

Loan Agreement – Specific Terms

Housing New Zealand Corporation Welcome Home Loan

AGREEMENT

We agree to make the Loan available to you on the terms set out in the Agreement (as such term is defined in the General Terms).

Borrower Name(s) (also referred to as "you" & "your")

Continuing Disclosure Statements will be posted unless an email address is supplied

Loan Account Number:

Effective Date of this Agreement: :

Deduction Account Number:

- These Specific Terms, together with the General Terms and Collateral Documents, contain the terms and conditions on which you have agreed to borrow the Loan from the Lender.
- These Specific Terms describe the commercial terms of your Loan and the security to be provided in support of the Loan.
- The General Terms describe your obligations under the Loan and what the Lender can do if you do not fulfil those obligations.
- The General Terms which apply to this Loan are the General Terms – Version 2015-1.
- These Specific Terms also constitute a Disclosure Statement for the purposes of the Credit Contracts and Consumer Finance Act 2003.
- You should read this document thoroughly. If you do not understand anything in this document, you should seek independent advice. You should keep this Disclosure Statement and a copy of the entire Agreement in a safe place.
- The law gives you a limited right to cancel the Agreement. This is described below under the heading "Statement of Right to Cancel". Note that strict time limits apply.

LENDER DETAILS

This is the organisation providing you with credit (also referred to as "we" & "us")

You may send us notices under this Agreement by:

Writing to us at our postal address or

Sending an email to the address specified

Name on FSP Register

Postal Address

Email

FSPR Registration no

Dispute Resolution Scheme

Nelson Building Society

PO Box 62, Nelson, 7040

lending@nbs.co.nz

FSP 33381

Banking Ombudsman Scheme

LOAN DETAILS

LOAN PURPOSE Purchase Property

CREDIT DETAILS

Amount Financed:

This is the amount you owe us on the Effective Date, including any fees we charge you on that date

Loan Establishment Fee

Lenders Mortgage Insurance Premium Fee

Amount Financed (Maximum Amount)

Total Interest

Total Amount Payable

INTEREST

Interest Rate: per annum. Rate may change if loan is in default (see clause 6.4 of the General Terms)

Fixed Interest Rate Period:

At the end of the Fixed Interest Rate Period the Interest Rate will change to the Lenders Floating rate, at which time the Interest Rate can be Fixed as agreed between the Borrower and the Lender.

Total Interest Charges:

This is the total amount of the interest charges payable under this agreement.

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 will be charged to the Loan on the last day of each month

PAYMENTS

Term:

First payment date:

Final payment date:

Schedule of Payments:

No of Repayments	Repayment Amount	Repayment Frequency
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You are required to make each payment of the amount specified and by the time specified. Payment details and interest charges are disclosed on the assumption that the Maximum Amount is drawn at the start of the Loan, and utilised over the term of the Loan. Each date referred to in the Repayment Frequency is a Date for Payment.

SPECIAL CONDITIONS:

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SECURITIES

The repayment of the Loan is secured over the property described below and each Additional Security Schedule (if any). The Terms which apply to the security interest are set out in Clause 7.1 of the General Terms.

ACKNOWLEDGMENT

By signing this document each Borrower(s) agrees that:

1. He or she agrees to be bound by the Agreement which is made up of these Specific Terms, the General Terms and each Additional Security Schedule, if any.
2. His or her obligations under the Agreement (made up of these Specific Terms, the General Terms and each Additional Security Schedule, if any) have been explained to him or her, and he or she understands those obligations.
3. A copy of the Agreement (made up of these Specific Terms, the General Terms and each Additional Security Schedule, if any) was given to him or her before he or she signed below.
4. No representation, warranty or undertaking has been made by or on behalf of the Lender in relation to the Loan that is not expressly set out in the Agreement and, they have not received or relied upon any advice given by or on behalf of the Lender, when accepting this Loan.
5. This Loan will be used solely for the purchase of the property described as Collateral within this Loan Agreement and he or she will live at the property described as Collateral within the Loan Agreement and not rent, lease or do anything similar to that property without the Society's prior written consent.

Executed as a Deed by the parties named below

Signed Acceptance

Signed by Customer

Signed by Customer

Signature:.....

Signature:.....

Name:

Name:

Date:

Date:

GENERAL INFORMATION

FEES AND CHARGES

Information on the amounts of fees and charges payable under this Agreement and how and when those fees and charges may become payable are set out in this section, the Loan Details section and in the attached Fee Schedule.

The fees in the Loan Details section are included in your Loan on the date on which the Loan is advanced.

The fees in the Fee Schedule may apply during the term of the Loan.

We may alter the amount of these fees and charges at any time (see Clause 5.3 of the General Terms.) Administration costs and fees payable on early repayment are disclosed below under the heading "Early Repayment Charge".

Fees and Charges payable that are not included in the Maximum Amount.

WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS

Security interest

We have a security interest in the property and the land described under the heading **SECURITIES** to secure performance of your obligations under this Agreement and the payment of money payable under this Agreement. If we hold a security interest in personal property, we will register our interest on the Personal Property Securities Register. If we hold a security interest in land, we will register a mortgage with Land Information New Zealand. The security interest secures the repayment of all money you owe us and the performance of all of your obligations to us, under this Agreement and any Collateral Document. The security interest gives us direct rights in the relevant property which we can exercise if you fail to meet your commitments under this Agreement, including if you grant a security interest over the same property to another person. These rights include the right to repossess and sell this property or land. If the proceeds of sale do not repay the Loan in full, you will remain liable to repay the outstanding balance. We confirm that no disabling devices will be fitted to any secured property.

Default interest and default fees

If an Event of Default occurs under Clause 12.2 (a) of the General Terms, or if at any time the Maximum Amount is exceeded, and while the relevant event continues, you must pay Interest at the Default Rate and the Fees as specified below.

The Default Rate is **4.00% per annum above the annual interest rate**

A Default Administration Fee of **\$100.00 (plus Recovery Costs)** may be charged for any breach by you under this Agreement or if we enforce this Agreement.

The default fees and charges compensate us for the costs incurred by us in connection with enforcement or the remedy of a breach under this Agreement. Such costs could include debt collection and repossession fees charged by a third party (Repossession Agent, Legal Provider) which will be debited to the loan for the invoiced amount. Copies of which are available upon request

EARLY REPAYMENT CHARGE

If you pay the unpaid balance in full before the final payment is due (**Early Repayment**), you may be required to pay an amount to compensate us for any loss resulting from the Early Repayment. We may suffer a loss if we cannot re-loan those funds to another Borrower quickly, or our current interest rate is lower than the interest rate applying to your Loan. You may also have to pay our administrative costs relating to the Early Repayment.

The Early Repayment Adjustment amount you will have to pay is calculated on the amount of the Early Repayment, at the Interest Rate applicable on the Loan at the time of Early Repayment and for a period totaling not less than 60 days or exceeding 120 days, with a minimum cost of \$500.00. The Early Repayment Adjustment is based on the length of time the Lender determines it will take to re-lend these Loan funds, and is not calculated in accordance with the formula prescribed by the Credit Contracts and Consumer Finance Regulations 2004.

Administrative costs **\$100.00**

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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 Agreement have been disclosed to you to cancel the Agreement.

How to cancel

If you want to cancel this Agreement you must give written notice to us that you intend to cancel this Agreement by:

- giving notice to us or one of our employees or agents; or
- posting the notice to us or one of our agents; or
- emailing the notice to our email address.

You must also return to us any advance and any other property received by you under the Agreement.

Time limits for cancellation

If the disclosure documents are handed to you directly you must give notice that you intend to cancel within 5 working days after you receive the documents.

If the disclosure documents are sent to you by electronic means (for example, email) you must give notice that you intend to cancel within 7 working days after the electronic communication is sent.

If the documents are mailed to you, you must give the notice within 9 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 Agreement we can charge you:

- (a) The amount of any reasonable expenses we had to pay in connection with the Agreement and its cancellation (including legal fees and fees for credit reports, etc); and
- (b) Interest for the period from the day you received the Loan until the day you repay the Loan.

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 we are being unreasonable in any way, you should seek legal advice immediately.

STATEMENT OF RIGHT TO MAKE HARDSHIP APPLICATION

If you are unable reasonably to keep up your payments 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 us for a hardship variation.

To apply for a hardship variation, you need to:

- (a) make an application in writing; and
- (b) explain your reason(s) for the application; and
- (c) request one of the following:
 - an extension to the term of the Agreement (which will reduce the amount of each payment due under the Agreement); or
 - a postponement of the dates on which payments are due under the Agreement (specify the period for which you want this to apply); or
 - both of the above; and
- (d) give the application to us.

Do this as soon as possible. If you leave it for too long, we may not have to consider your application.

Application must be made before you (the Borrower) have:

- been in default for two months or more;
- been in default for two weeks or more after receiving a repossession warning notice or Property Law Act notice, or
- failed to make four or more consecutive loan repayments on their due date.

CONTINUING DISCLOSURE

We may be required to provide you with regular disclosure statements. The statements will give you information about your account. If we are required to provide you with regular statements, those statements will be provided six monthly or at least every 45 working days if your Loan is a Revolving Credit Loan (or at such other times required under the Credit Contracts and Consumer Finance Act 2003).

If you do not have Internet Banking service with Nelson Building Society, we will forward your statements to your email address.

DISPUTE RESOLUTION

While Nelson Building Society hopes it will be able to solve your complaint on the spot, we may need to refer the complaint on further within Nelson Building Society.

In the event that you are not satisfied with our initial response an escalation process exists to resolve the complaint. Your complaint can be escalated to the Board Secretary at 111 Trafalgar Street, P O Box 62, Nelson.

If Nelson Building Society is unable to satisfy your concerns, we are a member of the Banking Ombudsman dispute resolution scheme

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

Contact details of dispute resolution scheme are as follows:

Phone:	0800 805 950 or 0064 4 915 0400 (from overseas)		
Website:	www.bankomb.org.nz		
Email:	help@bankomb.org.nz		
Address:	Level 5	Postal Address:	Freepost 218002
	Huddart Parker Building		PO Box 25327
	1 Post Office Square		Featherston Street
	Wellington 6011		Wellington 6146

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FEE SCHEDULE

Below is a Schedule of Standard Fees and Charges which may be applied to the Loan

Fee:	Description:	Amount:
Duplicate Statement fee	If the Lender has to re-issue a duplicate statement that has already been forwarded to you at the given address for notification (this will be the email address unless otherwise requested), during or after the Term of the Loan.	\$15.00
Insurance Arrears Payment fee	If the Lender has to make a manual payment on the Obligors behalf to pay the arrears on the Insurance Premium covering the Secured Property, to ensure the policy is not cancelled.	\$15.00
Rates Arrears Payment fee	If the Lender has to make a manual payment on the Obligors behalf to pay any arrears of Local Authority Rates pertaining to the Secured Property if this payment is Demanded by the Local Authority	\$25.00
Motor Vehicle Security Variation / Security Swap fee	If the Lender has to vary the Security held at the Obligors request, including new registration on the PPSR; or change the names of any Obligors to the Loan Agreement	\$30.00
Early Repayment Administration Cost	If you pay the unpaid balance in full before the final payment is due (Early Repayment), you may be required to pay an amount to compensate us for any loss resulting from the Early Repayment. We may have suffered a loss if our current interest rate is lower than the interest rate applying to your Loan. Charged at the time the Loan is repaid.	\$100.00
Default Administration Fee (plus Recovery Costs	This may be charged for any breach by you under this Agreement or if we enforce this Agreement. It compensates us for the costs incurred by us in connection with enforcement or the remedy of a breach under this Agreement. Such costs could include debt collection and repossession fees charged by a third party (Repossession Agent, Legal Provider) which will be debited to the loan for the invoiced amount. Copies of which are available upon request	\$100.00

Note: Fees current as at

. We may alter the amount of these fees and charges at any time. See Clause 5.3 of the General Terms.

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