

CONSUMER FINANCE AGREEMENT

This is the lease agreement which sets out the terms on which we agree to lease to you, the person named as lessee in the Specific Terms, the Goods described in the Specific Terms.

YOUR AGREEMENT

By signing this lease, you agree to lease those Goods from us on the terms set out in this lease.

GUIDE TO THIS LEASE

The **Specific Terms** set out the parties to this lease and their address details. Where a Guarantor is named, he or she gives the guarantee and indemnity set out on the last page.

The **Specific Terms** also set out the description of the Goods, the financial details applying to this lease and other relevant details.

The **"Terms of Lease"** section sets out the other terms of the lease.

WE CAN ASSIST YOU

If you wish to contact us at anytime, please phone our customer service number 0800 727 101 during office hours. We will be pleased to assist you.

TERMS OF LEASE

YOUR ENTITLEMENT

Your entitlement to possession

1. You are entitled to the possession and use of the Goods for the term of this lease, unless we become entitled under this lease to inspect or repossess the Goods (for example, where you breach the terms of this lease).

YOUR RESPONSIBILITIES

Payment of Entire Rental

2.1 You agree to pay the Entire Rental specified in the Specific Terms in the manner set out in the Specific Terms.

2.2 You acknowledge that this lease is a "credit contract" for the purposes of the CCCFA, and that the amount of the Initial Unpaid Balance specified in the Specific Terms is a debt the payment of which, except for our agreement to defer its payments, is due on the date of this lease. However, we have agreed that you will defer payment of such amount and pay it as part of the Entire Rental to be paid in the manner set out in the Specific Terms and the rest of this lease.

2.3 The Annual Interest Rate will be fixed for the entire length of the term of this lease. Interest will be calculated and charged at the end of each month by multiplying the average unpaid daily balance for the preceding month by a monthly interest rate. The monthly interest rate is calculated by dividing the Annual Interest Rate by twelve. Interest is charged to your account as per your payment schedule and has been taken into account in calculating the payment amounts set out in that schedule.

2.4 If you fail to make a rental payment on a date specified in the Specific Terms you must, when making the payment, provide us with written confirmation that the payment has been made.

How to make rental payments

3.1 You must make all of the payments to us at our registered office address set out in the Specific Terms or in such other manner as we may direct you at any time during the term of this lease. Subject to clause 4, all payments must be paid promptly, free of any set-off, deductions, or counterclaims and you waive any right of set-off, deduction or counterclaim against us under this lease or any other agreement between us. This obligation is absolute and unconditional. If a payment is due on a day which is not a working day, then the due date will be the immediately following working day, and if the day on which payment is due does not exist in any particular calendar month, then the payment will be due on the first working day of the next month. All payments are at your absolute risk until we have received such payments.

3.2 You will pay all applicable goods and services tax ("GST") in addition to any payments made under this lease. You agree that the GST amounts set out in the Specific Terms are indicative only and that if actual GST applicable differs from the amount in the Specific Terms you will pay the actual amount.

Manner of payment and refund

4 The following provisions apply to the manner of payment of the Entire Rental and to any refund (if any):

- a) You are liable to pay us a first rental amount referred to as the A rental, a monthly rental amount referred to as the B rental, and a final rental amount referred to as the C rental;
- b) Your A rental obligation equals the "First Payment" (if any) specified under the heading "Financial Details" in the Specific Terms. The A rental shall be comprised of a single payment.
- c) Your total B rental obligation equals the "Entire Rental" specified under the heading "Financial Details" in the Specific Terms, less the First Payment and the Final Payment. The B rental shall be comprised of a number of instalments, each of which equals the applicable Payment (other than the First Payment and the Final

Payment) set out under the heading "Financial Details" in the Specific Terms.

- d) Your C rental obligation equals the "Final Payment" specified under the heading "Financial Details" in the Specific Terms. The C rental shall be comprised of a single payment.
- e) The payment of the A rental is due on the date specified in the Specific Terms. The B rental will (subject to us continuing to lease the Goods to you) accrue daily. Instalments of B rental are due on the respective dates for their payment specified in the Specific Terms. The payment of the C rental is due on the date specified in the Specific Terms;
- f) Interest is not payable with respect to the First Payment.

5 The following credit fee(s), charge(s), default interest and default fee(s) (which are not included in the Initial Unpaid Balance) are or may become, payable under, or in connection with, this lease. We may vary this/these fee(s), charge(s), default interest and default fee(s). If we demand it, you must pay us:

- 5.1 interest at 5% per annum above the Annual Interest Rate set out in the Specific Terms on:
 - a) any amounts outstanding under this lease from the due date of payment until the date you actually pay them; and
 - b) any amounts referred to in clauses 5.2 or 5.3 from the date of demand until you actually pay them.
- 5.2 any amounts paid by us in protecting our interests or rights in the Goods or under this agreement, or to remedy any failure by you to meet any of your obligations under this agreement;
- 5.3 fees pursuant to the attached schedule, which we may amend from time to time. We will notify you in writing of any such amendments.

The Goods are at your risk

6 All responsibility for the Goods passes to you on the signing of this lease. Accordingly, you must indemnify us against any damage or loss of the Goods and from all legal liabilities (other than claims against us under the Consumer Guarantees Act 1993) arising out of your possession and use of the Goods.

You must arrange delivery

7 It is your responsibility to arrange for the delivery of the Goods. If there is a delay of the delivery of the Goods, we will not be liable for any damages for such delay and the commencement (and all other terms) of this lease will also not be affected by such delay.

You must maintain the Goods

8.1 You must, at your expense, maintain the Goods in very good working condition, (fair wear and tear excepted) ensuring that they are properly operated in accordance with the manufacturer's or supplier's operating instructions. You must also ensure that the Goods are always used in a manner that prevents them from being damaged or lost. For the purpose of this lease, "fair wear and tear" means such deterioration in the working order, repair, condition and appearance of the Goods as is reasonably consistent with careful maintenance and use of the Goods.

8.2 Without limiting clause 8.1 however, if any of the Goods are a motor vehicle, you agree that the following will not be considered "fair wear and tear":

- a) Bodywork damage - scrapes and scratches where the paint surface is broken and repainting is necessary, there is paint discolouration on the exterior or faulty paintwork; dents or other impact damage, rust spots, broken or cracked glass; roof and/or gutter damage.
- b) Interior and boot - tears, rips, burns and cuts to upholstery, interior trim, carpets and roof lining; or substances which cannot be removed using upholstery cleaners.
- c) Windshield scratches or stone chips which are deep and will not pass a roadworthy test.
- d) Missing/broken parts - missing, bent or broken parts and/or accessories, including engine components.
- e) Tyres - tyres (including the spare tyre) which do not have tread to the minimum warrant of fitness standard and which are not of the same brand and specification (or as near as reasonably practicable) as was fitted at the commencement of this lease.
- f) Excess repair costs - any other damage where the repair costs exceed \$250.00 (including GST).

You must advise us of theft, damages and repairs

9 If for any reason the Goods are stolen, damaged, require repairs, and/or are involved in an accident, you must (unless the damage or repairs required are minor or routine) immediately advise us of the details of the theft, damage, repairs required, or accident.

You must pay repair costs

10 You must pay all costs and comply with any of our directions in connection with recovery of the Goods, if stolen, and/or repairing any damage or the replacing of any parts.

You must pay rent while the Goods are being repaired

11 You must continue to pay rental in accordance with this lease while the Goods are being repaired or, in the event of theft, while the Goods are missing or until insurance proceeds have been paid to us and we will not be liable for any loss or damage in relation to the unavailability of the Goods.

You must not pledge our credit or allow security interests

12 You must not create or allow to be created a security interest over the Goods, other than a security interest in favour of us. You must notify any potential repairer that you are prohibited by this agreement from creating a security interest over the Goods and that you are unable to pledge any credit on our behalf. If a security interest is created over the Goods in breach of this agreement, we may pay the holder of the security interest the amount necessary to discharge it and we may recover any such costs from you and exercise our other remedies in accordance with clause 5.2. In this agreement, the term "security interest" has the meaning given to it in the Personal Property Securities Act 1999 (the "PPSA").

You must keep the Goods at a specified address

13 You must ensure that the Goods, when not in use, are always kept at the address specified in the Specific Terms at the address where the Goods are to be kept or such other address as we may agree.

You must keep the Goods safe and prevent seizure

14 You must keep the Goods in a safe place and take all reasonable care to protect the Goods against any form of seizure by a third party. If the Goods become subject to any form of seizure, you will reimburse us for all of our costs in connection with the seizure of the Goods, as required under clause 5.2.

You must comply with the law

15 You must always comply with all of the relevant laws in connection with the use, storage and possession of the Goods.

You must not deal with or modify the Goods

16 You must not:

- 16.1 sell, lend, lease, transfer, grant any security interest in or otherwise deal with the Goods (or even attempt to do so) without first obtaining our written consent;
- 16.2 conceal or modify any part of the Goods including an identifying number, mark, or any accessories of the Goods.

What you must do if the Goods are a motor vehicle

17 You must if the Goods are a vehicle:

- 17.1 ensure that the vehicle is only driven and used by people who have valid driver's licences, and at all times in accordance with the law;
- 17.2 not do anything which might prejudice or affect the warranties, manufacturer's or supplier's guarantees (if any) which apply to the vehicle. If we take any action to preserve such warranties, manufacturer's or supplier's guarantees you will reimburse us for all of our costs in doing so. You will indemnify us for any loss we incur from the loss of such warranties or guarantees as a result of your actions or inaction in accordance with clause 5.2;
- 17.3 ensure that the Certificate of Registration is in your name and that, if we ask for it, you deliver to us the Certificate of Registration and Notice of Change of Ownership of the vehicle completed by you in blank, together with the current Vehicle Inspection Certificate for the vehicle;
- 17.4 keep the vehicle licensed and maintain a current Warrant or Certificate of Fitness in respect of it;
- 17.5 notify us immediately upon changing the registration number;
- 17.6 operate the vehicle and any attachments or additions to the vehicle in strict compliance with all applicable laws or regulations relating to the use and operation of those vehicles and/or the attachments or additions to those vehicles;
- 17.7 promptly obey any other requirement of ours in respect of the vehicle.

You must arrange insurance cover

18 You must at your own expense immediately and before taking possession of the Goods arrange for a comprehensive insurance cover over the Goods for their full insurable value. The insurance cover must be in our name as owner and your name as lessee and you must maintain that insurance cover (including the payment of all premiums) for the full duration of this lease.

You must provide us with evidence of insurance

19 You must also immediately provide us with details and evidence of the insurance cover (including the payment of

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premiums) and before taking possession of the Goods arrange for the insurance cover to record that any amount payable, will be paid to us and applied at our discretion in accordance with the terms of this lease.

You must not let cover be cancelled or refused

20 You must not do, or fail to do, anything that may allow the insurance cover or claims under that insurance cover to be cancelled or refused, nor change insurers without our written consent in which case clauses 18 and 19 will apply to that replacement cover. If we take any action to preserve the insurance cover, you will indemnify us for the cost to us in doing so in accordance with clause 5.2.

You may arrange extra insurance

21 You may if you wish arrange for any additional insurance for the Goods.

You will indemnify us

22 You will indemnify us against any loss or expense incurred at any time by us as a direct or indirect result of our enforcement of any of our rights or remedies in this lease, or as a direct or indirect result of any breach of any of your obligations under this lease.

You must pay us our costs

23 If we demand it, and subject to the Credit (Repossession) Act 1997, you must immediately pay us any amounts, to the extent not already claimed elsewhere under this lease, paid by us in preparing, executing, registering, renewing or discharging this lease or a financing statement or in protecting our interests or rights in the Goods or under this lease or to remedy any failure by you to meet any of your obligations under this lease, or as a result of your actions or inactions in breach of this lease, or to recover the secured money (including, in each case, our legal expenses charged on a solicitor and own client basis). In this lease, "secured money" means the amount advanced or to be advanced, including amounts advanced for fees as set out in the Specific Terms, and all other money owing now or in the future by you to us under this lease or any other agreement.

You are to notify us of changes

24 You must notify us immediately in writing if you change your name or address or if there are any changes to any of the data required to register a financing statement under the PPSA in respect of this lease including, but not restricted to, any of the information in the Specific Terms or any credit application completed for the purposes of this lease.

GENERAL TERMS

Insurance proceeds are payable to us

25 We will be entitled to receive all money payable under the insurance referred to in clause 18 above. For that purpose, you give us the power to act on your behalf to claim under the insurance policy, and to take all other necessary action in relation to that claim.

How we can use insurance proceeds

26 We may use any amount that we recover under the insurance policy in any one or more of the following ways:

- 26.1** Payment of any amounts that you owe us, whether under this lease or otherwise; or
- 26.2** satisfying your liability to us under clause 6 for any loss or damage; or
- 26.3** replacing or making good any loss or other damage to the Goods. If the Goods are replaced, then the terms of this lease will apply to the replacement goods.

Any excess insurance proceeds, after payment of the claims referred to in clauses 26.1, 26.2 and 26.3 above, shall be paid to you.

We can inspect the Goods

27 If we ask you to, you will provide the Goods to us so that we may inspect or test them. You will give us all reasonable assistance to enable us to inspect or test the Goods and, in particular, you will allow us access onto any premises where the Goods are kept.

Your acknowledgements (Consumer Guarantees Act 1993) - Consumers

28 Other than clauses 27, and 63 to 68 of this lease, nothing in this lease limits or affects the rights you may have under the Consumer Guarantees Act 1993. For the purposes of the Consumer Guarantees Act 1993, you agree and acknowledge that:

- 28.1** you will use the Goods in a manner that a reasonable buyer would use the Goods;
- 28.2** you have not made it known to us or to any of our employees or agents any particular purpose for which the Goods are required and you do not rely on our skill or judgment as to the fitness of the Goods for any particular purpose; and
- 28.3** you have not made it known to us or to any of our employees or agents any particular purpose for which our services are required and you do not rely on our skill or judgment as to such services in entering into this lease.

We may assign this lease

29.1 We may assign or transfer, or otherwise create or permit a security interest in respect of, some or all of our rights and obligations in this lease or in the Goods to Pacific Crest Limited any other person without your consent. All our rights and powers under this lease and in the Goods may be exercised by any assignee. Pursuant to section 102(2) of the PPSA you covenant not to assert any rights you would otherwise have as referred to under section 102(1) of the PPSA and it is intended specifically that any person to whom we assign some or all of our rights and obligations in this lease or in the Goods should have the benefit of this covenant

29.2 If we assign or transfer this lease to any other person you agree that we are not required to provide you with notice of the assignment and that the assignment does not in any way affect the terms of this lease or your obligations.

29.3 A reference in this lease to any person includes a reference to that person's successors and assigns.

You may not assign this lease

30 You may not assign or transfer all or any of your rights, interests and obligations under this lease without first obtaining our written consent. We are under no obligation to provide our consent to the assignment.

All lessees are bound

31 If you, as lessee, consist of more than one person, then each and all of you will be jointly and severally liable and bound by the terms of this lease.

All details correct

32 You assure us that you have provided us with all names used by you and that all particulars supplied by you when entering into this lease are correct.

Privacy Act

33 The information about you and any Guarantor contained in this lease is collected by us and will be used to assess your application for finance and for the ongoing administration of this lease. If it is not provided, your application may be declined. That information and any other information about you and any Guarantor obtained under this lease will be held by us (whose address appears in the Specific Terms), Pacific Crest Limited (c/o Nomura Australia Limited, Legal and Compliance Department, Level 25 Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000, Australia), Debtworks (NZ) Limited (Level 1, 91 Central Park Drive, Henderson, Auckland) and any other assignee, agent, administrator, servicer or back-up servicer. Under the Privacy Act 1993 you and any Guarantor have certain rights of access to, and correction of, the personal information about you held by those parties.

34 You consent to us using the information contained in this lease to obtain reports on your creditworthiness from credit reporting agencies. You consent to us, any assignee and any agent, administrator, servicer or back-up servicer each disclosing information about this lease, you, your payment history and any default to any person or company to whom it thinks fit to make disclosure, including to any person to whom we assign, or propose to assign, this lease, to any provider of finance to us and where required by law. You agree that each of them may use any information provided in and relevant to this lease to assist them to carry out usual business functions or activities and that each of them may obtain information about you from any other person (including government departments) for those purposes. You also consent to us, any assignee and any agent, administrator, servicer or back-up servicer monitoring your creditworthiness on an ongoing basis with credit reporting agencies. Any Guarantor consents to the same obtaining of credit reports and information, disclosure and use of information and credit monitoring in respect of them.

Registration of this lease

35 You agree that:

- a)** this lease creates a security interest in the Goods for the purpose of the PPSA; and
- b)** we may register a financing statement on the Personal Property Securities Register in respect of this lease to perfect our security interest in the Goods under the PPSA.

36 You must assist us to complete the registration of this lease, whether as a security interest or otherwise, under any legislation or other regulatory requirement requiring, permitting or otherwise providing for registration of leases of this kind, and the costs of registration will be included in the financial details taken into account in calculating the Entire Rental. In particular, you will do all things and provide all information necessary to enable us to perfect and maintain the perfection of our security interest in the Goods (including by registration of a financing statement).

We retain ownership of the Goods

37 We will retain ownership of the Goods and nothing in this lease will give any form of ownership of the Goods to you. You will only have rights as a bailee to use the Goods in accordance with this lease.

You are not our agent

38 You will not be our agent for any purpose. You will have no authority to pledge any credit on our behalf or involve us in any liability.

You appoint us to act as your attorney

39 You irrevocably appoint us, and each of our Directors and Managers, at the relevant time, as your attorney with the power to act on your behalf to do anything which you have agreed to do under this lease or which, in our opinion, is necessary to protect our interests under this lease or give effect to any right, power or remedy conferred on us by this lease, by law or otherwise. You agree to indemnify each such person when acting as your attorney for any loss, cost or expense incurred or suffered as a result of any acts or omissions while acting as your attorney.

Notices and disclosure

40 Subject to clause 44, all notices and other communications to us shall be in writing and shall be delivered by hand or sent by fax or post, charges prepaid, to our office address or fax number (as appropriate) specified on the front page of this lease or as advised from time to time by us in accordance with this lease.

41 We will provide ongoing disclosure to you of your account on a quarterly basis, unless disclosure is not required under the Credit Contracts and Consumer Finance Act 2003. By providing your email address to us you consent to receive all notices, disclosure and other communications by email.

42 All notices, disclosure and other communication to be given to you shall be in writing and shall be delivered either by electronic mail (email) to the email address specified on the first page of this lease, or by hand or sent by post, charges pre-paid, to the address specified on the first page of this lease or as advised from time to time to us in accordance with this lease.

43 Subject to the requirements of the Credit Contracts and Consumer Finance Act 2003 or the Credit (Repossession) Act 1997, a notice shall be deemed to have been received by us or you:

- a)** if delivered by hand, upon delivery;
- b)** if sent by post, four working days after, but not including, the day of posting;
- c)** (in the case of any notice to us) if sent by fax, on the date that transmission is received by a Manager in legible form (it being agreed that the burden of proving receipt will be on you and will not be met by a transmission report produced by the machine from which the fax was sent), provided that any notice or communication received or deemed to be received after 5.00 pm on a working day in the place to which it is sent, or on a day which was not a working day in that place, will be deemed not to have been received until the next working day in that place.
- d)** In the case of an email notice sent by us to you, and subject to the Credit Contracts and Consumer Finance Act 2003, on the day we send the email to you, provided that any email notice or communication sent after 5.00 pm on a working day in the place to which it is sent, or on a day which was not a working day in that place, will be deemed not to have been sent until the next working day in that place.

44 You may email or verbally notify us with changes you wish us to make to your existing payment structure pursuant to any direct debit authority established for the purposes of this lease. Any changes shall be subject to our agreement and if we approve any changes we will record this in writing. The Guarantor agrees to be bound by any changes made. All other communications to us shall be as provided in clause 40 above.

Request for Disclosure

45 You and the Guarantor have the right to request further disclosure of the terms of this lease. If this further disclosure is provided by us to you, or to the Guarantor, we may charge a fee in accordance with clause 5.3.

You may make Part Prepayments only if we agree

46 This lease gives you no right to make any part prepayment of the Entire Rental or any other amount owing under this lease. If you ask to do so we may decline.

47 If we choose to accept any part prepayment from you, we may charge our average administrative costs in the form of a fee in accordance with clause 5.3, plus a reasonable estimate of our loss arising from the part prepayment. We reserve the right to credit payments in accordance with the Specific Terms.

Full Prepayment

48 You have the right to make full prepayment of this lease.

49 If you make full prepayment we are entitled to charge our administrative costs in the form of a fee in accordance with clause 5.3. We are also entitled to charge a fee or charge that does not exceed a reasonable estimate of our loss arising from the full prepayment. Our estimate of loss will be calculated using the following formula:

REL = A - B where:

REL = reasonable estimate of loss

A = the aggregate of the net present value of each of the payments still to be made under this agreement, discounted at the Annual Interest Rate

B = the aggregate of the net present value of each of the payments still to be made under this agreement, discounted at the interest rate determined in accordance with C below

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C = the annual interest rate that at the date of full prepayment we usually offer on the same or similar type of lease that has a fixed interest period closest to the unexpired portion of this lease that is to be fully prepaid

If the amount determined in accordance with the formula above is less than zero, then our reasonable estimate of our loss arising from the prepayment is zero. We are happy to provide you with full details of the manner in which we calculate our reasonable estimate of loss, should you request it.

We may set off

50 We may, at any time, set off any amount which we owe to you against any amount which you owe to us under this lease or otherwise. We may do this even if you are in receivership, bankrupt or have entered into any arrangement for the benefit of your creditors.

Accessories become part of the Goods

51 You must not allow any accessories or extra parts to be added to or included with the Goods without first obtaining our written consent. However, if any accessories or extra parts (including any replacement parts) are added to or included with the Goods, those accessories or parts will for the purposes of this lease become part of the Goods.

Separately binding terms

52 Each term of this lease is separately binding. If for any reason we cannot enforce any term, all the other terms will remain binding.

Our enforcement of rights

53 We will not be taken to have waived any of our rights or remedies under the terms of this lease unless the waiver is in writing. The fact that we may delay or not exercise any right or remedy does not affect our ability to enforce that right or remedy at a later time.

Your assurance as to title

54 If we have bought the Goods from you, whether on your own account or as agent for someone else, you warrant to us that you or your principal had good title to the Goods, free of any security interests.

Your assurance as to the validity of the warranties

55 If we have bought the Goods from you, whether on your own account or as agent for someone else, you warrant to us that the manufacturer's or supplier's warranties of the Goods (if any) are valid and that, subject to clause 56, they will continue to be available to you throughout the term of this lease.

You must assign the warranties if requested

56 If we ask you to assign your interest in the warranties of the Goods to us, you must do so, and where someone else is the holder of the warranties, you will procure that that person assigns us their interest in the warranties.

You must preserve the warranties

57 You must not do, or fail to do, anything that would prejudice any interest in the warranties of the Goods. If we take any action to preserve the warranties, you will indemnify us for all such costs in accordance with clause 5.2.

Hearing of Dispute

58 You agree that, in relation to any court proceedings arising from this lease that are to be filed in the District Court or High Court Registry, the Christchurch District Court or High Court Registry are more convenient for us than any others.

Collateral Securities

59 If this lease is collateral to any other agreements, deeds or securities that we enter into to secure the amounts you owe under this lease, then this lease and all other such agreements, deeds or securities shall be read and construed together so that a default under one of them shall constitute a default under each of them, so that we may exercise our rights, powers and remedies under this lease and each of those other agreements, deeds or securities either separately or under any combination of them together.

Agent

60 You and each Guarantor acknowledges and agrees that we may from time to time appoint any other person as agent, administrator, servicer or back-up servicer, to act on our behalf under this lease. Any notice, document or demand given or made to or by any such agent, administrator, servicer or back-up servicer shall be deemed to be validly given or made to or by us and any act or omission of any such agent, administrator, servicer or back-up servicer shall be binding on us.

Governing law

61 This lease is governed by and is to be construed in accordance with New Zealand law.

ENDING THIS LEASE

What happens if we end this lease

62 If we end this lease, all of your obligations under this lease will still continue. In particular, you will be required to pay to us immediately:

- the unpaid balance of the Entire Rental (less any amount we allow to reflect that the lease has been ended before its scheduled end date and any amount received by us by way of Insurance proceeds under clause 25);

- any fees we charge in accordance with clause 5.3; and
- a reasonable estimate of our loss incurred as a result of your acts or omissions.

Once we end the lease, you will have no more rights (subject to clause 71 and the Credit Contracts and Consumer Finance Act 2003) under this lease.

Events entitling us to end this lease

63 Subject to the Credit (Repossession) Act 1997, we may exercise our enforcement rights under this lease if any of the following events happen (whether or not such event is still continuing):

- you are in default of any payment due under this lease or any other agreement with us or in the performance of any of your obligations under this lease or any other agreement with us; or
- you made a false statement to us when or before you entered into this lease; or
- you allow any judgment or order for payment of money against you to remain unsatisfied for two or more days; or
- any execution or distress is levied or threatened to be levied on your assets; or
- a receiver is appointed in respect of any of your assets; or
- you make any arrangement or enter into any compromise with any of your creditors; or
- you fail to comply with your obligations under clause 8; or
- you are unable to arrange or maintain insurance of the Goods; or
- the Goods are destroyed or damaged to such an extent that the Goods must be written off as a total loss; or
- the Goods are stolen and are not recovered; or
- you commit an act of bankruptcy or you become bankrupt or die; or
- you do anything that prejudices our rights in the Goods or this lease; or
- any of the above events occurs in relation to the Guarantor(s) named in the Specific Terms; or
- some or all of the Guarantor(s) named in the Specific Terms become insolvent or their debts are not paid as they mature or they apply for or consent to or suffer the appointment of a liquidator.

We may repossess the Goods or end this lease if you default

64 If any of the events described in clause 63 happens, then we may end this lease by giving you notice in writing to that effect and/or retake possession of the Goods.

What happens if we retake possession of the Goods

65 If we retake possession of the Goods, we may either retain them or sell them. If we take steps to sell the Goods as provided for in clause 68(b), this lease will be treated as if we had ended it, even though we have not given you any notice that we will end it. In this case, all provisions relating to ending this lease will still apply. However, if we retake possession of the Goods but do not end this lease (although we will still have the right to do so), we may retain the Goods (in which case you will still be required to pay rental during the period we retain the Goods) and return them to you only if:

- you remedy the breach; or
- we are satisfied that the event(s) which led us to exercise our right to retake possession of the Goods does not and will not prejudicially affect us or the Goods; and
- you pay any fees we charge in accordance with clause 5.3.

You must return the Goods

66 Unless you have exercised the option in clause 65, when this lease ends (either by the completion of the term of this lease or by way of any other termination of this lease), you agree, at your expense, to return the Goods, in a condition consistent with your obligations under clause 8.1, to our place of business or to a place directed by us. You must also arrange for any registration certificates or certificates of ownership of the Goods to be transferred to our name and delivered to us, together with the Vehicle Inspection Certificate if the Goods are or include any motor vehicle. If clause 64 or 65 applies, we will then sell the Goods, as soon as we reasonably can, at the best price that we can reasonably obtain at that time, and allocate the sale proceeds as set out in clause 71.

We may enter your premises

67 For the purposes of exercising our powers of repossession set out in clause 63, you agree to permit us, and any persons who work for us or who are our agents, to enter any premises you occupy. You also agree to give us, as your agent, the right to enter the premises of any other person or corporation to search

for and repossess the Goods without being liable to you or anyone claiming under you.

Our right to sell the Goods

68 We will sell the Goods as soon as we reasonably can in a way that we choose, and at the best price that we can reasonably obtain for the Goods, if and when one of the following situations occurs:

- we repossess the Goods and end this lease due to your default, as provided for in clause 64; or
- you are in default and we choose to sell the Goods prior to the end of this lease (if this situation occurs, clause 65 will apply and this lease will be treated as being at an end).

We may use sale proceeds to satisfy your obligations

69 If we sell the Goods in accordance with clause 68, the amount that we obtain for the Goods ("the sale proceeds") will be applied towards any amounts that you owe us under this lease. In any event, we will still have any other rights available under this lease to recover any other amounts you owe us.

Amounts owing at end of lease

70 If clause 64 or 65 applies, then at the end of this lease, the amounts you will owe us under this lease will include any rental you have not paid, any payments you owe to us, including default interest payable pursuant to clause 5, and, to the extent not already charged in accordance with clause 5.3, all the expenses involved with our repossessing and insuring the Goods, storing the Goods before the sale, the sale itself and our full legal costs on a solicitor and own client basis. These amounts are referred to as "the outstanding amounts" under clause 71.

How we will apply the sale proceeds

71 In the event that we sell the Goods in accordance with clause 68:

- If the sale proceeds exceed the outstanding amounts, we will pay the amount of the excess to you or otherwise in accordance with Part 9 of the PPSA.
- If the sale proceeds are less than the outstanding amounts, you must pay to us the portion of the outstanding amounts that remains unpaid, together with interest on the outstanding amounts from the date they become owing until the date they are paid. The interest on the outstanding amounts will be calculated at the rate set out in clause 5.

You waive your rights to receive verification statements under the PPSA

72 You irrevocably waive any rights you may have at any time, including under section 148 of the PPSA, to receive a copy of any verification statement (as that term is defined for the purposes of the PPSA).

You will reimburse us on demand for costs

73 You agree to reimburse us upon demand for our reasonable costs and expenses in complying with any demand under section 162 of the PPSA. Where used in clause 72 and 73 references to "you" includes a reference to any other person who is a "debtor" for the purposes of the applicable provisions of the PPSA.

Option to purchase

74 Upon the termination of this lease, you may exercise an option to purchase the Goods provided that:

- You have paid to us the Entire Rental and all other amounts owing to us under this agreement, and are not in default of any of your obligations under this lease;
- You give us notice in writing not prior to the payment of the Final Payment and within 7 days of the payment of the Final Payment that you are exercising the option under this clause; and
- You pay us the purchase price for the Goods of \$1 on the date you give notice under clause 74(b).

75 We will retain ownership of the Goods and nothing in this agreement will give any form of ownership of the Goods to you until notice has been given by you under clause 74(b) and all money payable by you under clause 74(b) has been paid in full.

GUARANTEE AND INDEMNITY

By signing as Guarantor on the Specific Terms, the Guarantor agrees and acknowledges that:

1 In consideration for our leasing the Goods to the Lessee named in the lease (the "Lessee") at the Guarantor's request on the terms of the lease, the Guarantor guarantees to us:

- 1.1. the due and punctual payment by the Lessee of the Entire Rental, and of any other sum payable to us by the Lessee under this lease or any other agreement; and
- 1.2. the due performance and observance by the Lessee of the terms of the lease; and

2 In addition, the Guarantor indemnifies us in all respects against:

- 2.1. any loss or damage which we may suffer through any breach by the Lessee of the Lessee's obligations under this lease, whether expressly or impliedly contained in the lease; and

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2.2. any loss or damage which we may suffer by reason at the lease being unenforceable by us.

3 If we fail to act on a breach or default by the Lessee of the Lessee's obligations under the lease or we negotiate with the Lessee to deal with such breaches or defaults, any such failure by us and any such negotiation will not release the Guarantor from any of his or her obligations under this guarantee. If we fail to act in respect of a breach or default by the Guarantor under this guarantee, that failure to act by us will also not release the Guarantor of any of his or her obligations under this guarantee.

4 As between the Lessee and the Guarantor, the Guarantor's liability may only be as a surety, however, as between the Guarantor and us, the Guarantor's liability will be as a principal debtor. The Guarantor waives all rights of a surety (legal, equitable, statutory or otherwise) and agrees to accept responsibility for the performance of the Customer's obligations as if primarily liable for them.

5 The Guarantor acknowledges and agrees that this Guarantee:

- a) is a continuing Guarantee; and
- b) is given jointly and severally if given by more than one person; and
- c) will continue if the lease is renewed by the Customer; and
- d) will continue if the customer's interest is assigned to a third party until the then current term expires; and
- e) will continue to be binding and at all times enforceable by us notwithstanding the liquidation, death, receivership or insolvency of the Customer, the Guarantor or any of them.

6 The above guarantee and indemnity is separate from and independent of this lease.

STATEMENT OF RIGHT TO CANCEL

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 this contract you must give written notice to the creditor.

You must also—

- a) return to the creditor any advance and any other property received by you under the contract (but you cannot do this if you have taken possession of any goods or if you bought any property at an auction or if the contract is for the sale of services that have been performed); or
- b) pay the cash price of the property or services within 15 working days of the day you give notice.

Time limits for cancellation

If the disclosure documents are handed to you directly you must give notice that you intend to cancel within 3 working days after you receive the documents.

If the disclosure documents are sent to you by electronic means (for example, e-mail) you must give notice that you intend to cancel within 5 working days after the electronic communication is sent.

If the documents are mailed to you, you must give the notice within 7 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 creditor can charge you—

- a) 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); and
- b) interest for the period from the day you received the property or services until the day you either pay the cash price for the property or services or return the property to the creditor.

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 CREDITOR IS BEING UNREASONABLE IN ANY WAY, YOU SHOULD SEEK LEGAL ADVICE IMMEDIATELY.

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