

Lease Agreement Terms and Conditions

Part A – General Terms

1. Entire Agreement

- a) These Terms and Conditions set out the basis on which FlexiGroup (New Zealand) Limited (“FlexiGroup” or “we”) will Lease Equipment to you. The “Lease Agreement” between you and us consists of these Terms and Conditions, each Agreement Confirmation and any other document which we specify will form part of the Lease Agreement from time to time. Any brochures and marketing material you may have seen are provided for your information only and do not form part of this Lease Agreement.
- b) This Lease Agreement cannot be cancelled or terminated except in accordance with its terms. We may amend or vary these Terms and Conditions at any time by notice given to you in accordance with clause 21 below.
- c) To the extent of any inconsistency between the Agreement Confirmation and these Terms and Conditions, the Agreement Confirmation 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 scheme, see contact details in clause 23.

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.
- b) For the purposes of this Lease Agreement, Equipment includes all equipment referred to in each applicable Agreement Confirmation(s) and may include hardware and/or software.
- c) You must protect our ownership of the Equipment and not attempt to sell, hire, dispose, part with possession, deal with or otherwise adversely impact our security interest in the Equipment in any other way unless expressly permitted to by these Terms and Conditions.

3. 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 breach 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 is not our agent for any purposes and are not authorised to change any term of this Lease Agreement or to make any warranties or representations about it, oral 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 in accordance with this Lease Agreement.
- i) To the extent permitted by law, the provisions of the Consumer Guarantees Act 1993 are excluded from this Lease Agreement.
- j) That for the purposes of enabling you at your choice to lease the Equipment, you have requested us to purchase the Equipment for the purposes of this Lease Agreement solely.

4. Correction of Errors

You authorise us to make any immaterial changes or correct any manifest errors on any Request and to make any changes requested by you, provided we subsequently notify you in writing, and provide you with a complete copy of the relevant Agreement Confirmation with the updated details (including inserting equipment descriptions, serial numbers, model numbers, and Customer Contract Number).

5. Flexigroup Credit Facility

- a) At any time, you may request that we lease additional equipment to you on the terms and conditions of this Lease Agreement by submitting a completed Request for New or Additional Equipment form (“Request”).
- b) We are not obligated to accept any Request and no Request will be binding on us until we have accepted it.
- c) Upon our acceptance of a Request, we will send you an Agreement Confirmation under which we agree to lease to you the Equipment in the Request on the terms and conditions of this Lease Agreement. Each Agreement Confirmation shall form part of this Lease Agreement.
- d) If we have approved a facility limit for you, the aggregate Lease Payments outstanding of all Equipment leased to you must not exceed this facility limit.
- e) We may review the facility limit at any time, and in our sole discretion can reduce this facility limit if payment obligations are not met.

6. Payments

- a) You must pay to us on each Payment Date the Lease Payment shown on each Agreement Confirmation (as such amount may be amended in accordance with paragraph (h)).
- b) The obligation to make Lease Payments continues

for the Agreed Term shown on each Agreement Confirmation.

- c) By submitting the Request you acknowledge that you have reviewed and accepted these Terms and Conditions.
- d) Unless we otherwise agree, all Lease Payments are due on the Payment Date shown on the Agreement Confirmation. We may adjust the first lease Payment Date on any Agreement Confirmation in order to affect a common Payment Date.
- e) If the Payment Date falls on a weekend or public holiday, payment is due the next business day.
- f) Unless we otherwise agree, all payments must be made by direct debit from your bank account or credit card.
- g) All payments, once paid, are not refundable for any reason.
- h) If there is any change to the amount of GST payable or if any other taxes or government charges become payable in respect of the Lease, you agree that we may increase the amount payable by you so the amount we receive is same as if not deduction had been made.
- i) You are unconditionally bound to pay all amounts due without any deduction or set off or counterclaim, and without any deduction in respect of taxes, unless prohibited by law, on any account whatsoever. This obligation continues no matter what happens, even if the Equipment is damaged or destroyed, if it is defective or if you can no longer use it.
- j) We are entitled to decline to accept any part prepayment from you under this Lease Agreement.
- k) If you want to make full prepayment of this Lease Agreement, contact us and we will advise you of the Termination Amount that you must pay in accordance with clause 12(b).

7. Use and Maintenance of Equipment

- a) You must keep the Equipment in good repair, condition and working order (normal fair wear and tear excepted) and supply all parts and servicing required.
- b) You must use, service and maintain the Equipment in accordance with the manufacturer's instructions and recommendations.
- c) You are responsible for the Equipment from the time of delivery to you, until it is returned to us and we have confirmed receipt.
- d) You may modify the Equipment only with our prior written consent. You must not permit the Equipment to become a fixture or an accession to anything we do not own or is not subject to a perfected security interest in favour of us.

8. Inspection

- a) You agree to provide our authorised agents and us with reasonable access to inspect the Equipment to confirm its existence, condition and proper maintenance.
- b) 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.

9. Late Payments

- a) If any Lease Payment or any other amount due is not paid in full 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 annum, capitalised on each Payment Date (the additional charges payable by you if you are in default, being "Default Payments"), until all outstanding unpaid amounts owing under this Lease Agreement are paid in full.
- b) You agree and acknowledge that any Default Payments payable by you are a genuine pre-estimate 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 demand 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.

10. Default

You will be considered to be in default if you:

- a) do not pay in full any Lease Payment or any other amounts due in accordance with clause 6;
- b) fail to insure the Equipment under clause 32 if you are required to do so;
- c) 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
- d) sell, hire, dispose, encumber or otherwise deal with the Equipment or make any attempt to do so.

11. Termination

If you repudiate this Lease Agreement, default under this Lease Agreement, or if you terminate this Lease Agreement by returning the Equipment during the Agreed Term, we may give you notice terminating this Lease Agreement, and then you must immediately:

- a) Pay the Termination Amount as determined in accordance with clause 12(b) of this Lease Agreement; and
- b) As applicable, return the Equipment in accordance with clause 12 and 13 of this Lease Agreement.

12. Consequences of Early Termination

- a) If this Lease Agreement is terminated under clause 11, you must immediately:
 - i) pay to us any overdue Lease Payments, Default Payments and any other amounts payable under this Lease Agreement;
 - ii) pay to us the Termination Amount; and
 - iii) for Operating Lease: return the Equipment, in respect of which this Lease Agreement has been terminated, to us in accordance with clause 13 (if you have not previously done so) if you have selected Operating Lease or Flexirent Equipment Protect; and
 - iv) pay to us 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. In the early part of the Agreed Term, the Termination Amount may exceed the purchase price for the Equipment.
- c) Notwithstanding the termination of this Lease Agreement, you must continue to pay the Lease Payments in accordance with clause 6 until you pay the applicable Termination Amount and, if required, return the Equipment in accordance with clause 13.
- d) If you fail to comply with paragraph (a)(ii), you must pay to us on demand liquidated damages equal to the present value of the estimated fair market retail value of the Equipment as at the end of the Agreed Term (assuming that the Equipment will be in the condition required under clause 13 (a) and (b)) discounted at monthly rates at the Reserve Bank of New Zealand's official cash rate current on the date this Lease Agreement or relevant part is terminated. We may make the demand for

payment by debiting the amount owed under this paragraph from your nominated bank account or credit card on any date at our election without notice to you.

- e) If you have returned the Equipment under paragraph (a)(ii) or if we have repossessed the Equipment under clause 14, we will pay to you any amounts you have paid to us under paragraph d) plus the amount by which the fair market wholesale value of the Equipment as at the date the Equipment is received by us exceeds the amount of liquidated damages calculated under paragraph (d). We will be entitled to set off any amount that we owe you under this paragraph against any amounts that you owe us under this Lease Agreement, or under any other agreement between you and us.

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 documents relating to the insurance, registration and servicing of the Equipment, all documents necessary to transfer the benefit of any insurance, registration and service contract, all software provided by the supplier with the Equipment, all disks, CDs, DVDs, accessories and manuals, in as good condition as the Equipment was delivered to you, except for normal fair wear and tear.
- b) It is your responsibility to remove any personal data or software not specified in the Agreement Confirmation which is stored on or in the Equipment before returning it to us.
- c) We exclude all liability for any consequences arising from your failure to remove such information or our possession of such personal data and you agree to indemnify us for any losses, costs, liabilities or expenses we incur in respect of such information. 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 value of the Equipment as returned to us and the fair market value of the Equipment as it should have been returned to us (as calculated by us and notified to you).
- d) 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).
- e) If you do not return the Equipment as required by this paragraph 13, you must continue to pay the Lease Payment on each Payment Date until the Equipment is returned.

14. Repossession of Equipment

- a) If you fail to pay any Lease Payment or any other amount under this 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 (including any amounts owing under clause 16).

15. Assignments

- a) You may apply to assign this Lease Agreement but you acknowledge that we are not obliged to agree. We may charge a fee to credit assess the proposed assignee even if the proposed assignee is declined.

16. 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, without limitation, 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 death or damage to any person or property arising directly or indirectly from the Equipment or its use, and ii) a 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.

17. Personal Property Securities Act (PPSA)

- a) As the Equipment is ours, you agree to grant us a security interest to secure our Equipment and to register our interest on the Personal Property Security Register.
- b) If part 9 of the PPSA applies, it is agreed that sections 114(1)(a), 116, 121, and 133 of the PPSA shall be excluded and shall not apply to this Lease Agreement.
- c) 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 given under section 162 of the PPSA.

18. Receiver

You agree that, in addition to our rights of termination and enforcement under this Lease Agreement, we may appoint a receiver in relation to the Equipment and this Lease Agreement and, 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) a receiver has the power to do all things as if the receiver had absolute ownership of the Equipment in this Lease Agreement.

19. Severability

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.

20. 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. An email notice shall only be valid if not returned. In addition, where applicable, we may give 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.

21. 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 affect the amount of the Lease Payment (except as permitted in accordance with clause 6 (h)) and shall only apply to obligations arising after the expiry of the notice period.
- c) Notice may be given by email or by publication on our website at <http://www.flexigroup.co.nz>. Please

check our website regularly for any notices.

22. Fees

- a) We reserve the right to charge fees for services we provide.
- 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 6.
- c) A dishonour fee of \$25 will be charged if a 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). Following a dishonour we may attempt to process a Lease Payment 4 working days after the initial dishonour. You must pay a dishonour fee each time the payment is unable to be processed and this amount is nonrefundable.
- (d) A payment deferral fee of \$25 is payable by you where we agree to defer a Lease Payment or any other amount due under this Lease Agreement.
- (e) A credit card administration fee is payable by you, if the Lease Payment or any other amount due under this Lease Agreement is paid with a credit card to compensate us for any additional costs we incur.

23. 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 scheme. If a dispute arises out of this Lease Agreement, you can contact: Financial Dispute Resolution, Level 9, 109 Featherston Street, Wellington 6011 <http://fdr.org.nz>.

24. 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.

25. Interpretation

Capitalised terms used in any accepted Request 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 Agreement Confirmation. “Us” or “we” means FlexiGroup (New Zealand) Limited. “Agreement Confirmation” means the confirmation of our acceptance of a Request sent to you.

26. Joint and Several Obligation

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

Part B – Operating Lease Specific Terms

27. End of Term Options

- a) At any time not earlier than 6 months prior to the expiry of the Agreed Term, you may give us 30 days’ notice that at the end of the Agreed Term you elect to:
 - i) return the Equipment to us in the condition required under clause 13 (a) and (b);
 - ii) negotiate with us to extend the term of this Lease Agreement; or
 - iii) Update to new equipment.
- b) If you do nothing, or fail to give us notice under paragraph (a), this Lease Agreement will continue until you give us at least 30 days’ notice that on the Payment Date immediately after the expiry of the notice you elect to do either (i), (ii) or (iii) of paragraph (a). During this period, you must pay the Lease Payments in accordance with clause 6.
- c) You accept our Terms and Conditions with regards to clause 27 b) by submitting each Request and as such agree not to take legal action against FlexiGroup or its partners in relation to this.
- d) Notwithstanding anything contained in this Lease Agreement you have no right or obligation at any time to purchase the Equipment.

28. Interpretation

“New Lease Agreement” means a lease agreement created by any Agreement Confirmation issued in accordance with clause 5. “Equipment” means all or some (as determined by context and circumstance) of the Equipment described in any Agreement

Confirmation. “Agreed Term” means the agreed term specified in the Agreement Confirmation. “Payment Date” means the Payment Date shown on the Agreement Confirmation. “Lease Payments” means the total lease payments shown on the Agreement Confirmation.

29. Acknowledge

You acknowledge that we may, without giving you notice, sell, assign or otherwise dispose of or deal with our interest in the Equipment, this Lease Agreement or any New Lease Agreement and, subject to any privacy laws, disclose information about you for this purpose.

30. Interim Lease

To cover the lease amount payable for the period between the delivery of any new Equipment pursuant to an Agreement Confirmation and the next scheduled Payment Date, you will be charged an Interim Lease Payment calculated on a daily pro rata basis. If an Interim Lease Payment is payable, it is due when the Agreement Confirmation is received. The Interim Lease Payment (if any) once calculated by us, will be shown on the Agreement Confirmation.

Part D – Loss, Damage and Insurance if FlexiRent Protect is not selected

31. Loss or Damage

- a) You assume and bear the risk of loss or damage to the Equipment. If the Equipment is lost or damaged you agree to replace or repair the Equipment at your cost, and to continue to pay Lease Payments in accordance with clause 6.
- b) You agree to indemnify us for any loss or damage to the Equipment.

32. Insurance

- a) You must arrange and at all times keep the Equipment insured against loss and all other normally insured risks for its full replacement value during the Agreed Term.
- b) You must ensure that we are named as an additional insured party and loss payee under the policy.
- c) You must provide us with evidence that the Equipment is insured if we ask for it.
- d) You must not do, or fail to do, anything which would allow the insurer to refuse or reduce a claim; or enforce, conduct, settle or compromise any claim without our consent.
- e) We are entitled to receive any amounts paid by an insurer. If you receive them, you hold them on trust for us.

Part E – FlexiGroup Protect Specific Terms

33. Risk of Loss or Damage

- a) Subject to clauses 34 and 35, while we own the Equipment we retain and bear the risk of theft, loss or accidental damage to the Equipment occurring anywhere in Australia or New Zealand 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).
- c) If the Equipment is stolen, lost or accidentally damaged and the risk of that loss or damage is ours under this Lease, subject to your compliance with clause 35, we will discharge our obligations in accordance with clause 36.

34. Exclusions, Allocation of Risk and Indemnity

- a) Notwithstanding clause 33, 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 damage you are in arrears with your Lease Payments;
 - 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
 - 3) from any public place or any place where the Equipment was left unattended;
 - 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 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 software based 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; or
 - 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.
- b) You agree to indemnify us for:
- i) any theft, loss or damage to the Equipment to which paragraphs (a)(i) to (a)(xiii) apply;
 - ii) liability for any injury or death to any person or damage to any property arising directly or indirectly from the Equipment or its use; and
 - iii) the first \$220 of any claim for loss or 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 lease commencement date.
 - e) You can make a maximum of 1 claim during the term of the contract on the same asset. The total claim cannot exceed the original equipment cost.

35. Incident Notification

- a) 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 to us, we may request further information
- b) Within 14 days after the loss or damage occurring, you must submit an Incident Notification form to us.

36. Basis of Settlement

- a) In our absolute discretion, we may:
 - i) repair the damaged Equipment;
 - ii) replace the stolen, lost or damaged Equipment with equipment of similar age, original specifications (excluding modifications) and condition, but this may not necessarily be the same make or model;
 - iii) choose to 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; or
 - iv) charge a claim fee in the case of multiple claims to cover processing costs. There will be a \$99 claim fee on any additional claim.
- b) If you are a NZ Education Provider and have selected Equipment Protection cover there will be no claim fee charged.

- c) 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 if it is not a manufacturing fault.
- d) Unless we release you from your obligations under paragraph (a) (iii), you must continue to pay Lease Payments in accordance with clause 6.

Part F - FlexiGroup Payment Protect Specific Terms

37. Release

Subject to clause 39, in the event of one of the following events occurring ("Event") and your compliance with clauses 41 and 42, we will treat the Lease Agreement as terminated and release you from the obligation to pay to us any remaining Lease Payments and any other amounts which may be owing under the Lease Agreement as a consequence of the termination or otherwise (the "Release"):

- (a) Disablement. Your Disablement or Disablement of the person(s) nominated in accordance with clause 40 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 40 as relevant are reasonably qualified by education, training or experience due to illness or injury for more than thirty (30) consecutive days; and where
 - ii) the disablement is certified by a legally qualified medical practitioner licensed to practice in New Zealand and who is acceptable to us; and where
 - iii) you or the person(s) nominated in accordance with clause 40 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 40 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) Involuntary Unemployment. Your involuntary unemployment or the involuntary unemployment of the person(s) nominated in accordance with Clause 40, 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 40 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, or the Customer reaching retirement, or becoming unemployed due to an act or acts of willful misconduct.
- (c) Death. Your death or death of the person(s) nominated in accordance with Clause 40 as relevant where the death is certified by a legally qualified medical practitioner acceptable to us.
- (d) Terminal Illness. Diagnosis by a qualified medical practitioner acceptable to us that you or the person(s) nominated in accordance with Clause 40 as relevant are suffering a terminal illness with a life expectancy of three (3) months or less.
- (e) Business Interruption. Interruption to the business operated by the Customer as described in the 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. The Business Interruption benefit is only available if the Customer has been operating in the same business for a period of 6 months prior to any claim being lodged.

38. Suspended Payments

Subject to Clause 39(a), in the event of you or a person(s) nominated in accordance with Clause 40, being involuntarily unemployed within the meaning of Clause 37(b) or in the event of Business Interruption within the meaning of Clause 37(e), you may, instead of seeking a Release under Clause 37, elect to have

payment of Lease Payments suspended until a period of 3 months has elapsed from FlexiGroup having notified you it has accepted that your notification of the Event entitles you to a Release ("Suspended Payments"). In the event you elect for Suspended Payments, rather than a Release, FlexiGroup will waive the application of Clause 39(b). Following expiration of the 3 month period, you may elect to seek a Release under Clause 37, in which case the administration fee becomes payable in accordance with Clause 39(b) or in the event you choose not to seek a Release under Clause 37, the remaining Lease Payments will be adjusted to allow for the Suspended Payments.

39. Exclusion and Indemnity

- (a) Notwithstanding Clause 37, we will not Release you where you are two or more Lease Payments in arrears.
- (b) On making a notification to us under Clause 41 you agree to pay us an administration fee of \$220.

40. Partnerships, Trusts, Companies

Where you as the Customer are not an individual natural person, but you have nominated an individual/ natural person/s as well under Customer details on the Request, you are eligible for Payment Protection in relation to the nominated partners, trustee(s) or directors as relevant, and as such a notification may be lodged in their names, on behalf of the Customer.

41. How to Make a 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 you or your executor a notification form 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 37 above.
- (c) We may make any reasonable enquiries as we see fit about the notification and may require you to have a medical examination. If we request an examination, we will pay for it.
- (d) When you inform 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.

42. Returning Equipment

In the event we advise you that we agree an Event has occurred, you or your executor must immediately return the Equipment to FlexiGroup (New Zealand) Limited.