

**Loan Agreement incorporating Disclosure Statement (Page 1 of 4)**

(Statement date: ## ## ##)

|                       |
|-----------------------|
| Customer Number ##### |
|-----------------------|

**The Parties to this agreement are:** ##### of #####, #####, ##### ('Borrower' or 'you') and Zethus Holdings Limited, trading as Bad Credit Loan ('Creditor', 'us' or 'we'). This is the person providing you the loan/credit. You may send notices to the Creditor: a) by post to PO Box 11187, Ellerslie, Auckland 1542, b) by fax to: 0800 001 477, or c) by e-mail to: service@zethus.co.nz, or d) Address: Unit O 95-101 Main Highway Ellerslie, Auckland 1051 or Contact us on 0800 227 484

**Important:** This document (herein referred to as '**Loan Agreement**' or '**contract**') combines both your consumer credit contract and initial disclosure statement. This Loan Agreement is an important document and sets out key information about your loan. You should read it thoroughly to be sure you understand its contents and retain a copy in a safe place. **If you do not understand anything in this Loan Agreement you should seek independent advice.** See below for details of your right to cancel this Loan Agreement.

**Credit details**

**\$\$\$.** This is the amount ('**Total Advances**'), that subject to the below, we will transfer to your nominated bank account on **## ## ##** (or a slightly later date as noted below), except you agree that we may:

- a) with your approval (including approval already held) apply some, or all, of the Total Advances as repayments against any loan(s) you have with us or any other lender(s); and/or
- b) in our sole discretion, choose to lend you a lesser amount than the Total Advances amount stated above, in which case your payments will be reduced and your Credit Limit stated below will reduce accordingly.

There is a further explanation of the potential for the Total Advances amount to be reduced and/or the transfer of that amount to you delayed in the section titled 'We may delay payment to you and/or reduce your repayment amounts' below.

**\$\$\$.** Loan Establishment Fee (fee for establishing your Loan Agreement)

|              |  |
|--------------|--|
| <b>#####</b> | This is the total amount you owe at the start of this loan (' <b>Initial Unpaid Balance</b> ') |
|--------------|--|

The Credit Limit (being the maximum unpaid balance permitted under this contract) applicable to this loan is the Initial Unpaid Balance together with interest added prior to your first repayment

**Repayment details** You agree to make repayments as follows:

|                                    |   |
|------------------------------------|---|
| Number of payments                 | 3   |
| Payment Amounts                    | 2 payments of ##### and 1 final payment of \$\$\$ |
| Frequency of Payments              | Each 14 days following installment 1              |
| Total Payments required to be made | \$\$\$.   |

**Advanced notice of repayment dates\***

Instalment 1 of \$\$\$ due ## ## ##  
Instalment 2 of \$\$\$ due ## ## ##  
Instalment 3 of \$\$\$ due ## ## ##

**Interest**

**Annual Interest Rate(s):** Annual interest rate is ##% fixed for the term of this contract

**Total Interest charges:** \$\$\$.

Total interest charges are an estimate of the total amount you will pay in interest charges over the life of the loan.

**Method of charging interest**

Interest is calculated and compounded daily. Interest is calculated by multiplying the unpaid balance of the loan at the end of each day by the applicable Annual Interest Rate divided by 365 and such interest amount is then added to the unpaid balance of the loan.

\*If any of your repayment dates fall on a bank holiday, they will be processed on the next bank working day.

**We may delay payment to you and/or reduce your repayment amounts**

We will make prompt payment to you (and/or your existing lender(s)) however we accept no responsibility or liability for any delay in payments resulting from matters outside our control (e.g. delays related to ISP providers or third party software) or related to receipt from you of any required documents. Where payment of the loan does not occur on the date specified in the section titled 'Credit details' above and/or where we chose to lend you a lesser amount than the Total Advances, then the payment amounts set out in the section titled 'Repayment details' above may reduce slightly (as interest will accrue for a shorter period of time and/or on a lesser amount). Any reduction in repayments will, if we are repaying an existing loan(s) and the start date has been delayed, be slightly offset due to interest continuing to accrue on your existing loan(s) until repaid. Payments may be made by us on this loan up to four business days after the date specified in the section titled 'Credit details' above. Any reduced payment amounts will be advised by us to you and will apply to this loan as if they were the payment amounts specified in this Loan Agreement.

**Right to cancel (early repayment)**

You have a right to cancel your loan (i.e. fully repay your loan) at any time during the life of your contract. No additional administration or other early repayment fees or costs apply if you cancel, but if you cancel your loan:

- Within ten working days from the date that we disclose a copy of this agreement to you, you will be required to pay interest for the period from the day you received the advance until the day you repaid the advance, and we may charge you for any reasonable expenses necessarily incurred by us in connection with your contract and the cancellation of your contract. You must in that case repay to us the settlement amount we calculate (and return any other property received by you) within that ten working day period; or
- After ten working days from the date that we disclose a copy of this loan agreement to you, you will be required to pay interest for the period from the day you received the advance until the day you repaid the advance, and any and all accrued but unpaid credit and default fees incurred under the terms of your contract (as described below) prior to the date you repaid the advance. You must in that case repay to us the settlement amount we calculate (and return any other property received by you) within five working days from the date you give written notice to us (as below) of your intention to cancel the contract.

For the purpose of calculating the number of working days in a period Saturdays, Sundays, the period between 25 December and 2 January, 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 the 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 e-mail address; or
- sending the notice to the Creditor's fax number.

We will then let you know what the settlement amount will be.

You can also make a partial early repayment at any time during the term of your contract, with no additional early repayment fee or cost resulting from that payment.

**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, this Loan Agreement:

- If you request a change to this Loan Agreement, and we agree to such change, a fee of \$##.## shall apply to each such change request, on the day we agree to the change.
- If you request a statement or copy of a loan document, a fee of \$##.## shall apply to each request (unless you download such statement/document from our website via your personal online log on) on the day we comply with your request.

Default fees are set out in the section titled **'What could happen if you fail to meet your repayments'** below.

**What could happen if you fail to meet your repayments**

A default ('default') includes any of the following: a) failure by you to make any payment by due date; b) you committing fraud or providing falsified information to us (whether before or after the start of this Loan Agreement); c) any failure by you to comply with any material obligation in this Loan Agreement (as reasonably determined by us); or d) you die, or become insolvent, or apply for bankruptcy or other relief from creditors.

**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.

Additionally in the event of any default (including a default in payment) you must pay the applicable fees set out below.

Default interest of ###% per annum is charged on any overdue amount until such overdue amount is fully paid. Default interest is calculated on a daily basis by dividing the per annum default interest rate by 365 and applying that rate to the overdue amount every day. Default interest is added to your loan at the same time and frequency as specified in the 'Interest' section above and will then form part of the unpaid balance owing under this Loan Agreement. Default interest is in addition to the annual interest rate specified in the 'Interest' section above.

The following default fees shall be added to the unpaid balance owing under this Loan Agreement on the day the event triggering such fee occurs:

| Default fee type                | Fee per default | Default fee type  | Fee per default |
|---------------------------------|-----------------|---|-----------------|
| Each failed payment             | \$##.##         | Each reminder letter                                    | \$##.##         |
| Each week you remain in default | \$##.##         | If we lodge your default with a credit agency           | \$##.##         |
| If we engage a collection agent | \$##.##         | If we serve a Wage Deduction Authority on your employer | \$##.##         |

In addition, actual collection and legal costs incurred (not exceeding a reasonable amount) in collecting any overdue amounts, which shall be added to the principal owing under this Loan Agreement on the day we incur such costs.

The above specifies the fees, additional interest charges and collection & legal costs that may be incurred should you default. Other actions we may take in the event of a default are set out on the remaining pages of this Loan Agreement.

**Additional actions in default**

In addition to any other consequences of default outlined in this Loan Agreement, in the event of a default or if we reasonably believe ourselves to be insecure in the repayment of this Loan Agreement, then we may at any time thereafter (at our sole discretion):

- a) declare part or the entire unpaid balance of this Loan Agreement to be due immediately and payable without notice or demand;
- b) terminate all borrowing privileges and (in a default) lodge a default with such credit agencies and/or appoint such collection agencies we choose; and
- c) process direct debit transactions against your bank account(s) for such amounts and on such dates as we decide and advise you, until the loan is repaid in full.

In addition to any other consequences of default outlined in this Loan Agreement in the event of a default we may at any time thereafter (at our sole discretion) serve the Wage Deduction Authority on your employer for the purposes of the Wages Protection Act 1983 with part of your wages paid directly to us until the loan is repaid in full, as set out in the section titled Assignment of Wages.

**What to do if you suffer unforeseen hardship**

If you are unable reasonably to keep up your repayments 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 for the application; and
- c) request one of the following:
  - i. an extension of the term of the contract (which will reduce the amount of each payment due under the contract); or
  - ii. a postponement of the dates on which payments are due under the contract (specify the period for which you want this to apply); or
  - iii. 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**

Name of dispute resolution scheme: Financial Services Complaints Limited

It is free to make a complaint to this independent dispute resolution scheme. This scheme can help you to resolve any disagreement you have with the Creditor. Contact details of dispute resolution scheme:

Phone: 0800 347 257 Website: fscl.org.nz Business address: P O Box 5967, Wellington

**Complaints**

We operate an in-house complaints process where all complaints are reviewed and processed by a senior manager. Should you wish to raise a complaint, please forward your complaint to **complaints@zethus.co.nz**

To enable swift processing and resolution of your complaint, please include the following with your complaint:

- your name and loan number;
- the details of your complaint (*please provide as much detail as you can*); and
- the resolution you request to resolve the complaint (*ie what would you like us to do to fix this for you*).

We undertake to:

- promptly acknowledge receipt of your complaint;
- investigate the merits of your complaint;
- and contact you with the outcome of our investigation and promptly implement any agreed resolution.

**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 no later than every six months and/or the Creditor will provide access to you (from your private space on our website accessible by your confidential password) where you may download a statement and you hereby consent to receive/access disclosure statements in this manner.

**Registration on financial service providers register**

Creditor registration name: Zethus Holdings Limited Registration number: 298566

**Contacting you and consent to electronic communications**

You confirm that you have agreed to receive this Loan Agreement by e-mail and/or delivery to you on our website.

You agree that we may contact you by Post, Physical Delivery or by electronic communication (including as examples of electronic communication: by E-mail, by posting on your private space on our website accessible by your confidential password, by Fax, by SMS Text, or any other electronic form). You agree to promptly inform us of any changes to your contact details or loss of control or your password or mobile phone number.

Further information and disclosures in relation to this Loan Agreement, future loans or potential future loans can be supplied to you either electronically or in hard copy form and you agree to receive such information and disclosures electronically under the Electronic Transactions Act 2002 and the Credit Contracts and Consumer Finance Act 2003.

By accepting these terms, you will also be specifically agreeing to receive by electronic communication:

- reminders & further information in relation to this Loan Agreement; and
- other information in relation to any of our products or services or those of our related entities or business partners under the Unsolicited Electronic Messaging Act 2007.

We will not charge you a fee for sending SMS text messages however the receipt of an SMS text message from us may result in a cost to you depending on your arrangements with your telecommunications supplier. If you no longer wish to receive SMS text messages or other communications, please contact us using one of the contact details set out on page 1 of this Loan Agreement.

**Direct debits / your payments**

You agree that we may direct debit your bank account:

- a) on the repayment dates and for the amounts shown on page 1 of this Loan Agreement,
- b) on such alternative (and/or additional) dates and amounts that we subsequently advise to you and where you have not disputed prior to the repayment dates, and/or
- c) on such alternative dates and amount that are subsequently agreed in communications with you (including; in writing, phone calls or electronic communications).

You agree that we may notify you of any additional and/or changed direct debits in writing and/or by electronic communication (including as an example; posting to your private space on our website accessible by your confidential password).

You agree to sign such direct debit authorisation form as we require from time to time.

You may also make electronic, internet or on-line payments by transferring cleared funds on due date, into the following bank account (fees may apply), **Please note we are not permitted to accept cash payments into this account:**

Account name: **Zethus Holdings Limited** Bank: **#####** Account number: **## #### ##### ##**

References: **(Please include your Loan Number and Name in the reference and details fields)**

**Privacy statement**

You acknowledge that we have collected (and/or will collect) personal information about you as supplied by you in your loan application and/or by using our website or obtained from other relevant people as set out in our privacy policy found on our website ("Privacy Policy"). We will only use information about you: 1. to process your loan application; 2. to understand your financial needs; 3. to assess lending and related risks; 4. to operate our business and serve you; 5. for statistical analysis and/or market research; 6. to update records held about you; 7. where necessary for debt collection; 8. to prevent money laundering and other criminal activities; 9. to identify and prevent fraud; 10. to conduct regulatory and other periodic checks; 11. to provide you with products offerings or other communications; 12. to pass or sell your information to a third party or an affiliate / related entity for the purpose of the such party marketing their products and/or services to you; 13. to assist us with any part of our business or the business of a third party or affiliate / related entity; 14. in order to undertake direct debits against your bank account; and 15. as otherwise required to comply with any current or future legal obligations.

You consent and opt in so that any or all personal information about you may be obtained from and/or shared: 1. with you (using any contact details you have provided); 2. with our affiliates, related entities and any third parties for the purpose of them telling you about their services or products, for their credit assessment or debt collection purposes or for the provision of services; 3. where information provided by you has been falsified, with appropriate authorities; 4. with credit referencing agencies and/or your employer (including past employers); 5. where you have a loan with us and are in default, with credit referencing agencies, lenders, referees or contacts provided by you, collection agencies, loan brokers and professional advisors; 6. as required by government or regulatory or judicial authorities in order to comply with the law and/or for the purpose of fraud prevention; 7. with banks (and/or government authorities) in order to undertake direct debits against your bank account and/or to respond to any query regarding actual or attempted direct debits; 8. with appropriate organisations in order to assess any hardship application you make; and 9. with relevant parties in a situation where we sell or endeavour to sell part or all of our business(es).

**Credit and employer checks**

By accepting this contract you authorise us, our affiliates or related entities to: a) contact your employer; and b) conduct a credit check including any court fines you may have outstanding and/or Personal Property Security Register check on you.

**Assignment**

You agree that the Creditor may assign its right, title and interest in this Loan Agreement or any of them at any time and that you may not assign in part of full your right, title and interest in this Loan Agreement.

**When we can demand repayment**

In the event of a default or if we reasonably believe ourselves to be insecure in the repayment of this Loan Agreement, then we may at any time thereafter (at our sole discretion) declare part or the entire unpaid balance of this Loan Agreement to be due immediately and payable without notice or demand. Until the total amount owing under this Loan Agreement is paid in full, interest, fees, charges and costs will continue to apply.

**Variations to this Loan Agreement**

We may amend this Loan Agreement by giving you notice where such an amendment is required to ensure consistency of wording with mandatory legal requirements. Apart from the limited circumstances set out in this Loan Agreement where we may alter it, this Loan Agreement may only be varied with agreement of both parties.

Where we have provided you (whether via post and/or electronic communication) with an agreement variation/disclosure statement that specifies different payment amounts, payment dates and/or payment frequencies to those specified in this Loan Agreement following a verbal or electronic communication with you ('**Altered Payment Details**') and these details are not disputed by you verbally or by email within 24 hours of us sending you that agreement variation/disclosure statement, then you agree to this signifying your agreement that:

- 1) the Altered Payment Details listed in such disclosure statement shall be the payment amounts, dates and frequency applying to this Loan Agreement from the date we send the disclosure statement to you; and
- 2) all consequences of default (including for example the charging of default interest and default fees) shall apply to any defaults by you in meeting your payment obligations in regard to the Altered Payment Details.

**Assignment of Wages (under section 5 of the Wages Protection Act 1983)**

**For value received**, you, ##### hereby:

- agree that if you default under this Loan Agreement, we may serve the Wage Deduction Authority, set out below, on your employer(s) for the purposes of the Wages Protection Act 1983;
- agree not to dispute the Wages Deduction Authority, if served in accordance with this Loan Agreement;
- authorise your employer(s) for the time being to pay up to 20% of your wages for each pay period to us;
- authorise us to take all the proceedings and actions reasonably necessary for the recovery of any amount or amounts deducted from your wages and to give receipts for those amounts, or any part of those amounts, in your name; and
- release and discharge all your current and future employers from all liability arising from any amounts paid in accordance with the Wage Deduction Authority.

We will only exercise our rights under the Wage Deduction Authority if:

- you are in default; and
- we have issued prior notice to you of our intention to exercise our rights under the Wage Deduction Authority.

If we exercise our rights under the Wage Deduction Authority:

- we will only request deduction of up to 20% of your wages; and
- we will only request deductions until all amounts owing to us under this Loan Agreement have been repaid in full.
- You will remain liable to us for any shortfall remaining after the amounts deducted have been paid to us and applied against the amounts owing under this contract.

**Wage Deduction Authority:**

I ##### authorise my employer(s) for the time being to make deductions of up to 20% of my wages (including from my salary, commissions and other monies earned in employment), and for the deducted amount to be paid directly to Zethus Holdings Limited, to the extent that I owe money to Zethus Holdings Limited under this Loan Agreement.

**Further Terms**

No delay on the part of the Creditor in exercising any power or right hereunder shall operate as a waiver of any such power or right nor shall any single or partial exercise of any power or right hereunder preclude other or future exercise thereof or the exercise of any other power of right hereunder. Time is of the essence in respect of any of the Borrower's obligations.

**Signature and acceptance by you**

**By signing below or electronically accepting, you:**

- acknowledge that you have fully read and understand all information in this Loan Agreement;
- understand that this loan may be more costly than alternatives;
- understand that this loan should not be used for long-term borrowing or ongoing financial difficulties;
- confirm that you can afford to repay it on the due dates;
- confirm that you are not currently in financial hardship and you know of no reason why this loan should cause you financial hardship;
- agree to be bound by the terms & conditions set out in this Loan Agreement and to pay all amounts required by you;
- agree to your personal information being disclosed to and used by us in the manner and for the purposes specified in our Privacy Policy and under the Privacy statement in this Loan Agreement;
- agree that this Loan Agreement is subject to approval by us which is deemed to occur should we advise you or advance any sum(s) under this Loan Agreement;
- confirm that you are not currently bankrupt, under a summary instalment order or a no asset procedure;
- confirm that all personal information (including financial) that you have provided to us is true and correct and you have no knowledge of any reason (not disclosed to us) your, or your partner's (if any), employment will negatively change during the course of this loan; and
- confirm that you have obtained independent legal advice or have chosen to waive your right to obtain independent legal advice.

Signed: \_\_\_\_\_  
 Signedby: \_\_\_\_\_  
 SMS Code: #####  
 Dated \_\_\_\_\_

Signature of witness: \_\_\_\_\_  
 Name of witness: \_\_\_\_\_  
 Occupation of witness: \_\_\_\_\_  
 Address of witness: www.badcreditloan.co.nz  
 V1.3  
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