

GOLD BAND FINANCE LIMITED

COMMERCIAL CREDIT CONTRACT AND DISCLOSURE OF ITS TERMS

DATE:

BORROWER (S) (also referred to as “you”):

GUARANTOR(S) (who has requested that the loan be made):

Gold Band Finance Limited (the Lender) is making available a loan facility to the Borrower as detailed in the First Schedule. The Borrower and any Guarantor, agree to make the payments referred to in that Schedule and the remaining terms of the loan are as set out in such of the second, third, fourth and fifth schedules that have not been deleted.

FIRST SCHEDULE

1. IMPORTANT Although this is not an agreement which is regulated by the Credit Contracts and Consumer Finance Act 2003 this document nevertheless sets out the key information about your credit contract as well as full details of its terms and conditions just as if it were governed by that Act. You should read it thoroughly. If you do not understand anything in this document, you should seek independent advice. You should keep this copy of your credit contract in a safe place. Please note that if you have given an e-mail address for inclusion in the particulars above then disclosure may be made to you in this way.

2. FULL NAME AND ADDRESS OF THE LENDER (This is the person providing you with the credit)

Name: Gold Band Finance Limited
Physical address: Unit 2, 6 Sir William Pickering Drive, Christchurch
Postal address: P O Box 713, Christchurch
Fax: 03 963 0379
Email: admin@goldbandfinance.co.nz

You may send notices to the Lender by: Writing to the Lender at the Lender’s postal address or
Sending a fax to the number specified or
Sending an e-mail to the address specified

3. CREDIT DETAILS

The Initial Unpaid Balance (in this agreement referred to as the Principal Sum) is the amount owing by the Borrower to the Lender as at the date of this contract (including any fees charged by the Lender) assuming that the loan has been drawn in full. It is the total of all advances to be made under this agreement. This is also the Credit Limit.

Initial Unpaid Balance: \$ _____
 (Referred to as the Principal Sum)

The Principal Sum is made up of \$ _____ Advance (the amount paid out to or for the Borrower)
 \$ _____ *Brokerage Fee
 \$ _____ *Establishment fee
 \$ _____ *Government charges/taxes/levies
 \$ _____ *Guarantee fee
 \$ _____ *Other Fees (specify)

*Any of these fees which have been prepaid shall be recorded here as being Credit Fees but omitted from this calculation. The Lender is an agent for Credit Protection Limited, which may be providing Guarantee Arrangements for the Borrower.

4. SCHEDULE OF PAYMENTS

You are required to make each payment of the amount specified and by the time specified.

Timing of payments		Number of Payments	Amount of each regular payment	Amount of final payment	Total amount of payments
Frequency:					
First payment:					
Last payment:					

5. INTEREST

Annual interest rate is % fixed for the whole term of the contract. This is the “higher rate”. A payment of interest (whether or not part of a payment comprising both interest and principal) which is made on time and when the Borrower is not otherwise in default under this agreement interest will be charged at a rate which is 5% below the higher rate. This is the “lower rate.”

Interest is payable from the Drawdown date. This is the date that the principal sum is first advanced to the Borrower.

The term of the contract is weeks/fortnights/months

Total interest charges at the lower rate

This is the total amount of the interest charges payable under the contract.

6. METHOD OF CHARGING INTEREST

Interest charges are calculated by multiplying the unpaid balance at the end of the day by a daily interest rate. The daily interest rate is calculated by dividing the annual interest rate by 365. Interest is charged to your account weekly/fortnightly/monthly

7. CREDIT FEES AND CHARGES

The following credit fees and charges which are not included in the initial unpaid balance (the Principal Sum) are, or may become, payable under or in connection with, the contract:

- (a) If the Lender requires a solicitor to prepare any document associated with this transaction then the reasonable legal fees associated with that work, ascertained from the solicitor’s invoice, will be payable by the Borrower and
- (b) An Administration fee of \$ _____ per week payable monthly in arrears, to compensate the Lender for the costs of maintaining the Borrower’s account and
- (c) Any costs incurred by the Lender as a result of the operation of clause 7 of the Second Schedule, below, will be payable by the Borrower as will the other fees referred to in that clause and

(d) In the event of default in any payment due on the Expiry Date a charge of one month's interest on the amount due at the higher rate
Administration costs and fees payable on full prepayment or on repayment, which are disclosed under clause 10 of this First Schedule.

8. WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS (this clause also lists the SECURITY given to the Lender to secure the loan)

Security interest

The Lender has an interest in the property which has been charged in its favour to secure performance of your obligations under the contract, or the payment of money payable under the contract, or both. If you fail to meet your commitments under the contract, then to the extent of the security interest, the Lender may be entitled to repossess and sell this property.

All securities and all future securities ("the Securities") given to the Lender by the Borrower or the Guarantor for any purpose shall be security for the Principal Sum, all interest and other moneys owing and all other obligations of the Borrower and Guarantor under this Agreement. New and or existing securities to be given (forms attached) are:

9. DEFAULT CHARGES

The Lender is entitled to charge a fee of \$_____ in respect of each notice or communication the Lender may elect to send to the Borrower in respect of any default.

10. FULL PREPAYMENT

If you pay the unpaid balance in full before the final payment is due, you may be required to pay a fee or charge to compensate the Lender for any loss resulting from that full prepayment. The Lender may have suffered a loss if the Lender's current interest rate is lower than the interest rate applying to your original credit contract. You may also have to pay the creditor's administrative costs relating to the full prepayment. Discharge fee in respect of administrative costs/fees: **\$100**

The amount you may have to pay to compensate the Lender for the loss is set at a sum which equates to **one** month's interest at the higher rate on the unpaid balance at the time of the full prepayment.

11 FURTHER DEFINITIONS:

'Expiry Date' The date on which demand is made by the Lender but failing demand means the date which is **Date**.

“Unpaid balance” The amount owing under this Agreement at a particular time, being the difference between all amounts credited and all amounts debited (including interest and fees) to the Borrower under this Agreement at that time.

12 SECURITY: All securities and all future securities (**'the Securities'**) given to the Lender by the Borrower or the Guarantor for any purpose shall be security for the unpaid balance and all other obligations of the Borrower and Guarantor under this Agreement. The securities are referred to in clause 8 of this First Schedule.

If this agreement is additional to, or replaces and is in substitution for an earlier agreement between the parties recording the terms of a loan facility which is, by this agreement, extended or modified (and the Lender shall be sole judge of that) then, accordingly, any caveat lodged to protect the registrable interest of the Lender under the earlier agreement shall remain in place to protect that interest under this agreement.

13 REPAYMENT

13.1 **Payments Required:** the Borrower shall make payment to the Lender free of any deduction of the amounts referred to in the Schedule of Payments set out above.

13.2 **Early Repayment:** The Borrower shall have the right at any time prior to the Expiry Date to repay in full the unpaid balance of the money then owed to the Lender under this Agreement **PROVIDED THAT:**

(a) the Lender may require the Borrower to pay an early repayment fee in accordance with clause 10 of the First Schedule and;

(b) the Lender shall also be entitled to charge a discharge fee when all moneys owing hereunder are repaid, in accordance with clause 10 of the First Schedule.

The Lender is not obliged to accept a partial prepayment of a portion only of the unpaid balance of the money then owed to the Lender under this Agreement but may do so at its sole discretion.

13.3 **Manner of Payments:** All amounts payable by the Borrower shall be paid by direct debit authority to the nominated account of the Lender, or such other alternative payment method as reasonably required and at the absolute discretion of the Lender.

14 DEFAULT: Only in respect of a payment which is made on or before its due date with the Borrower not being, as at the payment date, otherwise in default under this agreement will the interest content of that payment be accepted at the lower rate in lieu of interest at the higher rate.

15 A late settlement fee of \$ will be payable in the event that the loan remains unpaid after the expiry date.

SECOND SCHEDULE GENERAL TERMS and POWER OF ATTORNEY

The Borrower agrees and acknowledges:

1. This document when executed by the Borrower and Guarantor (if any) takes effect as a Deed.
2. For more effectually enabling the Lender to obtain the benefits of the covenants contained herein the Borrower hereby irrevocably nominates, constitutes and appoints the Lender to be the true and lawful attorney of the Borrower to do all things which the Borrower covenants to do, sign all such instruments, deeds, notices, applications, transfers and other documents, and execute and perform all transfers, mortgages and other documents under the Land Transfer Act 1952 or otherwise and all such acts, deeds, matters and things as shall be necessary or, in the opinion of the Lender, reasonably required or expedient to renew or keep on foot any licence or obtain a new licence and in his name and on his behalf to do and execute all acts and documents which may be necessary to protect fully the security afforded by these presents and in particular (without limiting in any way the complete generality of this power) to execute and register the mortgage referred to in the Fourth Schedule and further in the event of any default being made by the Borrower so as to entitle the Lender to exercise its powers under this security to take possession of the collateral and the Borrower hereby covenants with the Lender to ratify and confirm whatsoever the Lender shall do or purport to do or pursuant to the provisions aforesaid.
3. Whenever the terms "Borrower" or "You" or "Lender" are used in this security they shall be deemed to mean and include the plural and in the case of an individual or individuals to include his, her or their executors and administrators and assigns, and in the case of a corporation to mean and include such corporation, its successors and assigns and any word importing the masculine shall also include the feminine and the neuter and vice versa in each case, and it is hereby declared that all covenants expressed and implied on the part of the Borrower shall be deemed joint and several.
4. The term "unpaid balance" means the amount owing under this contract at a particular time, being the difference between all amounts credited and all amounts debited to the Borrower under this contract at that time.
5. All notices and demands in connection with this Agreement or the Securities may be given by the Lender to the Borrower by personal service or delivery or by post to the Borrower's last known address or sent by e-mail where the Borrower has that facility and has indicated agreement to service by this method by supplying an e-mail address for insertion to this agreement. Notice by post shall be deemed to be received by the Borrower on the third business day after posting. Notice by e-mail shall be deemed to be received by the Borrower if no message of failure to deliver is received by the Lender within 24 hours of transmission. The Borrower agrees to give the Lender at least two days written notice of any proposed change of the Borrower's addresses.
6. To pay the Lender's fees as disclosed in the First Schedule (Credit Fees and Charges).
7. To pay to the Lender upon demand all costs (including legal costs as between solicitor and own client) of and incidental to the preparation, execution, registration, renewal and discharge of this contract and any of the securities, and Administration fee in respect of all costs and losses of the Lender arising from maintenance, operation, and administration of the credit contract, and also all moneys expended or charged by the Lender as a consequence of the default or neglect of the Borrower or which the Lender considers in any way necessary to incur in the attempted protection, enforcement or attempted enforcement of the Lender's rights and remedies pursuant to this Contract or the securities. Without limiting the generality of the foregoing the Borrower acknowledges that the Lender shall be entitled to charge fees as set out in the First Schedule. The Lender may vary these fees at any time or times upon giving one month's written notice to the Borrower.
8. This and any other securities given by the Borrower to the Lender are each collateral one with the other to the intent that a default under any one or more of such securities or under any one or more of the loan contracts entered into between the parties including any guarantee shall be a default under all of the other securities and contracts and the Lender may exercise its rights and remedies under all or any of such securities and contracts either separately or concurrently and shall not be obliged to marshal in favour of the Borrower or any other person.
9. Notwithstanding anything expressed or implied elsewhere in this deed the Lender may from time to time without notice set off against any claim or demand the Borrower may have against the Lender or, by arrangement with such party, any party that is involved in a collateral or related contract, guarantee or arrangement, any claim or demand whatsoever that the Lender may have against the Borrower.
10. There are no circumstances known to the Borrower and not disclosed to the Lender which might be considered misleading or false in relation to the collateral, the real estate to be mortgaged, or the Borrower or which in the sole opinion of the Lender would render the implementation of the loan transaction imprudent. If, prior to making the advance, such a circumstance becomes known to the Lender or any event whatsoever occurs which in the opinion of the Lender materially affects its decision to make the advance then the Lender may at its sole discretion decline to proceed with the advance and all matters between the Borrower and the Lender shall be at an end.
11. The Borrower has not relied on any statement, representation or warranty made by the Lender in entering into this deed. Any finance broker involved in this transaction is acting solely for the Borrower and not as agent for the Lender.
12. The Lender's rights under this or any other Contract or security in operation between the parties shall remain in full force and effect notwithstanding any waiver, neglect or forbearance on its part.
13. This deed may be signed in several counterparts (including by way of facsimile) which together shall constitute one document which shall be deemed to be sufficient to satisfy the requirements of Section 2 of the Contracts Enforcement Act 1956. Any party is deemed to be bound by this deed immediately upon signing it.
14. That the collateral or real estate described in the First Schedule have been acquired for the private and domestic use only and will not be used in the course or furtherance of any taxable activity and that any supply of the collateral or real estate if sold by the Borrower would not be a taxable supply. The Lender may rely on this covenant for the purposes of Section 5(2) of the Goods and Services Tax Act 1985.
15. If the Borrower makes default in the performance or observance of any covenant, provision or stipulation herein, or any event or material adverse change occurs in the financial condition or stability of the Borrower or the enforceability of this deed or any other security given by the Borrower to the Lender or any Contract between the parties, the Lender may demand payment of all moneys for the times being owed and unpaid under this security notwithstanding the appointed time for payment may not have arrived.
16. This deed shall be and remain security for the Lender for all moneys actually or contingently owed by the Borrower including (but not by way of limitation) any "future advances" within the meaning of the Personal Property Securities Act 1999 ("PPSA") and any obligations pursuant to any guarantee.
17. The Lender may seek, collect (including by way of recorded telephone conversations), retain and use personal information about the Borrower for the purposes of assessing the Borrower's creditworthiness, verifying the Borrower's identity, and administering and

enforcing the Lender's rights hereunder and the Lender may provide information to and seek information from any person for these purposes and for the purpose of assigning the Lender's rights under this Contract. The Lender may provide information (including details of defaults hereunder) to and seek information from credit reporting agencies and other credit providers for the purposes of maintaining effective credit records, and reporting to the introducing Broker.

18. The Lender is authorized to pay or apply the initial unpaid balance to the recipients or for the purposes set out in the disclosure statement or in any document signed by the Borrower.
19. The Lender is an agent for Credit Protection Limited which may be providing guarantee arrangements for the Borrower.
20. The term "Borrower" unless the context otherwise requires includes the Guarantor (and the existence of separate references to the Guarantor in conjunction with the Borrower shall not give rise to any contrary inference in any instance where "Borrower" appears alone) to the intent that whenever the expression "Borrower" appears it shall be construed as a reference to the Borrower and the Guarantor unless the context otherwise demands or the Lender on its sole discretion decides that it would be adverse to the Lender's interests so to construe.

THIRD SCHEDULE SECURITY INTEREST IN COLLATERAL

The Borrower grants a Security Interest (as that term is defined in the PPSA) to the Lender in the Collateral and the proceeds thereof and agrees:

- 1 To take proper care of the Collateral and to keep it in good order and repair and not permit the Collateral to be taken out of New Zealand and to keep a motor vehicle when not in actual use at the address shown in the First Schedule.
- 2 If the Borrower makes default in the performance or observance of any covenant, provision or stipulation herein or any event or material adverse change occurs in the financial condition or stability of the Borrower or the enforceability of this Agreement or any other security given by the Borrower to the Lender or an agreement between the parties, the Lender may demand payment of all moneys for the time being owed and unpaid under this security notwithstanding the appointed time for payment may not have arrived and the Lender shall notwithstanding section 109 of the PPSA and in addition to the rights thereunder be entitled to remove and take possession of and sell (by auction, public tender, private sale or any other method which the Lender might reasonably consider to be appropriate in the circumstances) the Collateral and for such purpose the Borrower hereby gives the Lender licence by its agents to enter into, and if necessary, to break into any building occupied by the Borrower where the Collateral is supposed to be and as the agent of the Borrower to enter upon the premises where the Borrower might enter upon to search for, remove and take possession of the Collateral without being liable in any way to the Borrower or any person claiming under the Borrower for so doing. This clause is subject to the provisions of the Credit (Repossession) Act 1997 and the PPSA whichever is applicable.
- 3 Not to do any act or thing which might prejudice the Borrower's ownership of the Collateral and without prejudice to the generality of these words not to:
 - (a) Use the Collateral or permit the same to be used contrary to any law, regulation or by-law for the time being in force or for a purpose for which the Collateral is not designed or intended to be used;
 - (b) use the Collateral or permit the same to be used for a purpose which is contrary to the terms of any policy of insurance in respect of the Collateral or do permit any act or thing which may invalidate any such insurance;
 - (c) do or permit any act or thing which leads or is likely to lead to the Collateral being seized under distress or other legal proceedings or to a lien being created upon the Chattels;
 - (d) commit any act of bankruptcy or suffer any receiver to be appointed or any distraint to be made upon the property of the Borrower or make assignment for the benefit of its creditors or enter into any composition with its creditors or, being a company, pass or convene a meeting for the purpose of passing a resolution of winding up or permit a winding up resolution to be passed in respect of itself;
 - (e) without the written consent of the Lender sell, part with possession of or dispose of or mortgage, charge or otherwise encumber the Collateral or any part thereof or do, permit or suffer any act, matter or thing whereby the Collateral may be or become charged in any way in priority to this security;
 - (f) allow the Collateral or any part thereof to become an accession to any property that is not part of the Collateral, or to become affixed to any land.
- 4 In respect of such of the Collateral as are motor vehicles, to comply with all provisions of the Transport Act 1962 and all laws and by-laws and to pay tax and licence fees payable in respect of registration and the operation of the motor vehicles and not allow any unlicensed person to use the same.
- 5 To permit the Lender, its officers and duly authorised agents at all times during the continuance of this security to have access to the Collateral to inspect and/or test the condition thereof.
- 6 If the Collateral or any part thereof are removed, seized or taken out of the possession of the Borrower, to give written notice within 24 hours to the Lender of such removal, seizure or taking and also to give to the Lender the address of the place to which the Collateral is removed and upon such removal, seizing or taking during the currency of this security the Lender shall forthwith be entitled to all or any of the remedies conferred by this security.
- 7 To pay punctually all rents and rates in respect of any premises on which the Collateral may for the time being be situated.
- 8
 - (a) To insure the Collateral against fire, accident, theft and such other risks as the Lender may require in the names of the Borrower and the Lender for their respective interests and, in respect of such of the Collateral as are motor vehicles, any insurance shall cover third party risks.
 - (b) If default is made by the Borrower under 8(a) the Lender may without prejudice to and concurrently with the powers granted to the Lender under this security or otherwise by law so insure the Collateral and the cost of such insurance shall be a debt payable by the Borrower to the Lender and secured by this security and shall bear interest at the higher rate on weekly compounding basis until actually paid.
 - (c) Should any loss of or damage to the Collateral or any part thereof occur and the insurer of the Collateral does not repair, reinstate or replace the same such moneys as are payable under any policy of insurance shall be paid to the Lender which may at its option elect to expend such moneys toward repairing, reinstating or replacing the Collateral and in such event such of the Collateral as are so repaired, reinstated or replaced shall be deemed to be the Collateral which are secured by this security or the Lender may elect to have such moneys as shall be payable under any such policy of insurance paid to it in discharge or partial discharge of the moneys owing under this security.

- 9 Whenever the Borrower is not at the time of the making or giving of this security the owner of the Collateral, then the amount of credit is to be expended in whole or part in purchase of the Collateral.
- 10 (a) To indemnify and agrees to keep indemnified the Lender against any claim by any person relating to the Collateral or the use thereof.
- (b) If the Lender incurs any loss, liability or expense in respect of the Collateral or this Agreement, then the amount thereof plus any Goods and Services Tax (if any) shall be payable by the Borrower to the Lender upon demand and shall be a debt payable by the Borrower to the Lender and secured by this security and shall bear interest at the higher rate on a weekly compounding basis until actually paid.
- 11 The Lender may at law or equity assign its interest in the Collateral and/or under this Agreement.
- 12 The parties acknowledge that the Lender is not the true vendor of the Collateral and makes no representation or gives no guarantees as to the quality or fitness or purpose of the Collateral or in respect of the Collateral and the dealings between the parties do not relate to the dealings between the Vendor and the Borrower as regards the sale and purchase of the Collateral and that the Vendor cannot vary or in any way alter the relationship between the Borrower and the Lender herein.
- 13 Where by operation of law the Lender may be deemed to be a Vendor of the Collateral, the terms of the Consumer Guarantees Act 1993 shall not apply where the Collateral is acquired for business purposes.
- 14 In terms of the PPSA the Borrower:
- (a) agrees that nothing in sections 114(1)(a), 133 and 134 of the PPSA will apply to this Agreement or the security created hereunder; and
- (b) waives the Borrower's rights pursuant to sections 121, 125, 129, 131 and 132 of the PPSA and waives the Borrower's rights to receive a copy of the verification statement confirming registration of a financing statement or a financing change statement relating to the Security Interest created by this Agreement.
- 15 The term "collateral" means the collateral detailed in the First Schedule together with all of the Borrower's other present and after-acquired collateral of a similar kind to that detailed in the First Schedule.

FOURTH SCHEDULE MORTGAGE OF REAL ESTATE

- 1 When called upon by the Lender the Borrower shall execute at the cost of the Borrower a registrable mortgage in favour of the Lender or its assigns over the real estate described in the First Schedule. The mortgage shall be the current Auckland District Law Society form of All Obligations Mortgage or such other form as the Lender may reasonably require and shall secure payment of all moneys payable now and in the future to the Lender by the Borrower or if there is more than one, any one of them, and the Borrower hereby charges such property accordingly.
- 2 The Borrower acknowledges and agrees that the property to be mortgaged shall include the Borrower's interest in any land or other property whether real or personal and whether or not described in the First Schedule and the Borrower hereby charges all such property accordingly.
- 3 The Borrower hereby authorises the Lender to lodge and maintain a caveat against the title to the property in the First Schedule or referred to in the preceding clause.

FIFTH SCHEDULE GUARANTOR PROVISIONS

- 1 The Guarantor acknowledges that the Principal Sum has been advanced to the Borrower at the request of the Guarantor and upon the condition, inter alia, that the Guarantor executes this Agreement.
- 2 The Guarantor shall be deemed a principal debtor and not merely a surety to the intent that the Guarantor shall not be released from the obligations hereunder by any lack of legal capacity or other reason whereby this Agreement may not be enforceable against or any moneys may not be recoverable from the Borrower or by any waiver, giving of time, indulgence, compromise, failure or delay in exercising remedies, variation of securities or other dealing by the Lender or any other person. The Guarantor shall be liable for payment to the Lender of all money owed by the Borrower and performance of all of the Borrower's obligations under this Agreement and any Loan Agreement or security entered into by the Borrower with the Lender in the future.
- 3 The Guarantor acknowledges having been advised to obtain independent legal advice before signing this Agreement and acknowledges that any failure to obtain such advice is entirely a result of the Guarantor's own choice made without pressure or coercion after having had sufficient time to consider whether to sign this Agreement. In consideration of the Lender making the Principal Sum available to the Borrower, the Guarantor hereby irrevocably waives any defence or counter-claim it may have had against the Lender which may have arisen as a consequence of it electing not to obtain independent legal advice.

EXECUTION: The Borrower and the Guarantor in executing this Agreement acknowledge that they have been handed a copy of it including copies of the security documents specifically described in clause 8 of the First Schedule and the documents relating to any applicable Guarantee Contract and that they understand the full nature and effect of those documents and that they have had sufficient time to consider whether to sign them.

EXECUTED by the Borrower

.....
(Signature of Borrower)

in the presence of:

..... (Signature)
..... (Full Name)
..... (Occupation)
..... (Address)
.....

EXECUTED by the Guarantor

.....
(Signature of Guarantor)

in the presence of:

..... (Signature)
..... (Full Name)
..... (Occupation)
..... (Address)
.....