

PERSONAL LOAN AGREEMENT
COMMERCIAL TERMS



Introducer

Approval Number

The **Effective Date** of the Agreement

Under this Agreement, **Heartland Bank Limited** (who we call the **Lender, we, or us** in this Agreement) agrees to make you a **Loan**. (**Loan** is defined in the Dictionary in the General Terms). When we refer to **this Agreement** we mean these Commercial Terms – including the attached Fee Schedule – and the General Terms.

IMPORTANT - This Agreement contains key information about your Loan and is a disclosure statement under section 17 of the Credit Contracts and Consumer Finance Act 2003. We may also have to give you regular information about your Loan (**continuing disclosure**). If required, we will give you statements containing the continuing disclosure at least every six months. You should also keep a copy of this Agreement in a safe place.

You have the right to cancel this Agreement for a short period after you sign it – see the **“Your right to cancel”** section on the next page for more information.

LENDER (we are the person making the Loan to you)

You can send notices to us under this Agreement by:

- writing to us at this postal address
- sending an email to this email address
- Please also see clause 12 of the General Terms

Name

Address

Postal Address

Email

Fax

Heartland Bank Limited

Heartland House, 35 Teed Street, Newmarket, Auckland 1023

PO Box 9919, Newmarket, Auckland 1149

info@heartland.co.nz

(09) 927 9319

PRIMARY(S) (this is who we call **you** in this Agreement)

Role

Name

Date of birth

Physical Address

Postal Address

Email

By providing an email address, you consent to receiving all communications from us in electronic form.

JOINT HOLDER(S) (this is who we call **you** in this Agreement)

Role

Name

Date of birth

Physical Address

Postal Address

Email

By providing an email address, you consent to receiving all communications from us in electronic form.

LOAN DETAILS

LOAN AMOUNT (this is the amount you owe us on the Effective Date, including any fees we charge you on that date)

\$

made up of:

Loan

Establishment Fee

Dealer/Broker/Introducer Fee

Insurance

\$

\$

\$

\$

ANNUAL INTEREST RATE

We will charge you interest on the Loan at a rate of _____ % per annum. This is the only rate you will pay **unless** you are in default. The Annual Interest Rate is fixed for the full period of this Loan **except as set out in clause 11.2(b)(iii) of the General Terms**.

INTEREST FREE PERIOD

There is no interest free period under this Agreement.

SCHEDULE OF PAYMENTS

Your Payment Dates are at _____ intervals.

First Payment Date

Final Payment Date

Total Payments

Total Interest Payable

Payment Number

Each Payment Amount

Payment

Payment

In order to calculate your Payment Amounts, we have assumed that your Loan will be advanced on a certain date. If your Loan is advanced on another date, then your Payment Amounts may vary slightly (and if it does, we will provide you with an updated Schedule of Payments in accordance with clause 12 of the General Terms).

CREDIT FEES AND CHARGES

All credit fees and charges (including default charges) that you might need to pay us under this Agreement (which are not part of the LOAN AMOUNT on page 1 of these Commercial Terms) are listed in the attached FEE SCHEDULE. If you do not pay an amount when it is due, we will also charge you interest at a **Default Interest Rate**. We give you information about the default interest charges in clause 4.1 of the General Terms. You should be aware that in some cases we can change the credit fees and charges you might have to pay under clause 11.2(b)(ii) of the General Terms.

FULL PREPAYMENT

You can pay the Loan back early by paying us the **Full Prepayment Amount** defined in clause 3.3(a) of the General Terms. The Full Prepayment Amount includes an administration fee and an amount equal to our reasonable estimate of our loss arising from full prepayment (if any)-that is, a loss that relates to differences in interest rates. Our reasonable estimate of our loss will not be any more than an amount calculated using the formula set out in regulation 9 or regulation 11 of the Credit Contracts and Consumer Finance Regulations 2004.

YOUR RIGHT TO CANCEL

You can cancel this Agreement by giving written notice to us within 5 business days of being handed a completed copy of this Agreement; or within 7 business days of receipt if the completed Agreement is emailed or sent to you electronically; or within 9 business days of the date the completed Agreement was posted to you (if applicable). Saturdays, Sundays and national public holidays are not counted as business days. You can physically give the notice to us or our employee or agent, post the notice to us or our agent or email the notice to our email address listed on page 1 of these Commercial Terms. **If you cancel this Agreement, you must immediately repay the Loan and any interest accrued for the period starting on the day you get the Loan until the day you repay us in full (if relevant). You must also reimburse us for any reasonable expenses we have to pay in connection with this Agreement and its cancellation, including legal fees and credit report fees.** *This statement is only a summary of your cancellation rights and obligations. If you want more information, or if you think that we are being unreasonable in any way, you should seek legal advice immediately.*

WHAT CAN YOU DO IF YOU SUFFER UNFORSEEN HARDSHIP?

If you are unable reasonably to keep up your payments because of illness, injury, loss of employment, the end of a relationship, or other reasonable cause, you may be able to ask us to vary the terms of this Agreement (we call this 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 Hardship Variation; and
- (c) request one of the following:
 - an extension of the term of this Agreement - this means we would reduce the Payment Amount due on each new Payment Date and increase the Number of Payments; or
 - a postponement of certain Payment Dates; or
 - both of the above – that is, postpone some payments and pay smaller amounts over a longer time period; and
- (d) give the application to us - feel free to phone us to discuss on 0800 88 20 20 but we will ask you to follow up in writing in any of the ways listed on page 1 of these Commercial Terms.

Do this as soon as possible. If you delay for too long in making an application, or do not meet the Hardship Variation criteria, we may not have to consider your request. If we agree to your requests, we may ask you to enter into a new agreement or we may change the amounts and dates in the SCHEDULE OF PAYMENTS on page 1 to help you meet your obligations. You will have to pay a Refinance Fee (as set out in the attached FEE SCHEDULE).

WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS?

If this is a secured Loan and you fail to meet your commitments under this Agreement, we may be able to repossess and sell any Secured Property (that is, any property included in the definition of "Secured Property" in the Dictionary in the General Terms).

- **Nature of the security interest:** Unless we agree otherwise in writing, our security interest must be a first-ranking exclusive security interest in the Secured Property. We must be the only person with a security interest in the Secured Property and you cannot grant security over the Secured Property to anyone else without our consent.
- **Extent of security interest:** The security interest secures the repayment of all amounts you owe us, and the performance of all of our obligations to us, under this Agreement or any other Relevant Document. However, we are not obliged to exercise our rights under the security interest if you fail to meet your commitments under this Agreement (and, if we choose not to do so, you will still be liable to pay us what you owe). If we exercise our rights under the security interest and the proceeds of sale of the Secured Property are insufficient to repay the Loan and any other amounts you owe us, you will still be liable to pay us the remaining amounts.
- **What happens if you give someone else a security interest in the Secured Property?** If you give a security interest over the Secured Property to anyone else without our prior written consent, you will be in breach of this Agreement and this will be an Event of Default under clause 5.1 of the General Terms. If that happens, we can give you notice declaring all amounts you owe us under this Agreement to be due immediately and we can enforce our rights under the security interest (which could include re-possessing and selling the Secured Property).

ELECTRONIC COMMUNICATION

By entering into this Agreement, you agree that we can send you notices and other communications relating to this Agreement electronically, including by email or (if we choose to) by other electronic means such as an on line portal. This includes any continuing disclosure that we have to make to you under the Credit Contract and Consumer Finance Act 2003.

IF THERE IS A DISPUTE ABOUT THIS AGREEMENT

We are a member of the following dispute resolution scheme:

Banking Ombudsman
Level 5
Huddart Parker Building
1 Post Office Square
Wellington 6011

<http://www.bankomb.org.nz>, phone: 0800 805 950 and email: help@bankomb.org.nz.

It is free to make a complaint to this independent dispute resolution scheme. The scheme can help you to resolve any disagreement you have with us.

REGISTRATION ON FINANCIAL SERVICE PROVIDERS REGISTER

Our Financial Service Providers Register Number is FSP53921 and our registration name is Heartland Bank Limited.

IMPORTANT: The Credit Contracts and Consumer Finance Act 2003 requires us to give you certain key information relating to this Agreement. We have summarised below where to find key information about your Loan.

Name and address of creditor:	Our details are provided in the LENDER section on page 1 of these Commercial Terms.	Security:	If applicable, the Secured Property includes any property that is covered by a Related Security Agreement. If you have a mortgage with us, the Secured Property may be your home or the relevant mortgaged property. If you have another loan or lease with Heartland (or any related company) it may be the goods that the loan or lease relates to. If applicable, you should also refer to the section headed WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS? on page 2 of these Commercial Terms.
Initial Unpaid Balance:	This is the LOAN AMOUNT set out in the LOAN DETAILS section on page 1 of these Commercial Terms.		
Subsequent Advances:	There are no subsequent advances under this Agreement.		
Total Advances:	The Total Advances is the same as the LOAN AMOUNT set out in the LOAN DETAILS section on page 1 of these Commercial Terms.		
Annual Interest Rate:	This is the interest rate set out in the ANNUAL INTEREST RATE section on page 1 of these Commercial Terms. This is the interest rate that you will pay unless you are in default. The Annual Interest Rate is fixed for the full period of this Loan except in the circumstances set out in clause 11.2(b)(iii) of the General Terms.	Payments Required:	The payments you have to make under this Agreement are set out in the SCHEDULE OF PAYMENTS section on page 1 of these Commercial Terms. The Payment Amount must be paid on each Payment Date.
Method of Charging Interest:	We explain this in clause 3.1 of the General Terms.	Full Prepayment:	The Full Prepayment Amount is defined in clause 3.3 of the General Terms. It includes an administration fee and an amount equal to our reasonable estimate of our loss arising from full prepayment (if any).
Total Interest Charges:	We set out the total interest charges payable under this Agreement in the SCHEDULE OF PAYMENTS section on page 1 of these Commercial Terms.	Your Right to Cancel:	We have explained your right to cancel this Agreement in the YOUR RIGHT TO CANCEL section on page 2 of these Commercial Terms.
Interest Free Period:	Unless specified on page 1 of these Commercial Terms, there is no interest free period under this Agreement.	Statements:	We will send you regular statements of account at least every six months if we are required to. You can also request additional statements but we will charge you a fee for this - see the attached FEE SCHEDULE.
Credit Fees and Charges:	The credit fees and charges that we will or might charge you are set out in the CREDIT FEES AND CHARGES section above and in the attached FEE SCHEDULE.	Electronic communications:	We agree to receive notices or other communications from you in electronic form.
Default Interest Charges and Default Fees:	We provide information on default interest charges in clause 4.1 of the General Terms. Default Fees are set out in the attached FEE SCHEDULE.		

AGREEMENT

By completing and submitting this Agreement, you request that we provide the Loan to you on the terms of this Agreement. A legally binding agreement is effective only when your request is accepted by us, which will be notified to you. We are under no obligation to accept your request.

You and the Guarantor confirm that:

- you and the Guarantor have received a copy of this Agreement and have read, understood and agree to the terms of this Agreement- **if you or the Guarantor do not understand anything in this Agreement please seek legal advice before entering into this Agreement.**
- all of the information that you and the Guarantor have provided to us in connection with this Agreement is complete, accurate and not misleading.

We will rely on the information that you and the Guarantor have provided to us (whether directly or through any other person who is assisting with this Agreement), unless we have a good reason to believe the information is not reliable.

PRIMARY’S SIGNATURE Date of Agreement

JOINT HOLDER’S SIGNATURE

WITNESS SIGNATURE Signed by each Borrower in the presence of

Witness

Name

Address

Occupation

FEE SCHEDULE

SCHEDULE OF STANDARD FEES AND CHARGES APPLIED TO PERSONAL LOANS

APPLICATION / APPROVAL / ACCOUNT MAINTENANCE

Establishment Fee	\$222.00
We will charge you a fee of up to \$240 for processing a new loan application via an intermediary, including approval and acceptance.	
Dealer/Broker/Introducer Fee	\$120.00
We may charge you a fee of up to \$120 which we will pay to any dealer/broker/introducer who refers you to us in relation to the Loan.	
Refund Fee	\$16.00
We will charge you this fee if you overpay us and we refund you.	
Early Settlement Fee	\$42.00
Debited to the account when a loan is settled in full before its final payment date.	
Statement Fee	\$5.00
We will charge you this fee if we give you (at your request) an additional statement. We do not charge you this fee for providing any six monthly statements.	

MODIFICATIONS

Variation Fee	\$135.00
We will charge you this fee if we agree you can make an unscheduled part prepayment of the Loan and we have to change the amounts and dates in the SCHEDULE OF PAYMENTS on page 1 of these Commercial Terms as a result.	
Refinance Fee	\$222.00
We will charge you this fee if we change the terms of the Loan to help you if you are having difficulty keeping up with your payments, or if you want to change the term (length) of the Loan.	

COLLECTIONS

Reminder Letter Fee	\$6.00
We will charge you this fee if we have to send you a Reminder Letter. We usually do this 15 days after you have breached the Agreement (e.g. overdue payments).	
Demand Notice Fee	\$4.00
We will charge you this fee if we have to send you a Demand Notice. We usually do this 30 days after you have breached the Agreement (e.g. overdue payments).	
Final Demand Notice Fee	\$15.00
We will charge you this fee if we have to send you a Final Demand Notice. We usually do this 60 days after a breach of terms (e.g. overdue payments).	
Dishonoured Payment Fee	\$4.00
We will charge you this fee if your bank dishonours a payment you make to us.	
Recovery Costs	
We will charge you any costs charged by third parties relating to your Loan or this Agreement (e.g. repossession agent, legal provider, repairer). We can provide copies of the invoices on request.	

FEES AND COSTS ADDED TO LOAN BALANCE

If we charge you any of the above fees or costs, we will add that amount to the Loan principal. That means we will charge interest on that amount until you pay it.