

# LOAN AGREEMENT



BETWEEN

## FIRST CREDIT UNION INCORPORATED

Trading as First Credit Union

(the "Lender" and referred to in these Specific Terms "the Agreement" as "we," "us" and "our(s)");

And Borrower(s)

(the "Borrower(s)" and "Guarantor(s)" (if any) referred to in this Agreement as "you" and "your(s)")

## ACKNOWLEDGEMENT

By signing this Agreement, including any Collateral Documents, the Borrower(s) and Guarantor(s) (if any) each acknowledge that:

- a) you have been provided with a complete copy of this Agreement, the General Terms, each of the Collateral Documents and other documentation relating to the Loan before signing the documents; and
- b) you confirm that you have read all documents and accept the terms and conditions contained in the documents, fully understand and agree to be bound by the terms and conditions contained in the documents; and
- c) you confirm that all information provided to us in connection with your application for financial accommodation under this Agreement is accurate, complete and not misleading; and
- d) you consent to receive disclosure, notices and other communications from us in electronic form, whether by means of our website, email or other electronic communication as set out in the General Terms; and
- e) where you have agreed to sign the documents as a guarantor, you additionally acknowledge that:
  - i) we have at your request, agreed to make the Loan available to the Borrower on condition that you as the Guarantor enter into the Agreement; and
  - ii) that you as the Guarantor unconditionally guarantee to us the payment by the Borrower of all monies payable by the Borrower under this Agreement and the due performance by the Borrower of all obligations under this Agreement, the General Terms and the Collateral Documents; and
  - iii) that you have been advised to take independent legal advice before entering into this Agreement

## EXECUTION

This Agreement is executed and dated the <Day> Day of <Month> in <Year>

Signed by the Borrower(s) and Guarantor(s) (if any)		
Name	Signature	Date
Prime-Borrower		
Co-Borrower		
Co-Borrower		
Guarantor		
Guarantor		

  

For First Credit Union and Witness to the above signature(s) (otherwise specify)		
Name and Designation	Signature	Date

# Section A - Specific Terms

## 1 INTRODUCTION

- 1.1 This Agreement, together with the General Terms and any Collateral Documents contain the terms and conditions on which we have agreed to make available Loan Facilities to you. Collateral Documents include the specific and general terms of any Memorandum of Mortgage, General Security or other Security document, by which we take security over your property.
- 1.2 This Agreement, the General Terms and Collateral Documents all contain and describe your obligations under the Loan Facilities and what we can do if you do not fulfil those obligations. The General Terms which apply to this Loan are the General Terms – Version 1.0
- 1.3 You should read all documents thoroughly. If you do not understand anything in the documents, you should seek legal advice. You should keep a copy of this Agreement and any other documents provided to you in a safe place.
- 1.4 The law gives you a limited right to cancel the Agreement. This is described below under the heading "Right to Cancel". Note that strict time limits apply.
- 1.5 If there is any conflict between this Agreement and the General Terms, the terms contained in this Agreement shall prevail. Where there is any conflict between the Collateral Documents and the General Terms, then where applicable, the provisions of the Collateral Documents shall prevail.

## 2 SECURITIES

- 2.1 The Loan Facilities are secured over the property(s) listed below and any existing securities previously given by you over your property(s), whether listed below. Property includes land, assets or chattels over which security is granted. The granting of the Loan Facilities is conditional upon you granting us a first and only registered security over the property described below.
  - 2.2 The security interest we hold will secure all your existing and future indebtedness and performance of any of your obligations to us, whether contained in this Agreement. Any future security interest granted to us by you over any of your other property will also secure all your obligations and indebtedness to us.
  - 2.3 Unless we specifically agree in writing you are not allowed to grant, nor allow or permit to be granted a security interest, over any property secured to us.
- If we exercise any of our rights as a result of any default by you, we are entitled to (among other things), to cancel all Loan Facilities and require immediate repayment of all monies lent to you and exercise our rights under any Collateral Document.

Vehicle Security 1	
Make & Model	
Year of Registration	
Registration Number	
VIN/Chassis Number	
Engine No	
Colour	

Vehicle Security 2	
Make & Model	
Year of Registration	
Registration Number	
VIN/Chassis Number	
Engine No	
Colour	

Property 1	
Property Address	
Certificate of Title No.	
Legal Description	

Property 2	
Property Address	
Certificate of Title No.	
Legal Description	

Guarantor 1	
Guarantor Name	
Guarantor Address	

Guarantor 2	
Guarantor Name	
Guarantor Address	

Guarantor 3	
Guarantor Name	
Guarantor Address	

Guarantor 4	
Guarantor Name	
Guarantor Address	

## 3 WHAT COULD HAPPEN IF YOU DEFAULTED

- 3.1 If you fail to meet any of your obligations to us, we are entitled to:
  - f) Default Interest and Default Fees: charge you interest at the Default Rate specified in the Loan Schedule, on any amount not paid when due, for any period whilst the amount remains unpaid until such date as we receive payment in full. We may also charge you default fees as set out in the Fees and Charges Schedule and/or
  - g) Enforce Security Interests: exercise our rights under the Collateral Documents which may include enforcing our rights against any guarantors and/or selling the property secured to us.

## 4 EARLY REPAYMENT

- 4.1 If during any period where we have agreed to fix your interest rate on a Loan Facility, and you wish to repay a Loan Facility in full before the final payment is due (Early Repayment), you may be required to pay an amount to compensate us for any loss resulting from the Early Repayment. We may have suffered a loss if our current interest rate is lower than the interest rate applying to your Loan. We may also charge administrative costs relating to the Early Repayment. The amount you will have to pay will be calculated according to the statutory procedure set out in the Credit Contracts and Consumer Finance Regulations 2004.

## 5 RIGHT OF CANCELLATION

- 5.1 If the loan(s) recorded in this Agreement are a consumer credit contract under the Credit Contracts and Consumer Finance Act 2003, you have a short time after the terms of this Agreement have been disclosed to you to cancel this Agreement. A credit contract is a consumer credit contract under the Act if you are a natural person and enter into the contract wholly or predominantly for personal, domestic or household purposes.

## 6 HOW TO CANCEL

- 6.1 If you want to cancel this Agreement, you must give written notice to us. You must also return in full any loan or part thereof which has been advanced to you, and any other property received by you under the Agreement.

## 7 TIME LIMITS FOR CANCELLATION

- 7.1 If this Agreement is handed to you directly, you must give notice that you intend to cancel within five working days after you have received a copy.
- 7.2 If this Agreement is sent to you by electronic means (e.g. email) you must give notice of intention to cancel within seven working days after electronic communication of a copy has been sent.
- 7.3 If this Agreement is mailed to you, you must give notice of intention to cancel within nine working days after the Agreement was posted. Saturdays, Sundays and national public holidays are not counted as working days.

## 8 WHAT YOU MAY HAVE TO PAY IF YOU CANCEL

- 8.1 If you cancel this Agreement, in addition to repayment of the amount advanced to you, we can charge you:
- the amount of any reasonable expenses we have had to pay in connection with this Agreement and its cancellation (including legal fees and fees for credit reports, and
  - interest for the period from the day you received the loan advance or any portion of the loan until the date that the loan is repaid.
- 8.2 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, or if there is a dispute about your rights, or if you think we are being unreasonable in any way, you should seek legal advice immediately.

## 9 CHANGES ON GROUNDS OF UNFORESEEN HARDSHIP

- 9.1 If the loan(s) recorded in this Agreement are a consumer credit contract under the Credit Contracts and Consumer Finance Act 2003 and 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 us for a hardship variation of your Facility.
- 9.2 To apply for a hardship variation, you need to make a request to us in writing which explains your situation and requests one of the following variations:
- 9.3 extending the term of the Loan in order to reduce the amount of each payment due under the Facility accordingly; or
- giving you longer to pay by postponing, during a specified period, the dates on which payments are due under the Facility Agreement; or
  - both of the above – postponing payments for a specified time and reducing the amount of your payments by extending the term.
- 9.4 You should do this or contact us as soon as possible, if you leave it too long, we may not have to consider your application.

## 10 CONTINUING DISCLOSURE

- 10.1 We may be required to provide you with regular disclosure statements. The statements will give you information about your account. If we are required to provide you with regular statements, those statements will be provided at least every six months, or at least every 45 working days if your Loan is a Revolving Credit Loan (or at such other times required under the Credit Contracts and Consumer Finance Act 2003).
- 10.2 As an alternative, you agree that we may satisfy our obligation to provide regular statements by making the required information available on our website.

## 11 ADDRESS FOR NOTICES

- 11.1 You may send notices to us by –
- Writing to us at First Credit Union, PO Box 585, Hamilton 3204; or
  - Sending a fax to us to 07 839 5179; or
  - Sending an email to us at [loans@firstcu.co.nz](mailto:loans@firstcu.co.nz)

## 12 DISPUTE RESOLUTION

- 12.1 We are a member of the Financial Services Complaints Limited dispute resolution scheme. 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 us.
- 12.2 Contact details of dispute resolution scheme are as follows:
- Address: Level 4, Sybase House,  
101 Lambton Quay, Wellington 6011  
Phone: 0800 347 257  
Website: [www.fscl.org.nz](http://www.fscl.org.nz)

We are registered on the register of financial service providers as First Credit Union Incorporated (registration number 29785).

## 13 FEES AND CHARGES

Information on the amounts of fees and charges payable under this Agreement are set out in the Credit Fees section of the Loan Schedule and are added to your Loan on the date on which the Loan is advanced. The fees in this Schedule are payable separately by you in the event of default by you, and do not form part of the Loan. These fees are payable at our option either immediately by you upon demand being made by us or are added to your Loan. We may alter the amount of these fees and charges at any time (see Clause 5.3 of the General Terms.)

Fee	Description	Amount
<b>Equifax Lodgment</b>	Debited to loan account when lodged with Veda Advantage as a payment default when account is more than 30 days overdue.	\$25.00
<b>Arrears Letter</b>	Debited to loan account when an arrears letter is issued.	\$10.00
<b>Notice of Arrears</b>	Debited to loan account when a Notice of Arrears letter is issued.	\$20.00
<b>First Credit Union Field Visit</b>	Debited to loan account when it is necessary for First Credit Union to visit as a result of breach of terms (overdue instalments).	\$20.00
<b>Pre-possession Notice Fee</b>	Debited to loan account when a Pre-Possession Notice is issued.	\$30.00
<b>Repossession Fee</b>	Debited to loan account when it is necessary to issue a Repossession warrant as a result of a serious default (overdue instalments). This amount along with arrears and agent costs are payable immediately	\$50.00
<b>Post Possession Notice</b>	Debited to loan account when a Post-Possession Notice has been issued. This is always sent following repossession of consumer goods.	\$25.00
<b>Statement After Sale Fee Notice</b>	Debited to loan account when a Statement of Account after sale has been issued. This is always issued within 10 days after the sale of the repossessed consumer goods.	\$25.00
<b>Final Notice Fee</b>	Debited to loan account when a Final Notice is issued. This is generally sent following a serious breach of overdue instalments and after all other collection efforts have been exhausted.	\$20.00
<b>Direct Debit Dishonour Fee</b>	Debited to loan account when an instalment direct debit is dishonoured by the paying bank.	\$10.00

Note: We may alter the amount of these fees and charges at any time. See Clause 5.3 under Section B - General Terms.

<b>Loan Number: &lt;Account Number&gt;</b>	
<b>Loan type/Description:</b>	
<b>Credit Details:</b> (amount owing at the disclosure date)	<p>This is the amount you owe as at the date of this statement (including any loan costs recovered by the Creditor).</p> <p><u>\$ 0.00</u> made up of:</p> <ul style="list-style-type: none"> <li>\$0.00 Loan Advanced</li> <li>\$0.00 Equifax – Credit check</li> <li>\$0.00 Credit Sense</li> <li>\$0.00 Cloud Check – ID Verification</li> <li>\$0.00 Cloud Check – PEP &amp; Sanctions</li> <li>\$0.00 Motorweb Check</li> <li>\$0.00 Docusign Documentation</li> <li>\$0.00 PPSR Registration</li> </ul>
<b>Credit Limit:</b>	<p><b>\$0.00</b></p> <p>(this is the maximum amount which you have borrowed, or you can borrow under this loan where the loan is a top up it includes the initial amount owing and the additional loan amount)</p>
<b>Interest rate:</b>	<p><b>0.00% per annum</b></p> <p><b>Rate Type:</b></p> <p>(We may change the interest rate in certain circumstances. See clause 6.4 of the General Terms)</p>
<b>Default rate:</b>	The Interest rate being charged to you at the date of any default plus 3% per annum
<b>Repayment type:</b>	Principal and Interest
<b>Payment dates:</b>	First Payment: <Date>, Last payment: <Date>
<b>Payments required:</b>	
<p>Based on the current interest rate, if you drawdown the full amount of the facility you are required to make the following principal and interest payments</p> <p>You are also required to make 1 final payment of \$0.00 on &lt;Date&gt;. The first payment will be due &lt;Date&gt;.</p>	
<b>Repayment date</b>	<Date>
<b>Credit fees:</b> (types and amounts)	Nil
<b>Total interest charged under this Loan</b>	<Date>
<b>Purpose of Loan</b>	
<b>Special Terms applying to Loan</b>	Choose an item.