



TERMS AND CONDITIONS BOOKLET

ADVANTAGE LEASE

FLEXI[®]
RENT

FlexiRent is brought to you by FlexiGroup[®]

QUESTIONS & ANSWERS

General information

Every day, more and more businesses use Flexirent to keep up-to-date with the very latest technology. We are delighted to welcome you as one of them.

This booklet contains important information about your Flexirent agreement that you may find useful, both now, and in the future. Flexirent is an equipment leasing product available to business customers provided by FlexiGroup (New Zealand) Limited ("FlexiGroup"). FlexiGroup is registered on the New Zealand Financial Service Providers Register (Registration No. FSP44505) and is a member of the Financial Dispute Resolution dispute resolution scheme (as clarified in more detail below).

Please take a few moments to read this booklet, and be sure to keep it in a secure place along with the other documents that form your Lease Agreement for future reference.

What if I change my address or contact details?

It is important that we have your current address and contact details at all times. Please call us on (0800) 444 827 to update your physical address, phone number(s) or e-mail details.

How do I change my bank account or lease payment method?

Simply phone us on (0800) 444 827. We will send you a new Payment Method Form to complete, sign and return to us. This will ensure the monthly payments are made by your preferred method.

Can I add new Equipment to my Lease Agreement at a later date?

You can easily add items during the term of your Lease Agreement (subject to approval criteria). Just call us on (0800) 444 827. We can usually approve the new Equipment and the amount of the add-on over the phone and fax or e-mail the Lease Agreement forms to your equipment supplier within minutes. We will alter the amount of your subsequent payments and can combine the payments so they fall on the same day if preferred. There is a minimum equipment invoice price of \$500 including GST for add-ons. Conditions apply.

How is the GST calculated on my Lease Agreement?

With your FlexiRent Agreement, GST at 15% is included in each instalment. For example, if the monthly payment is \$115 this will include GST of \$15. GST registered entities should be able to claim the GST amount as an Input Tax Credit. For more information, we suggest you contact your tax advisor.

How do I claim the tax benefits of my Lease Agreement?

Total Monthly Lease Payments are typically 100% tax deductible for business use as they may be treated as an operating expense. We recommend that you contact your tax advisor for details of your specific situation.

Can I terminate my Lease Agreement at any time?

Yes, but you are required to pay FlexiGroup the Termination Amount, in accordance with clause 11 of the Terms and Conditions. The Termination Amount varies depending on whether the Equipment is returned to us or kept and what condition it is in. You should be aware that the Termination Amount in the early stages of the lease may exceed the purchase price of the Equipment.

Upgrading the performance of the Equipment

If you would like to modify the Equipment to improve its performance you must obtain our consent. Please notify us beforehand by phoning 0800 444 827 or by writing to us.

Who is responsible if the Equipment breaks down?

You will be responsible for the maintenance and repairs of the leased Equipment. We strongly recommend that all computer Equipment be covered for the whole of the lease term by an extended warranty that covers you after the manufacturer's warranty has expired. Check this with your equipment supplier. If the Equipment breaks down during the manufacturer's warranty period, call the manufacturer or your supplier. After that, call the extended warranty provider (if applicable).

Equipment Loan Programme

When we agree to repair accidentally damaged Equipment, we will, at your request, lend you equipment (the Loaner Equipment) while the accidentally damaged Equipment is being repaired, subject to the Terms and Conditions. FlexiGroup will lend you Loaner Equipment for a period of 60 days with no additional cost (you must keep paying your Total Monthly Lease Payments during that time). Following this an additional monthly fee will apply until the Loaner Equipment is returned to us. We will endeavour to provide Loaner Equipment to you within 2-3 business days from the time of your request to us (provided that delivery is to a New Zealand metro area).

Loaner Equipment includes: computers, iPads or tablet computers, DSLR cameras and smartphones. Loaner Equipment will be the same class of equipment as the leased Equipment but may not be identical to the leased Equipment in brand, size or technical specifications. The Loaner Equipment is subject to availability.

Just call (0800) 444 827 and we will make the arrangements. Courier delivery and collection will be at FlexiGroup's cost. See clause 8 of the Terms and Conditions for full details.

Who is responsible if the Equipment is lost, stolen or damaged?

Except in the circumstances set out in clause 16 of the Terms and Conditions, FlexiGroup retains and bears the risk of accidental loss or damage to the leased Equipment anywhere in New Zealand or Australia or occurring anywhere in the world during a trip of not more than 28 days' duration.

Please note – extra care is needed for portable Equipment.

You should always keep leased Equipment in a safe place. Please do not leave it unattended in a public place or in an unoccupied motor vehicle. You (rather than us) will bear the risk in respect of stolen Equipment if you fail to ensure the Equipment is kept safe and secure. See clause 16 of the Terms and Conditions for full details.

How do I make a claim if the Equipment is lost, stolen or damaged?

Just call (0800) 444 827 and ask for an Incident Notification Form. Our Contact Centre will help you through the claim process.

What are my options at the end of the Minimum Term of my Lease Agreement?

Because you are leasing the Equipment, you do not own the Equipment. We own the Equipment at all times, unless we sell it to you in accordance with the Terms and Conditions. You must notify us at the end of the Minimum Term if you would like to:

- 1. Swap and Update:** Return the Equipment and lease new Equipment (with an equal or greater purchase price) on a new agreement, and we will waive up to 3 monthly lease payments on your old agreement. Under this option, if you notify us in the final 3 months of the Minimum Term you will not be required to make Total Monthly Lease Payments for the balance of the Minimum Term.
- 2. Keep and Update:** Keep the Equipment and lease new Equipment (with an equal or greater purchase price) on a new agreement, and the additional payment required for the Keep Equipment option (outlined in 5 below) will be waived.
- 3. Own Equipment:** You can make us an offer to purchase the old Equipment if you would like to own it (we may accept or reject your offer).
- 4. Return Equipment:** If at the end of the Minimum Term you have no further use for the Equipment, simply

return the Equipment to FlexiGroup with no more to pay. The Equipment must be in good working order as per clause 13 of the Terms and Conditions.

- 5. Keep Equipment:** If at the end of the Minimum Term you notify us that you wish to keep using the Equipment, you can then continue to do so by paying 1 additional Total Monthly Lease Payment or such other amount that we may notify from time to time. FlexiGroup will continue to own the equipment if you select this option.

If you fail to notify us of your preferred option, your Lease Agreement will continue beyond the Minimum Term on a month to month basis. Options 1, 2 and 3 outlined above are subject to our approval. Refer to clause 9 of the Terms and Conditions for details.

Updating Equipment before the end of your Lease Agreement

Many Flexirent customers choose a lease with a 2 or 3-year Minimum Term but want to 'update' to the latest technology well before the end of the Minimum Term. This is easy to do, with no lump sum cash payout required. An early update involves selecting new Equipment from your preferred equipment supplier and entering into a new Lease Agreement. You can then either continue to lease the old Equipment (Keep Equipment), offer to purchase the old Equipment (Own Equipment) or return it to us (Return Equipment). The amount that you are required to pay under your old Lease Agreement can simply be added to the new Lease Agreement. We recommend that you update the Equipment within the last 3 months of the Minimum Term by selecting the Swap and Update option outlined above. See Terms and Conditions for full details.

How to notify us at the end of your Lease Agreement

Call us on (0800) 444 827 and our Contact Centre will help you with your options. Subject to our approval criteria, if you would like to enter into a new Lease Agreement, we will require you to advise us of the new Equipment details and invoice amount. We will then advise you of the Total Monthly Lease Payments and fax or e-mail the Lease Agreement paperwork to you and/or your equipment supplier. After reading and signing the paperwork, you may take possession of the new Equipment.

Unless you want to change your bank account details, we will simply deduct the first Total Monthly Lease Payment of your new agreement from the bank details we have on file for you. You do not need to make any additional payments to the supplier.

Enjoy the benefits of the new Equipment!

GENERAL TERMS AND CONDITIONS

1. LEASE AGREEMENT

- a) These Terms and Conditions set out the basis on which Flexigroup New Zealand Limited ("FlexiGroup" or "we") will lease the Equipment to you. The Lease Agreement comprises these Terms and Conditions, the Agreement Confirmation, the Offer to Lease, the Payment Method, the Business Use Declaration and any other document which we specify will form part of the Lease Agreement from time to time.
- b) We may amend or vary these Terms and Conditions at any time by notice given to you in accordance with clause 30 below.
- c) To the extent of any inconsistency between the Agreement Confirmation or the Offer to Lease and these Terms and Conditions, the Agreement Confirmation or the Offer to Lease (as the case may be) will prevail.
- d) You should read these Terms and Conditions, and the other parts of the Lease Agreement, carefully.
- e) FlexiGroup is registered on the New Zealand Financial Service Providers Register (Registration No. FSP44505) and is a member of the Financial Dispute Resolution dispute resolution scheme, as discussed in more detail in clause 33 below.
- f) The Start Date will be no later than when Equipment is taken or possession is given.

2. OWNERSHIP OF EQUIPMENT

- a) We are the owner of the Equipment. You only have the right to use it during the term of the Lease Agreement and (if applicable) purchase the Equipment under the "Own Equipment" option set out in clause 9(a)(iii) below.
- b) For the purposes of this Lease Agreement, Equipment includes all equipment referred to in the applicable Agreement Confirmation(s) and may include hardware and software.
- c) You must protect our ownership of the Equipment and not attempt to sell, hire or deal with it in any other way unless expressly permitted to by these Terms and Conditions.

3. PAYMENTS

- a) Unless otherwise agreed with you, if there is a First Lease Payment Amount shown on the Agreement Confirmation, that First Lease Payment Amount must be paid on the first Payment Date following the Start Date. On each subsequent Payment Date during the Minimum

Term, the Total Monthly Lease Payment must be paid.

- b) If no First Lease Payment Amount is shown on the Agreement Confirmation, the Total Monthly Lease Payment must be paid on the first Payment Date, and each subsequent Payment Date, during the Minimum Term.
- c) Total Monthly Lease Payments are due monthly in advance.
- d) We may agree with you that the first Payment Date shown on the Agreement Confirmation will be the Start Date.
- e) Where applicable, to cover any interim period between the Start Date and the first Payment Date shown on the Agreement Confirmation, we may either charge you an interim rental amount ("Interim Lease Payment") calculated on a daily, pro rata basis, or we may adjust the Total Monthly Lease Payments to reflect the Interim Lease Payment. If an Interim Lease Payment is payable, it is due when the Offer to Lease is executed. The Interim Lease Payment (if any) once calculated by us, will be shown on the Agreement Confirmation.
- f) We may adjust the Total Monthly Lease Payment amount at any time in accordance with paragraph (l).
- g) You must contact us on or before the end of the Minimum Term in accordance with clause 9 to inform us of the end of Minimum Term option you wish to select. If you make no selection, the Lease Agreement will continue on a month to month basis and you must continue to pay the Total Monthly Lease Payments on each Payment Date following the End Date.
- h) The Minimum Term will commence on the Start Date shown in the Agreement Confirmation and will end on the End Date shown in the Agreement Confirmation.
- i) If a Payment Date falls on a weekend or public holiday, payment is due on the next business day.
- j) Unless we otherwise agree, all payments must be made by Direct Debit from your bank account, or credit card.
- k) All payments, once paid, are not refundable for any reason.
- l) If there is any change to the amount of taxes or government charges payable in respect of the Lease Agreement, you agree that we may adjust the Total Monthly Lease Payment accordingly.
- m) You must pay all amounts due without any

deduction or set-off or counterclaim (including any deduction in respect of taxes, unless required by law) of any type whatsoever. Your payment obligations under these Terms and Conditions continue irrespective of any intervening act, matter or thing (and even if the Equipment is lost, stolen, damaged, destroyed or defective or if you can no longer use it). If you are required by law to make a deduction, the amount payable by you will be increased so the amount we receive is the same as if no deduction had been made.

- n) Regarding any amount payable to us under the Lease Agreement, you authorise us and we are entitled to direct debit your nominated account or credit card for such amount as we determine in good faith. In the absence of manifest error, any such amount will be taken to be conclusive of the amounts owing under the Lease Agreement.
- o) See clauses 22 to 26 for details of Payment Protection, in the form of a Release or Suspended Payments, that may be available to you.

4. LATE PAYMENTS

- a) If any Total Monthly Lease Payment or any other amount due under the Lease Agreement is not paid in full and on time, you are in default and we may charge you a late payment fee of \$25, as well as charging you default interest on the outstanding, unpaid amount calculated at a rate of 1.5% per month, capitalised monthly, until all outstanding unpaid amounts owing under this Lease Agreement are paid in full.
- b) You agree and acknowledge that the additional amounts payable by you in connection with a payment default (as referred to above, the “**Default Payments**”) are a genuine preestimate of the actual loss we may suffer in connection with your payment default.
- c) In addition, you agree to reimburse us for the amount that our bankers charge us for your dishonoured payment(s).
- d) All Default Payments and amounts due under paragraph (c) above are payable on demand, which we may make by debiting the amount of any such payment from your nominated bank account or credit card on any date at our election without notice to you.

5. FEES

- a) We reserve the right to charge fees for the services we provide under the Lease Agreement.
- b) Fees will be charged at our standard rates, which

may vary from time to time and will be notified to you in accordance with clause 3.

- c) A dishonour fee of \$25 will be charged if a Total Monthly Lease Payment or any other amount due under this Lease Agreement is unable to be processed (including because you do not have sufficient funds in your account or a credit card transaction is declined).
- d) Following a dishonoured payment, we may attempt to process a Total Monthly Lease Payment 4 business days after the initial dishonoured payment. You must pay a dishonour fee each time the payment is unable to be processed and this amount is non-refundable.
- e) A payment deferral fee of \$25 is payable by you if we agree to defer a Total Monthly Lease Payment or any other amount due under this Lease Agreement.
- f) A MasterCard & Visa administration fee is payable by you if the Total Monthly Lease Payment or any other amount due under this Lease Agreement is paid with a MasterCard or Visa card.

6. USE AND MAINTENANCE OF EQUIPMENT

- a) You must keep the Equipment in good repair, condition and working order (normal, fair wear and tear will be accepted).
- b) You must use, service and maintain the Equipment in accordance with the manufacturer’s instructions and recommendations.
- c) You may only modify the Equipment with our prior written consent.

7. LOCATION AND INSPECTION

- a) Other than portable Equipment, you must not move the Equipment from its location noted on each accepted Agreement Confirmation without our prior written consent.
- b) You agree to provide our authorised agents and us with reasonable access to inspect the Equipment to confirm its existence, condition and proper maintenance.
- c) If you fail to provide access to us and/or our authorised agents, we have the right, subject to compliance with any applicable law, to enter the premises, or authorise our agents to enter the premises, where we believe the Equipment is located in order to confirm its existence, condition and proper maintenance.

8. LOANER EQUIPMENT

We may, at our absolute discretion, agree to repair

accidentally damaged Equipment. If we confirm under clause 18(a)(i) that we will repair accidentally damaged Equipment, we will at your request lend you replacement loan equipment (the "Loaner Equipment") while the accidentally damaged Equipment is being repaired, subject to the following conditions:

- a) The Loaner Equipment will be of the same class of equipment as the damaged Equipment (for example, if the damaged Equipment is a laptop computer the Loaner Equipment will be a laptop computer and if the Equipment is a desktop computer the Loaner Equipment will be a desktop computer) but the Loaner Equipment may not be identical to the damaged Equipment (in brand, size or technical specifications).
- b) You may only request Loaner Equipment if the damaged Equipment is a computer, iPad or tablet computer, DSLR camera, or smartphone.
- c) You may request Loaner Equipment on more than one occasion but you may only have Loaner Equipment free of extra charge for a total period of 60 days within the Minimum Term. Following this a monthly fee (payable in addition to your usual Total Monthly Lease Payments) will apply for the Loaner Equipment.
- d) Subject to some exceptions for remote areas, we will deliver Loaner Equipment to, and collect the Loaner Equipment from, anywhere within New Zealand.
- e) If your request is made during normal business hours (Monday to Friday between 9am and 5.30pm) and delivery is to a New Zealand metropolitan area, we will make reasonable efforts to deliver Loaner Equipment to you within 2-3 business days after receipt of your request.
- f) Loaner Equipment is subject to availability of appropriate equipment in our warehouse.
- g) Loaner Equipment will not be provided after the end of the Minimum Term.
- h) If the Loaner Equipment is damaged, lost or stolen while in your custody, you agree to pay FlexiGroup the full replacement or repair cost of that Loaner Equipment.
- i) Clause 6 (a), (b), and (c) and clause 13 (e) and (f) apply to Loaner Equipment.

9. END OF MINIMUM TERM OPTIONS

- a) You have multiple options concerning the Equipment at the end of the Minimum Term, as described in more detail below:

(i) **(Swap and Update)** you may terminate this Lease Agreement in the 3 months prior to the end of the Minimum Term by written notice to us, return the Equipment to us in accordance with clause 13 and update to new Equipment (with an equal or greater purchase price) on the terms set out in this clause 9. If you select this option, we will waive the remaining Total Monthly Lease Payments on your existing Lease Agreement from the time of termination till the end of the Minimum Term.

(ii) **(Keep and Update)** you may keep using the Equipment and update to new Equipment (with an equal or greater purchase price) on the terms set out in this clause 9 by written notice to us. If you select this option, we will waive the additional payment required for the Keep Equipment option under paragraph (v).

(iii) **(Own the Equipment)** you may make us an offer in writing to purchase the Equipment at any price you see fit (which we are free to accept or reject). If we accept your offer, this Lease Agreement will be terminated and you will own the Equipment. GST will apply to the Equipment purchase price.

(iv) **(Return the Equipment)** you may terminate this Lease Agreement by written notice to us, in which case you must return the Equipment to us in good working order in accordance with clause 13.

(v) **(Keep Equipment)** you may keep using the Equipment by written notice to us and by paying 1 additional Total Monthly Lease Payment or such other amount that we may notify from time to time. If you select this option, you may not on-sell the Equipment and when you have finished using the Equipment you can return the Equipment with no more to pay.

- b) Notice under paragraph (a) must be given:

(i) if you would like to Return the Equipment, Own the Equipment, Keep the Equipment or Keep and Update the Equipment, at or before the end of the Minimum Term (and will take effect from the end of the Minimum Term);

(ii) if you would like to Swap and Update, up to 3 months prior to the end of the Minimum Term;

(iii) if you would like to Return the Equipment, Own the Equipment, Swap and Update or Keep and Update after the end of the Minimum Term, at least 30 days before the date on which you wish to terminate this Lease Agreement or take the relevant action.

- c) The options in paragraph (a)(i), (ii) and (iii) are subject to our approval.
- d) If you do nothing, or fail to give us notice as required under paragraphs (a) and (b), this Lease Agreement will continue beyond the Minimum Term on a month to month basis and you can keep using the Equipment by continuing to pay Total Monthly Lease Payments. If you give us notice that you would like to Swap and Update under paragraph (a)(i) or Keep and Update under paragraph (a)(ii):

(i) and we agree to update the Equipment, we will provide you with a Lease Agreement relating to the new Equipment; or

(ii) we may notify you that we will not update the Equipment, in which case you may continue to lease the Equipment, Return the Equipment under clause 9(a)(iv) or make us an offer to Own the Equipment under clause 9(a)(iii).

Notwithstanding anything contained in this Lease Agreement you have no right or obligation at any time to purchase the Equipment and may at any time after the end of the Minimum Term return the Equipment.

10. EARLY TERMINATION

- a) You may request that the Lease Agreement be terminated early by notifying us in writing and requesting us to confirm the amount payable by you to us on early termination of your Lease Agreement in accordance with clause 11 ("Termination Amount").
- b) We may, at our absolute discretion, agree to release you from your obligations under the Lease Agreement on such terms and conditions (including payment of such Termination Amount) as we may agree in writing. In such event, a \$220 administration fee will apply.
- c) If you repudiate this Lease Agreement, default under this Lease Agreement, or if you return Equipment during the Minimum Term, we may give you notice terminating this Lease Agreement and confirming the Termination Amount payable by you to us.

11. CONSEQUENCES OF EARLY TERMINATION

- a) If this Lease Agreement is terminated under clause 10, you must immediately:
 - (i) pay any overdue Total Monthly Lease Payments, Default Payments and any other amounts payable under this Lease Agreement;
 - (ii) return the Equipment to us in accordance with clause 13; and

(iii) pay the Termination Amount.

- b) The Termination Amount (determined by us in our absolute discretion) will vary depending on when you want to terminate the Lease Agreement and, in the early part of the Minimum Term, the Termination Amount may exceed the purchase price for the Equipment.
- c) Notwithstanding termination of this Lease Agreement in accordance with clause 10, you must continue to pay the Total Monthly Lease Payments in accordance with clause 3 until you pay the applicable Termination Amount as required by this clause and return the Equipment in accordance with clause 13.
- d) If you fail to return the Equipment in accordance with clause 13, you must pay to us on demand liquidated damages equal to the estimated fair market retail value of the Equipment as at the end of the Minimum Term, assuming that the Equipment will be in the condition required by clause 13(a) and (b).
- e) If you have returned the Equipment under paragraph (a)(ii) or if we have repossessed the Equipment in accordance with clause 14, we will pay to you:
 - (i) any amounts you have paid to us under paragraph (d); and
 - (ii) if the fair market wholesale value of the Equipment on the date it is received by us exceeds the amount of liquidated damages paid by you in accordance with paragraph (d), the difference.
- f) We are entitled to set-off any amount that we owe you under paragraph (e) against any amounts that you owe us under this Lease Agreement, or under any other agreement between you and us.
- g) Upon and after early termination of this Lease Agreement, as a separate and independent obligation that survives termination of this Lease Agreement, you agree to pay liquidated damages at the rate of 1.5% per month on the overdue amount, capitalised monthly, until all amounts owing under this Lease Agreement are paid in full.

12. DEFAULT

You will be considered to be in default if you:

- a) do not pay in full any Total Monthly Lease Payment or any other amounts due in accordance with clause 3;

- b) become insolvent, bankrupt or become subject to any liquidation, administration, statutory management arrangement or composition, or a receiver is appointed in respect of you or any of your assets; or
- c) sell, hire, dispose, encumber or otherwise deal with the Equipment or make any attempt to do so, otherwise than as expressly permitted under these Terms and Conditions.

If you are aware of any step having been taken, or that is intended or anticipated to be taken, by any person, that will lead to you being in default under paragraph (b), you must immediately return the Equipment to us in accordance with clause 13.

13. RETURN OF EQUIPMENT

- a) If you have a right or obligation under this Lease Agreement to return the Equipment, you must return the Equipment at your expense to a place within New Zealand that we nominate, together with all software specified in the Agreement Confirmation, all CDs, DVDs, accessories and manuals, in the same condition as the Equipment was in when delivered to you, except for normal, fair wear and tear.
- b) It is your responsibility to remove any personal data and software not specified in the Agreement Confirmation which is stored on or in the Equipment before returning it to us.
- c) We expressly deny all liability for any consequences arising from your failure to remove such information and you agree to indemnify us for any loss, cost, liability or expense incurred to any person in respect of such information.
- d) If any Equipment is returned to us other than in accordance with paragraph (a), you must pay to us the difference between the fair market retail value of the Equipment as returned to us and the fair market retail value of the Equipment as it should have been returned to us (as calculated by us and notified to you).
- e) If any Equipment is returned to us other than in accordance with paragraph (b), you must pay to us, calculated at our standard rates, for our services required to remove any personal data in accordance with paragraph (b).
- f) If you do not return the Equipment as required under this clause, you must continue to pay the Total Monthly Lease Payment on each monthly Payment Date until the Equipment is returned.

14. REPOSSESSION OF EQUIPMENT

- a) If you fail to pay any Total Monthly Lease Payment or any other amount payable under the Lease Agreement or if you fail to return the Equipment when you are required to do so under this Lease Agreement, in addition to our other rights, we or our authorised agents may, subject to complying with any applicable law, enter any premises where we believe the Equipment may be located and repossess the Equipment.
- b) Subject to complying with any applicable law, we may sell any repossessed Equipment at any time.
- c) If we have not sold the repossessed Equipment or terminated this Lease Agreement, you may collect the Equipment from us only if you have paid all amounts payable under this Lease Agreement.

15. RISK OF LOSS OR DAMAGE

- a) Subject to clauses 16 and 17, while we own the Equipment we retain and bear the risk of theft, loss or accidental damage to the Equipment occurring anywhere in New Zealand or Australia or anywhere else in the world during a trip of not more than 28 days' duration.
- b) You assume and bear the risk of all theft, loss or damage to the Equipment which we do not retain and bear under paragraph (a). In such cases, if the Equipment is lost or damaged, you must promptly notify us in writing and you agree to replace or repair the Equipment at your cost, and to continue to pay Total Monthly Lease Payments in accordance with clause 3.
- c) If the Equipment is stolen, lost or accidentally damaged and the risk of that loss or accidental damage is ours under this Lease, subject to your compliance with clause 17, we will discharge our obligations in accordance with clause 18.

16. EXCLUSIONS, ALLOCATION OF RISK AND INDEMNITY

- a) Notwithstanding clause 15, we will not pay for, and you will assume and bear the risk of, any loss, theft or damage to any Equipment:
 - (i) which is not accidental loss or damage;
 - (ii) where at the time of the loss, theft or accidental damage, you are in arrears with your Total Monthly Lease Payments or are otherwise in breach of these Terms and Conditions or any other term of the Lease Agreement;
 - (iii) which is covered by a manufacturer's warranty or any other extended warranty or would have been so covered had that warranty not been

voided;

(iv) caused by mechanical and/or electrical breakdown of any kind, unless the breakdown occurs as a result of an external accident (e.g. power surge);

(v) arising from theft, misappropriation, fraudulent, intentional or dishonest acts, or malicious damage by you, your employees, your family, any person who has unrestricted access to the Equipment, or any person to whom you have lent the Equipment or otherwise permitted to use the Equipment;

(vi) arising from theft, attempted theft or loss:

(1) from unoccupied premises unless the theft or loss resulted directly from a violent and forcible entry to the premises;

(2) from an unoccupied vehicle under any circumstances where the Equipment was stored or left overnight;

(3) from an unoccupied vehicle unless the vehicle was locked and the theft or loss resulted directly from a violent or forcible entry to the locked vehicle and the Equipment was in a locked compartment concealed from sight;

(4) from any public place or any place where the Equipment was left unattended;

(5) occasioned while in the custody or care of a person to whom you have lent, given or otherwise passed custody of care of the Equipment, including a family member, friend or courier;

(vii) occurring during or as a result of the Equipment being transported in any aircraft or watercraft unless carried as cabin baggage;

(viii) that was on loan or being used for trial, testing, demonstration or exhibition;

(ix) where the loss or accidental damage is to software or data of any type whatsoever or is caused by any computer virus, worm, Trojan or the like or any other softwarebased malfunction;

(x) for the costs of data programming, data reconstruction, data recovery or program installation or reconfiguration;

(xi) resulting from:

(1) any consequence of war or warlike activities;

(2) ionizing radiation or radioactivity; or

(3) the confiscation or destruction of any

Equipment by any government, public or statutory authority;

(xii) caused by corrosion, oxidation, rust, insects, vermin, dust, dampness, dryness, cold, heat, wasting, cosmetic damage, scratching or marring, faulty workmanship or materials, loss of screen or image brightness or resolution, failure to perform to specifications or wearing away or wearing out of any part of any Equipment which arises from normal fair wear and tear, ordinary use or gradual deterioration;

(xiii) which are expendable or consumable items including fuses, batteries, bells, chains, tapes or ribbons or any other part of any Equipment which requires periodic or frequent replacement; or

(xiv) if the Equipment is used other than for a purpose for which it was designed.

b) You agree to indemnify us for:

(i) any theft, loss or accidental damage to the Equipment to which clause 16(a) applies;

(ii) liability for any injury or death to any person or damage to any property or any other loss, liability, cost or expense that we may incur to a third party arising directly or indirectly from the Equipment or its use; and

(iii) the first \$220 of any claim for loss, theft or accidental damage in respect of risks retained by us for our processing costs.

c) You are responsible for ensuring that all software and data is backed up.

d) You are not able to make a claim within the first 30 days of the Start Date of the Lease.

e) You can make up to a maximum of 1 claim per 12 months of a lease (i.e. 1 claim in a 12-month lease, 2 claims in a 24-month lease, etc).

17. INCIDENT NOTIFICATION

a) If any Equipment is stolen, lost or accidentally damaged, you must notify us in writing promptly after you become aware of that event. If sufficient detail is not provided, we may request further information.

b) If any Equipment is stolen, you must promptly inform the police and promptly provide us with a copy of the police report. If sufficient detail is not provided, we may request further information.

c) Within 14 days of the loss or accidental

damage occurring, you must complete an Incident Notification Form and send it to us.

18. BASIS OF SETTLEMENT

- a) In our absolute discretion, we may:
 - (i) repair the accidentally damaged Equipment;
 - (ii) replace the stolen, lost or accidentally damaged Equipment with equipment of similar age, original specifications (excluding modifications) and condition, but this may not necessarily be the same make or model; or
 - (iii) release you from your future payment obligations under this Lease Agreement except for any payments in arrears at the time the loss or damage claim is approved for coverage by us and on such other terms and conditions as we may at our discretion consider appropriate.
- b) We reserve the right to choose any suitably qualified repairer to carry out repairs or any suitable supplier to replace the Equipment. Please contact us to obtain information on how to get Equipment repaired where the repair is covered by us under these Terms and Conditions.
- c) Unless we release you from your obligations under paragraph (a) (iii), you must continue to pay Total Monthly Lease Payments in accordance with clause 3 in respect of any Equipment which is lost, damaged or stolen.

19. SUSPENDED PAYMENTS

- a) If your circumstances change and you are not able to satisfy your payment obligations under the Lease Agreement, you may apply to FlexiGroup to have payment of Total Monthly Lease Payments temporarily suspended. ("Suspended Payments").
- b) We will consider any such application in good faith but we are not bound in any way to accept or agree to any such application and if we do so, we may do so on such terms and conditions as we may in our absolute discretion see fit.

20. COSTS, INDEMNITIES AND COMMISSIONS

- a) You must pay or reimburse us for:
 - (i) all taxes (including GST) payable in connection with this Lease Agreement; and
 - (ii) any costs or expenses we incur in enforcing this Lease Agreement or incur because you have repudiated, terminated or breached this Lease Agreement, including any legal costs and expenses, financing break costs, costs incurred in repossessing or attempting to repossess the Equipment, costs incurred in

storing and disposing of the Equipment and our administrative costs.

- b) You must indemnify us for:
 - (i) liability for any injury death to any person or damage to any property arising directly or indirectly from the Equipment or its use; and
 - (ii) any claim for patent, trademark or copyright infringement, or strict liability or for any other reason being made against us in connection with the Equipment or its operation.
- c) You agree that we may pay commissions or fees to any broker, agent, dealer or other person who introduces you to us, or us to you.

21. DISCLAIMERS

- a) Upon delivery of the Equipment you will inspect it and satisfy yourself that it is in good operating order and condition.
- b) You must rely on your own judgment as to:
 - (i) the quality and condition of the Equipment and its fitness and suitability for any particular purpose; and
 - (ii) the performance of services provided by third parties.
- c) No warranties are given in relation to the Equipment or any services other than those implied by law. We are not responsible for any representation or warranty, implied or expressed, made by the supplier of the Equipment.
- d) To the extent permitted by law, damages for breaches of warranties implied by law are limited to repair or replacement of the Equipment or the re-supply of the services.
- e) We exclude all liability for indirect or consequential damage, loss of income, loss of profit or interruption of business.
- f) The supplier of the Equipment or any salesperson or agent of the supplier of the Equipment:
 - (i) is not our agent for any purposes; and
 - (ii) is not authorised to change any term of this Lease Agreement or to make any warranties or representations about it, verbally or otherwise.
- g) You assume and bear the risk of the Equipment failing during normal and proper use.
- h) You agree to replace or repair any Equipment that fails during normal and proper use at your cost and to continue to pay FlexiGroup.
- i) To the extent permitted by law, the provisions of the Consumer Guarantees Act 1993 are excluded

from this Lease Agreement.

- j) You acknowledge that, for the purposes of enabling you at your choice to lease the Equipment, you have requested us to purchase the Equipment solely for the purposes of this Lease Agreement.

22. RELEASE

Subject to clauses 24 to 26, in the event of one of the following events occurring ("Event"), we will treat the Lease Agreement as terminated and release you from the obligation to pay to us any remaining Total Monthly Lease Payments and any other amounts which may be owing under the Lease Agreement as a consequence of the termination or otherwise ("Release"):

- a) Your Disablement or the Disablement of the person(s) nominated in accordance with clause 36 where Disablement means:
 - (i) total and continuous inability to perform the usual duties of an occupation for which you or the person(s) nominated in accordance with clause 36 (as relevant) are reasonably qualified by education, training or experience due to illness or injury for more than 30 consecutive days; and where
 - (ii) the disablement is certified by a legally qualified Medical Practitioner licensed to practice in New Zealand who is acceptable to us; and where
 - (iii) you or the person(s) nominated in accordance with clause 36 (as relevant) have not been engaged in work or an occupation for remuneration or profit since the occurrence of the illness or injury; and where
 - (iv) your disablement or disablement of the person(s) nominated in accordance with clause 36 (as relevant) does not relate to any illness, injury or condition known to be present in the 12 months preceding the commencement of the Lease Agreement.
- b) Your involuntary unemployment or the involuntary unemployment of the person(s) nominated in accordance with clause 36 (as relevant), which is the termination from permanent and gainful employment, not by your choice or the choice of the person(s) nominated in accordance with clause 36 (as relevant) and being certified as unemployed by the appropriate government agency and which does not include any termination that was due to voluntary

unemployment, voluntary redundancy, reaching retirement, or becoming unemployed due to an act or acts of wilful misconduct, any of which occurs 60 days after the approval of the Lease Agreement;

- c) Your death or the death of the person(s) nominated in accordance with clause 36 (as relevant) where the death is certified by a legally qualified Medical Practitioner acceptable to us; or
- d) Diagnosis by a qualified Medical Practitioner acceptable to us that you or the person(s) nominated in accordance with clause 36 (as relevant) are suffering a terminal illness with a life expectancy of three (3) months or less.
- e) An interruption to the business operated by the Customer as described in the Lease Agreement resulting in the Customer being unable to carry on his/her normal business activity for more than thirty (30) consecutive days, as a result of total physical loss or damage to the business premises, prevention of access to the business premises or failure of the essential services to the business premises required for its normal safe operation other than by natural disaster ("Business Interruption Event"). The Business Interruption Event benefit is only available if the Customer has been operating in the same business for at least 6 months prior to any claim being lodged.

23. SUSPENDED PAYMENTS

- a) Subject to clause 24(a), in the event of involuntarily unemployment within the meaning of clause 22(b) or a Business Interruption Event within the meaning of clause 22(e), you may, instead of seeking a Release under clause 22, elect to have payment of Total Monthly Lease Payments temporarily suspended for a period of 3 months from the time of FlexiGroup's notification that it has accepted that you are entitled to a Release ("Suspended Payments").
- b) If you elect Suspended Payments, rather than a Release, FlexiGroup will waive the administration fee payable under clause 24(b).
- c) Following expiration of the 3 month Suspended Payments period:
 - (i) you may seek a Release under clause 22, in which case the administration fee becomes payable in accordance with clause 24(b); or
 - (ii) the remaining Total Monthly Lease Payments will be adjusted to allow for the Suspended Payments.

24. EXCLUSION AND ADMINISTRATION FEE

- a) Notwithstanding clause 22, we will not Release you where you are two or more Total Monthly Lease Payments in arrears.
- b) On notifying us of an Event in accordance with clause 25, or if you seek a Release after a Suspended Payments period in accordance with clause 23(c)(i), you agree to pay us an administration fee of \$220.

25. NOTIFICATION OF AN EVENT

- a) You or your executor must give us written notice within 30 days of an Event occurring.
- b) We will forward a notification form to you or your executor that must, within 14 days of receipt, be completed and returned to us with all relevant information including such information as is set out in clause 22 above.
- c) We may make any reasonable enquiries that we see fit about the notification and may require you to have a medical examination. If we request a medical examination, we will pay for it
- d) When you notify us of a Business Interruption Event, we reserve the right to have one of our appointed agents inspect your premises to satisfy ourselves that a Business Interruption Event has occurred.

26. RETURNING EQUIPMENT AFTER AN EVENT

If we advise you that we agree an Event has occurred, you or your executor must immediately return the Equipment to us.

27. ASSIGNMENTS

- a) You may apply to assign your rights and obligations under this Lease Agreement but you acknowledge that we have an absolute discretion as to whether or not we agree to such an assignment. We may charge a fee to credit assess the proposed assignee even if the proposed assignee is declined.
- b) We may assign our rights under the Lease Agreement at any time on giving you 10 business days' notice.

28. PERSONAL PROPERTY SECURITIES ACT ("PPSA")

- a) If Part 9 of the PPSA applies, it is agreed that sections 114(1)(a), 116, 121, 132, 133 and 134 of the PPSA shall be excluded and shall not apply to this Lease.
- b) You waive the right to receive a copy of the verification statement confirming registration of a financing statement or a financing change

statement relating to our interest in the Equipment and you agree that we may charge fees for compliance with a demand that is made under section 162 of the PPSA.

29. RECEIVER

You agree that, in addition to any other rights we have under this Lease Agreement, we may appoint a receiver in relation to the Equipment and this Lease Agreement. Such a receiver has, in addition to, and without affecting any other powers and authorities conferred on a receiver (whether under the Receiverships Act 1993, or at law or otherwise) the power to do all things as if the receiver had absolute ownership of the Equipment and this Lease Agreement.

30. NOTICES

- a) You must tell us if you change your bank account or credit card details, your business, postal or email address, or if you think there is any information that we should be aware of about your ability to comply with this Lease Agreement.
- b) Subject to complying with any applicable law, we can give you notice by delivering it to you personally or leaving it at, or sending it by post, facsimile or email to, your home, business, postal or email address last known to us. In addition, where applicable, we may give any notice to you under the Lease Agreement by means of our website.
- c) A certificate signed by one of our authorised officers will be adequate and conclusive proof of the facts stated in it relating to this Lease Agreement and rights and obligations arising under it in the absence of manifest error.

31. CHANGES TO THESE TERMS AND CONDITIONS

- a) Subject to complying with any applicable law, we may change these Terms and Conditions at any time by giving you not less than 30 days' notice.
- b) Any change shall not increase the amount of the Total Monthly Lease Payment (except as permitted in accordance with clause 3(l)).
- c) Notice may be given by email or by publication on our website at <http://www.flexirent.co.nz> Please check our website regularly for any notices.

32. CORRECTION OF ERRORS

You authorise us to make any immaterial changes or correct any manifest errors on the Agreement Confirmation or the Offer to Lease and to make any changes requested by you, provided that we subsequently notify you in writing, and provide you

with a complete copy of the relevant amended Agreement Confirmation or the Offer to Lease as the case may be (including inserting Equipment Descriptions, Serial Numbers, Model Numbers, and Customer Contract Number).

33. RESOLUTION OF DISPUTES

FlexiGroup is registered on the New Zealand Financial Service Providers Register (Registration No. FSP44505) and is a member of the Financial Dispute Resolution dispute resolution scheme. If a dispute arises out of this Lease Agreement, you can contact:

Financial Dispute Resolution
Level 9, 109 Featherston Street, Wellington 6011
<http://www.fdr.org.nz>

34. ENTIRE AGREEMENT

- a) The entire Lease Agreement between you and us consists of these Terms and Conditions, the Offer to Lease, the Business Use Declaration (as applicable), the Direct Debit Authority, and each accepted Agreement Confirmation. A Business Use Declaration must be signed by each individual (but not a company, partnership or other entity) that signs a Lease Agreement.
- b) This Lease Agreement cannot be cancelled or terminated except in accordance with its terms.

35. JOINT AND SEVERAL OBLIGATION

If there is more than one, “you” means each of you severally and all of you jointly.

36. PARTNERSHIPS, TRUSTS, COMPANIES

Where you as the Customer are not an individual natural person, but you have nominated an individual natural person(s) under Customer Details in the Agreement Confirmation, you are eligible for Payment Protection in relation to the nominated partners, trustee(s) or director(s) as relevant, and as such a notification may be lodged in their name(s), on behalf of the Customer.

37. INFORMATION ABOUT YOU

Information that we have about you may be disclosed if and as required by any law or any stock exchange or regulatory authority that has jurisdiction over us or any of our affiliated entities.

38. GOVERNING LAW

- a) This Lease Agreement is governed by the laws of New Zealand.
- b) The parties submit to the non-exclusive jurisdiction of the courts of New Zealand in connection with this Lease Agreement and any dispute arising in connection with this Lease Agreement.

39. SEVERANCE

If:

- a) any other law would make a provision of this Lease Agreement illegal, void or unenforceable; or
- b) a provision of this Lease Agreement would otherwise contravene a requirement of any law or impose an obligation or liability which is prohibited by any law,

this Lease Agreement is to be read as if that provision were varied to the extent necessary to comply with the law or, if necessary, omitted, without affecting the continued operation of the rest of this Lease Agreement.

40. INTERPRETATION

Capitalised terms used in the Offer to Lease or any accepted Agreement Confirmation have the same meaning in these Terms and Conditions.

In this Lease Agreement “you” means the person or persons described as the “Customer” on the Signature Page and each Agreement Confirmation. “Us” or “we” means FlexiGroup New Zealand Limited.

“**Acceptance**” means the confirmation of your Lease Agreement with FlexiGroup.

“**Business Day**” means a day other than a Saturday, Sunday or public holiday in Auckland or Wellington.

“**Equipment**” means all or some (as determined by context and circumstance) of the equipment described in any applicable Agreement Confirmation.

“**Lease Agreement**” means (in accordance with context) the entire agreement between you and us, constituted by these Terms and Conditions, the Offer to Lease, Agreement Confirmation and any Business Use Declaration that has been properly executed by you and us.

“**Loaner Equipment**” means equipment we lend to you while accidentally damaged Equipment is being repaired.

“**Minimum Term**” means the agreed minimum term specified in the Agreement Confirmation.

“**Payment Date**” means the Payment Date shown in the applicable Agreement Confirmation.

“**Total Monthly Lease Payments**” means the lease payments shown on the Agreement Confirmation.

41. MISCELLANEOUS

- a) The introduction to and headings in these Terms and Conditions are inserted for convenience only and shall be ignored in

construing this Terms and Conditions.

- b) "Including" means "including without limitation".
- c) Unless the context otherwise requires:
 - (i) words denoting the singular number only include the plural and vice versa and words denoting any gender include all genders;
 - (ii) words denoting individuals include companies and other corporations and vice versa.
- d) References to any legislation or to any provision of any legislation shall be deemed to be references to that legislation or provision as from time to time amended, re-enacted or substituted and, unless otherwise stated, to New Zealand legislation, and, unless the context otherwise

requires, shall also include any statutory instruments issued under any such legislation or provision.

- e) References to any document (however described) shall include references to that document as modified, novated, supplemented, varied or replaced from time to time.
- f) References to any party to the Lease Agreement or any other document shall include its successors or permitted assigns.
- g) References to a time of day shall be references to New Zealand time unless otherwise stated.
- h) Anything which may be done at any time may also be done from time to time.

CONTACT US

OPENING HOURS

Monday to Wednesday 9am – 6pm

Thursday & Friday 9am – 9pm

Saturday & Sunday 9am – 6pm

CALL

0800 444 827

OFFICE

FlexiGroup (New Zealand) Limited

PO BOX 90935 Victoria St West

Auckland 1142

Tel: 09 300 4494

Fax: 09 300 4498

Email: customerservice@flexigroup.co.nz

Please visit our website www.flexirent.co.nz

CUSTOMER CHECKLIST – to apply for a FlexiRent Agreement you must:

- Be using the equipment for work, business or investment purposes
- Apply in your own name or business you are a director of
- Be 18 years old or over
- Be a New Zealand citizen or permanent resident
- Have a good credit history
- Have proof of ID (drivers licence, passport or firearms licence)

BOOKLET NUMBER:

FLEXI[®]
RENT