

BLUE STAR FINANCE LIMITED

AS THE SECURITY TO BE TAKEN MAY INCLUDE LAND OR ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OR BOTH AND IF A PROPOSED GUARANTOR IS TAKING ON OBLIGATIONS FOR THE LOAN APPLICANT/BORROWER, BOTH THE LOAN APPLICANT/BORROWER AND THE PROPOSED GUARANTOR ARE ADVISED TO OBTAIN INDEPENDENT LEGAL ADVICE BEFORE SIGNING THE LOAN AGREEMENT AND THE GUARANTEE

ACKNOWLEDGEMENT AND AGREEMENT OF GUARANTOR(S) AND BORROWER(S). (IF THERE IS NO GUARANTOR, IT APPLIES ONLY TO THE BORROWER(S))

Please note that this section is not the loan agreement and is merely an attempt to make sure that you understand important facts about it

1 I understand that by signing the loan and security agreement or guarantee I become liable for repayment of the loan in full. If I am borrower I must make all the payments. **If I am a guarantor I know that if the borrower does not pay I have to pay. As guarantor I have to do everything the borrower must do if he does not do it.** I have read the agreement and guarantee or I have been given an opportunity to read it/them before signing.

2 I have been advised to obtain independent legal advice as to what I must do and what rights the lender has in this agreement. That means I should talk to a lawyer about this agreement. I should talk to a lawyer who is independent. That means a lawyer who is not advising any other borrower or guarantor or anyone else who receives the money. I have been asked to take the time to obtain advice before signing the loan agreement or guarantee. **If I am a guarantor I am particularly asked to note this advice before signing any guarantee.**

3 I promise to the lender that I have the financial ability to pay any instalments due under the loan agreement and to make the final payment. I have thought about this carefully.

4 I acknowledge that the borrower and any guarantors all must pay the unpaid balance. This means the lender may claim the unpaid balance including the total amount payable from one of us or all of us. Also if I am guarantor I know I must do all the other things that the borrower must do as well as pay. I must not do the same things that the borrower must not do.

5 I understand that if I provide collateral (e.g. a car or other goods or company shares or present and future personal property) as security I could lose them. That means that if I or any other borrower or guarantor do not pay, that car or goods or other collateral may be
a. Repossessed by the lender (if the lender does not already hold it) or
b. seized by court officers after judgment and
sold to pay the debt. **If I am a guarantor I am also particularly asked to note this.**

6 I understand that if I provide land as security, the lender may lodge a caveat against the title to that land. That means I could not mortgage my own land unless the lender agreed. The lender may also register a mortgage and may sell that land if I or any other borrower or guarantors do not pay the unpaid balance. **If I am a guarantor I am also particularly asked to note this.**

7 I understand that I am being asked to grant a power of attorney to the lender which the lender may use to protect its rights under the agreement. That means the lender may sign in my name as if the lender was me. The lender may use that power to register any mortgage or caveat over land to itself. **If I am a guarantor I am also particularly asked to note this.**

Initials (all Borrowers and Guarantors) _____

1 Guarantor (please tick)

- I have had time to obtain advice but have voluntarily chosen not to do so OR
- I have taken independent legal advice.

2 Borrower (please tick)

- I have had time to obtain advice but have voluntarily chosen not to do so OR
- I have taken independent legal advice.

SIGNED by the Borrower:.....

In the Presence of.....
(Signature of witness)

Name of Witness:

Date:.....

Address:

Occupation:

SIGNED by the Borrower:.....

In the Presence of.....
(Signature of witness)

Name of Witness:

Date:.....

Address:

Occupation:

SIGNED by the Borrower:.....

In the Presence of.....
(Signature of witness)

Name of Witness:

Date:.....

Address:

Occupation:

SIGNED by the Guarantor:.....

In the Presence of.....
(Signature of witness)

Name of Witness:

Date:.....

Address:

Occupation:

SIGNED by the Guarantor:.....

In the Presence of.....
(Signature of witness)

Name of Witness:

Date:.....

Address:

Occupation:

BLUE STAR FINANCE LIMITED

LOAN AND SECURITY DEED OF AGREEMENT AND DISCLOSURE OF TERMS AND GUARANTEE

Please read this paragraph: This deed of agreement is intended to be written in plain language. To help with that, there are explanations and a list of meanings right at the end beginning with paragraph 46 below of the operative terms. Firstly we have a list of meanings of words which we use in this agreement. That is paragraph 46 below. Then in paragraph 47 below we explain and give examples of some things referred to in the disclosure statement. Finally, in paragraph 48 below of the operative terms we have a description of how we use words like “charge”. “credit”, “debit” and “enforce”. These are all intended to help you understand what the agreement is all about.

This deed is made on the day and year shown before the signatures below BETWEEN Blue Star Finance Limited (“the lender“ or “we”) AND the borrowers (“you”) described below:

BACKGROUND

- A The lender has agreed to lend to you the initial unpaid balance and any subsequent advances shown in the disclosure statement below.
- B The borrowers (and any guarantors) who own the collateral (defined in “Meaning” paragraph 46 below of the operative terms) have agreed to grant a security interest in that property to the lender and
- C The borrowers (and any guarantors) who own the land to be mortgaged have agreed to grant a mortgage over that land to the lender.

OBLIGATION

You acknowledge that you owe to the lender the initial unpaid balance set out in the disclosure statement. You promise to pay that amount and make the payments due under this agreement in the manner set out in the disclosure statement and operative terms of this agreement and any variations of them. You also promise to comply with the terms of this agreement.

Ref:

Statement Date

DISCLOSURE STATEMENT FOR CONSUMER CREDIT CONTRACT (other than revolving credit contracts)

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.

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.**

FULL NAME AND ADDRESS OF CREDITOR. This is the person or company providing you the credit.

You may send notices to the creditor by: <ul style="list-style-type: none"> • Writing to the creditor at its postal address; or • Sending a fax to the number specified (if any); or • Sending an email to the address specified (if any). 	Name:	Blue Star Finance Ltd
	Physical Address:	Unit 5/243 Blenheim road P O Box 11254 CHRISTCHURCH
	Postal Address:	Unit 5/243 Blenheim road P O Box 11254 CHRISTCHURCH
	Phone:	03 354 2554
	Fax:	03 343 1038
	Email:	loans@bluestarfinance.co.nz

FULL NAME AND ADDRESS OF BORROWERS. This is the person responsible for making payments to the creditor.

Borrower	XXXXX XXXXX	
Borrower	XXXXX XXXXX	

Guarantor	XXXXX XXXXX	
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Guarantor	XXXXX XXXXX	
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CREDIT DETAILS

Initial unpaid balance. This is the amount you owe at the date of this statement (including any fees charged by the creditor).		
\$ XXXXX made up of:	Loan Amount	\$XXXXX
	Establishment Fees	\$XXX
	Mortgage Registration Fees	\$XXX
	Payment Protection Insurance	\$XXX

Subsequent advance(s) There are no subsequent advances.
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Total advances This is the total amount of all advances made or to be made to you.	\$XXXXX
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PAYMENTS. You are required to make each payment in the amount specified and at the time specified.

xx weekly payments xx weekly payments of \$xxx beginning on xx/xx/xxxx Final payment of \$xxx on xx/xx/xxxx
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Total amount of payments	\$XXXXX
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Method of Payment Payments to be mailed or paid to the creditor at the creditor's address.
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INTEREST

Annual interest rate: xx% fixed for the whole of the contract, being xx Weeks. Daily interest rate: x.xxxxxxx%
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Total interest charges This is the total amount of the interest charges payable under the contract.	\$XXXXX
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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.
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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.

Your credit contract may allow the creditor to vary this/these fee(s) and charge(s).

1. Administration Fees of **\$x per xxxx** as long as the account is in debit.
2. Mortgage discharge fees or caveat removal fee of \$350.00 Mortgage or caveat discharge fee of \$350 including \$176 fee for Land Information New Zealand
3. \$50 early full repayment administration fee if you prepay the unpaid balance in full. This is a fee for management work if you repay the unpaid balance early.
4. The costs expenses and other liabilities listed in paragraph 10d below of the operative terms which arise when you are not in default.

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

CONTINUING DISCLOSURE.

The creditor may be required to provide you with regular statements. The statements will give you information about your account.

Statements will be provided 6 monthly

WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS

Security interest

The creditor has an interest in the property listed below 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 creditor may be entitled to repossess and sell this property.**

The security interest in the collateral is as defined in section 17 of the Personal Property Securities Act 1999 and it secures payment of all the unpaid balance and performance of all the collateral owner's obligations under this contract (or the guarantee as the case may be) to the extent of the value of the collateral.

If we sell collateral after we repossess it, and the net proceeds are not enough to repay what you owe us (the unpaid balance), you and any guarantor will owe us the difference. We may recover that amount from you and any guarantor.

The collateral is also security for other things which you have agreed to do as well as pay.

Whoever owns the collateral (you or a co-borrower or a guarantor) may not give security over the collateral to any other person or company and, if the owner does so, the owner will be in breach of this agreement and we may repossess and sell the collateral.

Description of Security Interest:

Property which is or will subject to a security interest

Personal Property – Collateral

All present and after-acquired personal property owned by Borrower(s) excluding consumer goods which are not specifically identified by item and kind unless they are replacements or accessions. The collateral **INCLUDES** the following:-

Motor Vehicle	Registration :	
	Make & Model :	
	Year :	
	VIN :	
	Chassis :	
	(together with any replacements and accessions	
	Owned by:	

PROPERTY & BUILDINGS

Real Property - Land to be Mortgaged.

And all obligations mortgage (securing payment without limit of all the money secured and performance of all your obligations under this contract to the extent of the value of the collateral.) over:

Address:

Lot number:

DP number:

Legal Description:

CT number:

The security interest is an all obligations mortgage of land and it secures payment of all the unpaid balance. It also secures the performance of all the landowner's obligations under this contract (or the guarantee as the case may be) to the extent of

the value of the owner's interest in the land.

If the land is sold and the net proceeds are not enough to repay what you owe us (the unpaid balance) the borrower and any guarantor will owe us the difference and we may recover that amount from the borrower and any guarantor. That further amount will include interest and costs which are payable under the agreement and which are incurred (which arise) after the sale.

The owner of the land may not give security over the land (for example grant another mortgage) to any other person without our written consent and, if the owner does so, the owner will be in breach of this agreement and the land may be sold by the lender.

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 lender to vary these fees and charges.

Default interest. Default interest is 35% per annum when charged on any overdue instalment or overdue amount (other than the unpaid balance). Default interest is charged from the time that you fall into financial default until you are no longer in financial default. It is calculated by multiplying the overdue instalment or overdue amount by the daily default interest rate. The daily default interest rate is calculated by dividing the annual default interest rate by 365. All default interest is debited to your account weekly. If we accelerate payment (call up payment early) of the unpaid balance because you have failed to pay an instalment or other amount when due, we will only charge you default interest on the overdue instalments or other overdue amounts for which payment has not been accelerated. However, if we accelerate payment of the unpaid balance as a result of your default (other than your failure to pay the instalment or other overdue amount) the default interest rate will be additional 7% per annum more than the interest rate provided for in the INTEREST section above. Default interest on the unpaid balance is charged from when the unpaid balance was accelerated until you repay it in full and it is calculated and charged to your account in the same manner as other default interest.

Default Fees

1. Defaulted payment fee of \$15.00 if any regular payment to the lender is made late after the date due, or is reversed or dishonoured or is otherwise not made without our being in default. If you miss an instalment we will charge you this fee.
2. Letter Fee of \$15 or email fee of \$10.00 any time we write to you or to anyone representing you about a missed payment(s) or about any other default you commit under this agreement or about ongoing default.
3. Default time fee if any staff member of ours spends time on the administration of your account when you are in default. "Administration" in this case includes all work on our recovery of the unpaid balance but which is not charged to you otherwise. The default time fee may be charged at \$50.00 per hour and will include time our staff spends outside our offices. This means if our staff has to spend time, for example, trying to find you or travelling to see you or talking to debt collectors or lawyers we may charge you that hourly rate.
4. Mileage fee if a staff member of ours travels to visit you or any guarantor or to attend any meeting or any court or tribunal. We may charge mileage at the current rate recommended by the Automobile Association for a 2 litre petrol engine motor car.
5. Local Telephone Call Fee of \$3.00 any time we have to telephone you about a missed payment(s) or about any other default you commit under this agreement.
6. Toll Telephone Call Fee of \$5.00 any time we have to telephone you on a mobile number or any STD code about a missed payment(s) or about any other default you commit under this agreement.
7. \$2.00 Text fee if we text you or to anyone representing you about missed payment(s) or about any other default you commit under this agreement or about ongoing default
8. \$25.00 to send a repossession warning notice
9. \$25.00 – each to issue a warrant to a repossession agent to seize goods and to issue any other legally required documents

10. \$25 – to send a post repossession notice

11. The costs to us of Court or Disputes Tribunal proceedings and repossession and sale of collateral and the sale of the land to be mortgaged. These include filing fees actual solicitors' fees and disbursements (assessed on a solicitor client basis) and debt collection agency commissions, fees and disbursements. Additionally you must pay us the costs and disbursements of repossession agents, valuers, auctioneers, process servers and any of our agents in enforcing this agreement. We will also charge you for any dealings (we have while you are in default) with other persons with respect to the debt or any security you (may) provide. In addition the lender will charge you the cost of doing anything which you have failed to do and which we have done. You will also be charged for the costs expenses and other liabilities listed in paragraph 10d below of the "operative terms" arising out of your default.

FULL PREPAYMENT

We do not charge for full prepayment or loss. You must only pay our administrative costs relating to the full prepayment.

Administrative Costs/fees \$50 for our staff's work associated in receiving the request for and processing the full prepayment and in discharging or releasing any security. This may change if you ask for a full prepayment figure more than once. (Amounts we have to pay or costs incur by the lender for security release are additional)

RIGHT TO CANCEL

You are entitled to cancel the consumer credit contract by giving notice to the creditor.

Time limits for cancellation

If we give you the contract personally, you must give notice that you intend to cancel the contract within 5 working days of the statement date on the front of this document or 5 working days from the date that you sign the contract, whichever is the later.

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

How to cancel

To cancel you must give the creditor written notice that you intend to cancel a contract by –

- * giving notice to the creditor or an employee or agent of the creditor; or
- * posting the notice to the creditor or an agent of the creditor; or
- * emailing the notice to the creditor's email address (if specified on the front of this disclosure statement); or
- * sending the notice to the creditor's fax number (if specified on the front of this disclosure statement).

You must also return to the creditor any advance and any other property received by you under the contract.

What you may have to pay if you cancel

If you cancel the contract the creditor can charge you 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).

If you cancel a contract, the creditor can also charge you –

- Interest for the period from the day you received the advance until the day you repay the advance and
- If any returned property has been damaged while in your possession, the costs of repairing the damage.

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 be able to apply to the creditor for a hardship variation.

To apply for a hardship variation, you need to:

- (a) make an application in writing; and
- (b) explain your reasons(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
 - * postponement of the dates on which payments are due under the contract (specify the period for which you want this to apply; or
 - * both of the above; and

(d) give the application to the creditor.

Do this as soon as possible. If you leave it too long, the creditor may not have to consider your application.

DISPUTE RESOLUTION*

What should you do if something goes wrong?

If you have a problem, concern, or complaint about any part of my service, please tell my internal complaints scheme so that my internal complaints scheme can try to fix the problem.

You may contact the internal complaints scheme (Attn: Jared Soon) by calling 0800 00 86 86 or email loans@bluestarfinance.co.nz.

If we cannot agree on how to fix the issue, or if you decide not to use the internal complaints scheme, you can contact Financial Services Complaints Ltd. This service will cost you nothing, and will help us resolve any disagreements.

Name of dispute resolution scheme: Financial Services Complaints Limited

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

Contact details of dispute resolution scheme:*

Phone: 0800 347 257

Website: info@fscl.org.nz

Business address: PO Box 5967, Lambton Quay, Wellington 6145

REGISTRATION ON FINANCIAL SERVICE PROVIDER REGISTER

Creditor registration name: BLUE STAR FINANCE LIMITED

Registration number: FSP23562

I have received a copy of this Acknowledgement, disclosure statement, a document headed "Right to Cancel" and the operative terms and if I am the guarantor I have received a copy of the guarantee as well. I agree as set out in the disclosure statement and the operative terms and if I am the guarantor, I agree to the terms of the guarantee as well.

SIGNED by the Borrower:..... **In the Presence of**.....
(Signature of witness)

Date:..... **Name of Witness:**

Address:

BORROWER and GUARANTOR'S Initials.....

Occupation:

SIGNED by the Borrower:.....

In the Presence of.....
(Signature of witness)

Date:.....

Name of Witness:

Address:

Occupation:

SIGNED by the Guarantor:.....

In the Presence of.....
(Signature of witness)

Date:.....

Name of Witness:

Address:

Occupation:

SIGNED by the Guarantor:.....

In the Presence of.....
(Signature of witness)

Date:.....

Name of Witness:

Address:

Occupation: