

Your AA Money Secured Loan

Date:

Your agreement with us

This document sets out your agreement with us. It explains what you're agreeing to when you take out an AA Money secured loan.

Your loan is a secured loan. This means that we will take a security interest in your vehicle to secure the loan. If you don't keep up with payments, we can take the vehicle to cover your debts, and you will be responsible for any shortfall if the vehicle sale does not cover all the money you owe us. You'll find more about this under 'You agree to these terms and conditions' on page 5.

We recommend getting legal advice

This document contains important legal information. You need to understand it before you sign it. If you don't understand something in this document, we recommend you seek independent advice.

You can cancel this agreement if you let us know in time

You can cancel this agreement if you let us know within 10 working days of the date when you receive this document (whether it's hand delivered, posted or emailed to you). To cancel, you must let us know by giving notice in writing to any of our employees or agents in person or by post or email. Our contact details are on page 2.

You will have to pay us back if you cancel

We will let you know how much you owe us as soon as we can. Once we do, you must:

- repay us the loan amount within 5 working days
- pay us any interest owing on the loan amount up to the day you repay it in full.

We won't refund the fees you've paid, like the establishment fee, if we've already paid out the related costs in setting up your loan for you.

Keep this document safe

This is a legally binding document, so keep it somewhere safe and secure.



As part of our commitment to you, this document meets the WriteMark Plain Language Standard. The WriteMark is a quality mark awarded to documents that achieve a high standard of plain language.

This agreement is between you and AA Money

Our details

Legal name:	AA Finance Limited	Phone number:	0800 600 777
Trading name:	AA Money	Email:	customer@aamoney.co.nz
Physical address:	22 Fanshawe St, Auckland 1010	Website:	aamoney.co.nz
Postal address:	PO Box 5462, Victoria Street West, Auckland 1142	Financial Service Provider (FSP) Number:	FSP675851
		Name on FSP register:	AA Finance Limited

Your details*

Full legal name _____ Other borrowers: _____

Address: _____

Phone: _____

Email: _____

* You must tell us immediately if you change any of your details during the term of the agreement.

You agree to the loan details below

Loan advance

This is the amount you will owe us on the date the loan is advanced (the initial unpaid balance). This amount includes fees we will charge.

\$ _____ made up of \$ _____ Loan

\$ _____ Establishment fee

This is the only advance we will make under this agreement.

The planned date of your loan advance is _____.

Term

The term of your loan is _____.

Payments

This describes each amount you must pay us, and how often you will pay this amount.

How often you'll make payments:

Amount of each payment: \$ _____

Number of payments:

Total amount of payments: \$ _____

Date of first payment:

Date of last payment:

Interest

This describes your annual interest rate (or rates) for the whole term of this agreement, as well as the total amount of interest you'll pay. The interest you'll pay if you default on the loan is also shown below.

Your annual interest rate is:

[_____] % fixed for the whole term of this agreement] [or]

[_____] % fixed for [insert period of fixed interest rate(s)].

The total amount of interest you will pay under this agreement is \$ _____. This doesn't include any default interest.

If you default on the loan, you'll pay default interest on the amount in default. The default interest rate is your annual interest rate at the time of the default (above) plus 5%.

Payment details may change

The total loan payments, total interest payments and other payment details are calculated as at the date of this agreement. These details are indicative only and may differ from the actual amounts payable. Reasons may include a change in the date the loan is advanced to you, early and lump sum repayments, defaults and any agreed variations with you.

Other fees and charges

All other fees and charges that are, or may become, payable as part of this agreement are set out in the fee schedule (page 12) and under the heading "You'll compensate us for any loss" on page 7. These fees and how we calculate them may change over time. We'll let you know what has changed and when it takes effect. Where we can, we'll give you 14 days' notice before we change a fee.

Full or partial prepayment

We are happy for you to pay off your loan early. If you decide to pay off part or all of your loan early, you won't have to pay any extra fees.



Vehicle details

The vehicle held as security for this loan is: [Year] [Make] [Model]

Registration Number: [Rego]

VIN: [VIN]

This vehicle must be insured for at least replacement value.

Our recommendations are not regulated financial advice

You are protected by responsible lending laws. Because of these protections, the recommendations given to you about the loan are not regulated financial advice.

This means that duties and requirements imposed on people who give financial advice do not apply to these recommendations. This includes a duty to comply with a code of conduct and a requirement to be licensed.

You accept and acknowledge the terms and conditions set out in this document

I have read and understood this document, and I accept the offer of the loan as it is set out in this document.

I acknowledge that this document contains all of the terms of the agreement between me and AA Money. This document replaces all other agreements about the loan between me and AA Money.

I acknowledge that I have been provided with a complete copy of this document including the terms and conditions on pages 5 to 13.

Signed: _____

Dated: _____



You agree to these terms and conditions

We have a security interest in your vehicle

Your loan is secured against your vehicle. This vehicle is described on page 4. Our security interest in your vehicle means we can take the vehicle and sell it to cover our costs if you break any of the terms and conditions in this document or if a Default occurs. If you still owe us money after we sell the vehicle, you'll have to pay us that amount.

You agree that:

- this agreement creates a first ranking security interest in the vehicle in favour of AA Money
- we can register a financing statement to support this security interest
- we don't have to give you a copy of the verification statement that confirms the registration of our financing statement on the Personal Property Securities Register.

We are the only party with a security interest in the vehicle

You agree that this agreement gives us a first ranking security interest in the vehicle as security for:

- your AA Money secured loan and any other money payable under this agreement
- fulfilling all other terms and conditions in this agreement.

We are the only party allowed to hold a security interest in the vehicle. **You can't grant a security interest in the vehicle to anyone else unless we agree to it in writing.**

If you do grant a security interest in the vehicle to another party without our written permission, it will be a breach of this agreement. This means we can take any of the actions listed under 'We can take these actions if a Default occurs' on page 7 including taking the vehicle and selling it.

You agree that we may search the Personal Property Securities Register at any time to find information about you and the vehicle.

You must be the only owner of the vehicle

During the term of the loan, you must be the only owner of the vehicle. You must not owe any money on the vehicle to anyone else. You must not give the vehicle to anyone else or try to sell it.

If you wish to sell the vehicle during the term of this agreement, please contact us before attempting to do so.



You must take care of the vehicle

You must:

- keep the vehicle in good condition
- protect the vehicle from damage
- use the vehicle reasonably and lawfully
- make sure the vehicle is registered and licensed.

You must not do anything that would cause the vehicle to reduce in value beyond normal depreciation.

You must insure the vehicle

Your vehicle insurance must:

- be for the replacement value of the vehicle
- be maintained for the complete term of this agreement
- be with a reputable insurer approved by us
- note our (AA Finance Limited) interest in the vehicle on the policy.

You must tell us immediately if you change your vehicle insurer during the term of this agreement.

If we ask you to, you must:

- provide us with a certificate of currency for your insurance
- pay us any money your insurer has given you.

You must not do anything that could result in your insurer declining an insurance claim on the vehicle.

You must pay the money you owe us under this agreement

You agree to pay AA Money all the money you owe us under this agreement.

Your payments must be paid:

- on time, so paid according to the timetable described on page 3 of this agreement
- by direct debit, unless we've agreed that you can pay another way
- using cleared funds.

You cannot deduct any amount we owe you against your payments under this agreement. If we owe you money, we can put it towards the amount you owe us under this agreement.

You must pay interest on your loan

The interest we charge to your loan is written in the 'interest' section of your loan details on page 3 of this document.

Interest is calculated by multiplying the unpaid balance at the end of each day by the daily interest rate. The daily interest rate is calculated by dividing the annual interest rate by 365. Interest is charged to your account at the end of each month.

We may charge default interest on amounts you don't pay on time

If you don't make a payment on the due date we may charge you default interest.

The default interest rate is your annual interest rate plus 5% (see page 3 of this document).

We'll continue to apply default interest to this part of the loan for as long as it remains unpaid.



You can prepay your loan in full or in part

You can prepay your loan in full or in part at any time. When you prepay your loan:

- the amount you repay will first be used to pay any outstanding interest and other amounts you owe us — it will be used to repay the principal after this
- the amount you prepay won't be available for you to borrow again
- we won't charge any fees.

We can take these actions if a Default occurs

If a Default occurs:

- the secured money you owe us will become payable immediately
- the security interest you granted us over the vehicle can be enforced immediately
- we (or our agent) may take the vehicle and sell it. We will take reasonable care but we won't be liable for any costs or damage if we have to do this.

You agree that:

- we (or our agent) may enter the place where we believe the vehicle is kept and take the vehicle
- we won't be responsible for any costs or damages if we take the vehicle, so long as we take reasonable care
- we can sell the vehicle to recover our costs
- you'll be responsible for any shortfall if the sale does not cover all the money you owe us.

The things that will cause a Default are described on page 11 of this document.

You'll compensate us for any loss

You agree that we're not responsible for any loss or expense we experience from:

- you defaulting on this agreement
- using our rights or solving issues under this agreement
- any loss or damage to the vehicle
- any loss or damage caused by the vehicle.

You agree to compensate us for any loss or expense we experience in these situations.

You also agree to do anything reasonable that we ask you to do so we can fulfil this agreement. You allow us to do things you have agreed to on your behalf if we need to. You also agree to meet any costs we may have as a result of having to do something for you.

We can collect, hold, use, and share your personal information

You give us permission to collect, hold, use, and share your personal information in line with the Privacy Act and our Privacy Statement. You can find our Privacy Statement on our website at aamoney.co.nz, or you can ask us for a copy.

We may change our Privacy Statement to reflect changes in law and our business needs. When we do this, we'll make sure the changes don't disadvantage you.

You have the right to access your personal information.

You can contact us to find out the personal information we have about you. You can also ask us to correct any incorrect information we hold about you. To do this, contact us using the contact details on page 2 of this document.



We are committed to being a responsible lender

We have obligations to you under the Credit Contracts and Consumer Finance Act 2003 (CCCFA).

AA Money follows the Responsible Lending Code. A copy of the code is available at www.consumerprotection.govt.nz/assets/PDFs/responsible-lending-code-2021.pdf

We are on the register of financial service providers as AA Finance Limited FSP675851.

We'll keep you informed

We'll send you a statement of your account at least every six months.

You can find information about our standard terms and conditions and costs of borrowing:

- on our website aamoney.co.nz
- by requesting the information from us.

We'll also give you any information you request as required by the CCCFA.

We'll send you information electronically

You agree that we can send you documents, notices, and other communications in electronic form, including through the AA Money website.

You also agree that this document and other documents relating to it can be signed electronically, and that an electronic signature is equivalent to an original.

We may change this agreement in specific cases

We may change this agreement without your approval if we:

- need to change it to comply with the law after a law change
- need to change a fee or introduce a new fee on the fee schedule due to changes in our funding costs, changes to your credit profile or changes in market conditions
- notice errors that we need to correct
- notice missing information that needs to be added
- want to update our Privacy Statement
- want to add technical or administrative information that won't result in any disadvantage to you.

Any other changes must be approved by you.

If we need to make a change to the agreement, we will give you at least 5 working days' written notice.

When deciding whether to make any changes to the terms and conditions of your agreement, we will act fairly and reasonably and in line with our legal obligations.

You may also ask us to make changes to this agreement

If we agree, you can ask us to:

- change the frequency or amount of your payments or the loan term
- change the payment date of scheduled payments.

We can only agree to these changes if you meet our lending criteria.



We can assign or transfer our rights and obligations

We can assign or transfer any of our rights under this agreement to another person. We can also transfer our obligations to another person who we believe can fulfil those obligations.

You're not allowed to transfer your rights and obligations under this agreement to anyone else unless we agree to it in writing in advance.

You can apply for a hardship variation

You may be able to apply for a hardship variation if you can't reasonably keep up your payments or other obligations because of:

- illness
- injury
- loss of employment
- the end of a relationship
- any other reasonable cause.

We encourage you to apply early if you're experiencing unforeseen hardship.

Apply for a hardship variation as soon as you can if you're experiencing unforeseen hardship. If you leave it too long, we may not have to consider your application.

You must apply in writing.

To apply for a hardship variation, you need to:

- give us your application in writing
- explain your reasons for the application.

In your application, you must request one of these three options.

- an extension of the term of this agreement — this would reduce the amount due for each payment
- a change to the dates when payments are due — you must also let us know the period you want this to apply to
- both an extension and a change to the dates when payments are due.

We'll let you know the outcome of your application.

When we receive your hardship application, we'll:

- let you know that we've received it — within 5 working days
- request more information from you if we need it — within 10 working days
- let you know our decision — within 20 working days of receiving your application, or 20 working days of requesting more information from you or, if later, 10 working days after receiving the additional information we requested from you.

This agreement is subject to New Zealand law

If any part of this agreement is illegal, that part will be excluded without affecting the other parts of the agreement.

If we don't use a particular right we have under this agreement, it does not mean we waive that right. We have not waived our rights under this agreement unless we've given you a written waiver, signed by us.



Let us know if you have any concerns

If you have any concerns about this agreement, please let us know. You can contact us by email, phone or post:

Phone: 0800 600 777
 Email: feedback@aamoney.co.nz
 Post: AA Money
 PO Box 5462
 Victoria Street West
 Auckland 1142

If you don't think we've resolved your concerns after contacting us, you can seek help from and make a complaint to the Insurance & Financial Services Ombudsman. It won't cost you anything to make a complaint. This scheme can help you resolve any disagreements you have with us. You can contact the Insurance & Financial Services Ombudsman by email, phone, or post.

Phone: 0800 888 202
 Email: info@ifso.nz
 Website: www.ifso.nz
 Post: Insurance & Financial Services Ombudsman Scheme
 PO Box 10-845
 Wellington 6143

We'll provide you with a secured loan if you meet our criteria

We'll provide you with the secured loan as it is described in this document if you meet our criteria.

We'll pay the loan money to you or to a third party

You agree that we may pay the loan money directly to you or to a third party (including to the seller of the vehicle or to repay any existing debt you have with that third party). If we pay the loan money to you, you agree that you will only use the loan for the purpose stated in your loan application.

We may cancel this agreement before we provide you with a loan

We may cancel this agreement before providing you with a loan if we believe that:

- you have not met our criteria for the loan
- the information we relied on when assessing your application is incorrect or incomplete
- financial market conditions have changed significantly
- you don't draw down the loan within 14 days
- it has become unlawful to make the loan available to you

Here's how to interpret this agreement

Headings aren't part of this agreement

The headings are in this document to guide you and help you to find key information. They don't affect the meaning of the content.

We refer to New Zealand law in this agreement

We refer to New Zealand law throughout this document. This includes all the things that make up the law at any time, such as acts, amendments to acts, regulations, and orders-in-council.



We use these definitions

We, us, our, and *AA Money* all refer to AA Finance Limited.

You and *your* refer to the borrower or borrowers named on page 2.

Default means any of these things.

- You don't pay money you owe us under this agreement when it's due, or you reverse a payment.
- Information you gave us was false.
- A part of this agreement cannot be legally enforced.
- You don't fulfil an obligation that is part of this agreement.
- The vehicle's insurance policy is cancelled.
- We have reason to believe the vehicle is at risk (as defined in section 83E of the CCCFA).
- You can't make payments when they are due, or you're considered unable to make payments by law.
- You stop making payments or you enter into any arrangement with your creditors generally because you can't pay your debts.
- You die, cannot function at full capacity, or are declared bankrupt.
- A legal judgement is made against you and it is not satisfied within 14 days.

Working days are the days of the week excluding Saturdays, Sundays and public holidays.

Where more than one person is named as the borrower:

- each of you must comply with the terms of this agreement
- each of you is individually, as well as jointly, liable to pay each amount owed under this agreement and perform the other obligations under this agreement.



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Our fees

If we have to charge you any of these fees, we'll add them to the principal balance of your loan. This means we'll charge interest on these fees until you pay them.

Establishment and account fees

Fee	Amount	Description
Establishment fee	\$290	This fee covers the cost of processing, assessing and approving your finance application. This includes our third-party costs of running credit and vehicle checks and searching and registering a security interest on the Personal Properties Securities Register. It will only be charged if your finance application is approved.
Account fee	\$0	AA Money does not charge an Account Fee.

Variation, and early settlement fees

Fee	Amount	Description
Variation fee	\$0	AA Money does not charge a fee for any basic variations to your agreement.
Refinancing fee	\$0	AA Money does not charge a fee for refinancing.
Full or partial prepayment fee	\$0	AA Money does not charge any additional fee if you decide to make a full or partial prepayment of your loan.

Default and collection fees

Fee	Amount	Description
Default interest	Your annual interest rate plus 5%.	We may charge you default interest on the amount in default. Default interest is calculated daily.
Dishonoured payment fee	This fee is the actual cost.	The dishonoured payment fee is the fee we charge you if your bank dishonours a payment you make to us, and we are charged by our bank. This dishonoured payment fee is whatever our bank charges us because of your dishonoured payment.

Repossession costs

Fee	Amount	Description
Repossession warrant issue fee	\$40	We'll charge you this fee if we have to issue a warrant in order to engage an agent to repossess the vehicle.
Recovery costs	This fee is the actual cost	We'll charge you any reasonable costs charged by third parties relating to the enforcement of this agreement. For example, we may charge you the costs of the repossession agent, legal provider, or repairer. We can provide you with copies of the invoices if you request them from us.
Repossessed vehicle sales fee	This fee is the actual cost	We'll charge you this fee if we sell the vehicle. We'll choose the method of sale to get the best price we can for the vehicle.



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