for the application; and
- (c) Request one of the following:
 - An extension of the term of the contract (which will reduce the amount of each payment due under the contract; or
 - A postponement of the dates on which payments are due under the contract (specify the period you want this to apply); or
 - Both of the above; and
- (d) Give the application to the Lender; and
- (e) Every application will be considered based on its merits, and the liability for the Borrower to fulfil its obligations under the Contract.

We urge you to make this application as soon as you become aware that you may not be able to meet your obligation. If you leave it for too long, the Lender may not have to consider your application (as per Section 57 of the Credit Contracts and Consumer Finance Act 2003)

We would also encourage you to make contact with an Independent Financial Mentor or Budgeting Advice Service. Confidential advice is offered free of charge by many organisations including:

The Salvation Army www.salvationarmy.org.nz 0800 530 000
Christians Against Poverty www.capnz.org 0508 227 111

DISPUTE RESOLUTION

We maintain a procedure for handling any complaints by clients, designed to ensure that a complaint is dealt with promptly and fairly. If you have a complaint about our services or charges, you may refer your complaint in writing via email to sue@maxamise.co.nz or by post to Vehicle Sales & Finance Ltd. P.O. Box 208 Paraparaumu. Anything received will be reviewed by the Lender, within three weeks of its receipt and accordingly you will be advised of the outcome. If you are not satisfied with that person's response to your complaint, you may refer your complaint to The Financial Services Complaints Ltd (FSCL) – A Financial Ombudsman Service.

It is free to make a complaint to this independent dispute resolution scheme. This scheme can help you to resolve any disagreements you have with the Lender.

Contact details of Dispute Resolutions Scheme:

Financial Services Complaints Ltd (FSCL) – A Financial Ombudsman Service

Phone: 0800 347 257 or (04) 472 3725

Website: www.fscl.org.nz

Business address: P O Box 5967, Wellington 6145

REGISTRATION ON FINANCIAL SERVICE PROVIDER REGISTER

Lender registration name: Vehicle Sales & Finance Limited

Registration number: 435546