

AUGUST 2018



Terms & Conditions

ADVANTAGE LEASE

FLEXIGROUP 

About us

Built on 40 years of trusted experience, FlexiGroup New Zealand is an innovative financial services company doing things differently to deliver smart, customer-centric financial solutions.

With a diversified product offering including investments, credit cards, long-term finance, leasing, and vendor finance programs – FlexiGroup holds a 13,000 strong network of merchants, vendors and retail partners throughout New Zealand.

FlexiGroup New Zealand is a wholly-owned subsidiary of ASX-listed FlexiGroup, Australasia's leading provider of financial solutions for lifestyle, home and business.

QUESTIONS & ANSWERS

General information

Every day, more and more businesses use our lease products to keep up-to-date with the latest equipment. We are delighted to welcome you as one of them.

This booklet contains important information about your Lease Agreement that you may find useful, both now, and in the future. It 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 (see clause 25 General Terms).

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 details including 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 at a later date?

You can easily add items on a new 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 or e-mail the Lease Agreement forms to your equipment supplier within minutes. We setup the payments so they fall on the same day if preferred. There is a minimum equipment invoice price of \$500 including GST for Equipment add-ons. Conditions apply.

How is the GST calculated on my Lease Agreement?

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

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 and what condition it is returned in, or whether you choose to make an offer to purchase the Equipment where we may accept, reject, or renegotiate subject to our discretion. 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 prior written consent. Please seek consent from 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 of, and repairs to 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 (as applicable).

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

If you have not taken Equipment Protect, you will be responsible if your leased Equipment is lost, stolen or damaged. You will be required to continue your lease payments until the end of your lease term where an end of term option is to be decided.

Where Equipment Protect has been taken, except in the circumstances set out in clause 5 of the Protection Product Schedule, 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.

Do I need insurance?

You are responsible for all loss and damage to the Equipment while it is leased to you. You should consider insurance or our Equipment Protect product.

Equipment Protect

No one wants to keep paying for equipment they don't have the use of anymore. For a small additional amount, Equipment Protect allows you to stop making future payments in the event that your leased Equipment is accidentally lost, stolen, or damaged. Conditions apply.

Equipment Loan Programme

If you are having the Equipment repaired, (for example under a manufacturer's warranty), or where Equipment Protect has been taken and we agree to repair accidentally damaged Equipment, we may be able to provide you with Loaner Equipment while the Equipment is being repaired, subject to the General Terms and Conditions. Loaner Equipment is subject to availability and type (currently desktop or tablet computers, iPads, DSLR cameras and smartphones only, but please check with our team).

Payment Protect

Payment Protect provides additional security in the event of Disablement, Involuntary Unemployment, Death, Terminal Illness and Business Interruption. Conditions apply.

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, even if you have purchased a Protection Product. See clause 5 of the Protection Product Schedule 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.

End of Term

IMPORTANT NOTE: 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 General Terms and Conditions. It is your responsibility to notify us at the end of the Minimum Term and advise which End of Term options you choose.

OPTION	DESCRIPTION
1. 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.
2. UPGRADE EQUIPMENT	Upgrade and lease new Equipment (with an equal or greater purchase price) on a new Lease Agreement, and we will waive up to 3 Monthly Lease Payments remaining within your Minimum Term when you choose to return the Equipment. Alternatively, Upgrade and lease new Equipment (with an equal or greater purchase price) at any stage after the end of the Minimum Term and automatically obtain ownership of the old Equipment of which we will waive any additional ownership payment.
3. OWN EQUIPMENT	If you would like to own the old Equipment, you can make us an offer to purchase the old Equipment. You can offer any price, but we have the right to accept, reject, or renegotiate your offer.

If you do not notify us of your preferred option, your Lease Agreement will continue beyond the Minimum Term on a month to month basis. Options 2 and 3 outlined above are subject to our approval. Refer to clause 9 of the General Terms and Conditions for details.

Updating Equipment before the end of your Lease Agreement

Many customers choose a lease with a 2 or 3-year Minimum Term but want to upgrade to the latest Equipment well before the end of the Minimum Term. This is easy to do by simply taking out an additional Lease Agreement (if you still require use of the existing Equipment), or processing an early upgrade on the current Lease Agreement, with no lump sum cash payout required. An early upgrade involves selecting new Equipment from your preferred equipment supplier and entering into a new Lease Agreement. You can then either offer to purchase the old Equipment (Own Equipment) or return it to us (Return Equipment). Any additional amount that you are required to pay under your old Lease Agreement can simply be added to the new Lease Agreement. 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 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 Equipment to you. The "Lease Agreement" comprises these Terms and Conditions (including the Protection Product Schedule if you have taken either or both of Equipment Protect and Payment Protect), the Agreement Confirmation, the Offer to Lease, the Payment Method (including any payment authority document), 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 23 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 scheme, see contact details in clause 25.
- 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 9b)(ii) 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/or software.
- c) Subject to clause 8h), these General Terms and Conditions also apply to any Loaner Equipment provided to you.
- d) 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. PAYMENTS

- a) If a First Lease Payment Amount is shown on the Agreement Confirmation, that First Lease Payment Amount must be paid on the first Payment Date following the Start Date (unless we agree otherwise). 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 (i).
- g) If a Payment Date falls on a weekend or public holiday, payment is due on the next Business Day.
- h) Unless we otherwise agree, all payments must be made by direct debit from your bank account, or debited from your credit card.
- i) All payments, once paid, are not refundable for any reason.
- j) 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.
- k) 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. 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.

- b) You authorise us and we are entitled to direct debit your nominated account, or to debit your credit card for such amount payable to us in accordance with this Lease Agreement 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.

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 (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 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 if you do not have sufficient funds in your account or a credit card transaction is declined).

- a) 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.
- b) 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.
- c) A credit card 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 credit card to compensate us for any additional costs we incur.

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 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 only modify the Equipment with our prior written consent. You must not permit Equipment to become a fixture or as accession to anything that we do not own or is not subject to a perfected security interest in favour of us.

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

- a) If you are having the Equipment repaired, (for example under a manufacturer's warranty), we may supply you with Loaner Equipment.
- b) We do not provide Loaner Equipment for all types of Equipment. You will need to check with our team if the type of equipment is covered. Loaner Equipment is subject to availability.
- c) 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) but the Loaner Equipment may not be identical to the damaged Equipment in brand, size or technical specifications.
- d) 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 period, a monthly fee will apply for the Loaner Equipment (payable in addition to your usual Total Monthly Lease Payments).
- e) We will deliver Loaner Equipment to, and collect the Loaner Equipment from, anywhere within New Zealand, subject to some exceptions for remote areas.
- f) If your request is made during business hours (Monday to Friday, 9am-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.
- 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.

9. END OF MINIMUM TERM OPTIONS

- a) You must contact us on or before the end of the Minimum Term in accordance with this 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.

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

- (i) (Upgrade Equipment) 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 upgrade and enter into a new lease agreement for 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 until the end of the Minimum Term. If you choose to upgrade and lease new Equipment at any stage after the end of the Minimum Term, you will automatically obtain ownership of the old Equipment of which we will waive any additional ownership payment.
- (ii) (Own Equipment) you may make an offer to purchase (some or all of) the old Equipment. Any offer to purchase (some or all of) the old Equipment is a separate negotiation to your Lease Agreement and as such, we may (at our sole discretion) accept, reject or renegotiate any offer to purchase from you. In the event that we agree the relevant purchase price, this Lease Agreement will be terminated and you will own the Equipment. GST will apply to the Equipment purchase price.
- (iii) (Return 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.

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

- (i) if you would like to Return the Equipment or Own the Equipment, at any time before the end of the Minimum Term (and will take effect from the end of the Minimum Term);
- (ii) if you would like to Upgrade the Equipment, up to 3 months prior to the end of the Minimum Term;
- (iii) if you would like to Return the Equipment, Own the Equipment or Upgrade the Equipment 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.

- d) The options in paragraph (b)(i) and (ii) are subject to our approval.
- e) If you do nothing, or fail to give us notice as required under paragraphs (b) and (c), 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 Upgrade the Equipment under paragraph (b)(i):
 - (i) and we agree to upgrade 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 upgrade the Equipment, in which case you may continue to lease the Equipment, Return the Equipment under clause 9b)(iii) or make us an offer to own the Equipment under clause 9b)(ii).

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 under clause 11 ("Termination Amount") on early termination of your Lease Agreement.
- 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; 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. 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, you must continue to pay the Total Monthly Lease Payments in accordance with clause 3 until you pay the applicable Termination Amount 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 would have been returned in the condition required by clause 13(a) and (b).
- e) If you subsequently Return the Equipment 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 any overdue amount owing to us under this Lease Agreement, capitalised monthly, until all amounts owing 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 an 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 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.
- 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 data.
- f) If you do not return the Equipment as required under this clause 13, 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) You assume and bear the risk of all theft, loss or damage (whether accidental or otherwise) to the Equipment. If the Equipment is stolen, 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. You agree to indemnify us for 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.
- b) You are responsible for ensuring that all software and data is backed up.

16. INCIDENT NOTIFICATION

- a) If any Equipment is stolen, lost or 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 incident notification report. If sufficient detail is not provided, we may request further information.
- c) You must also complete our Incident Notification Form and send it to us within 14 days of the loss or accidental damage occurring.

17. 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 your use of 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.

18. 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 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.
- h) To the extent permitted by law, the provisions of the Consumer Guarantees Act 1993 are excluded from this Lease Agreement.
- i) 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.

19. ASSIGNMENTS

- a) You may apply to assign your rights 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 all or any part of our rights under the Lease Agreement at any time on giving you 10 Business Days' notice.

20. 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, 132, 133 and 134 of the PPSA shall be excluded and shall not apply to this Lease.
- 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 made under section 162 of the PPSA.

21. 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.

22. 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 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.

23. 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(j)).
- 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.

24. 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).

25. 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://www.fdr.org.nz>

26. ENTIRE AGREEMENT

Subject to the application of mandatory law, the entire agreement between you and us consists of the documents that make up the Lease Agreement.

27. JOINT AND SEVERAL OBLIGATION

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

28. PARTNERSHIPS, TRUSTS, COMPANIES

- a) 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 (each a "Nominated Person"), and as such a notification may be lodged in their name(s), on behalf of the Customer.
- b) A Business Use Declaration must be signed by each individual (but not a company, partnership or other entity) that signs a Lease Agreement.

29. 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.

30. 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.

31. 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 was 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.

32. 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.

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

“**Loaner Equipment**” means any equipment that we loan to you under the terms of this Lease Agreement.

“**Minimum Term**” means the agreed minimum term starting on the Start Date and ending on the End Date, as 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.

33. 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.

EQUIPMENT PROTECT AND PAYMENT PROTECT SCHEDULE

PART A. EQUIPMENT PROTECT

1. INTERPRETATION

- a) This Schedule is a document that forms part of the Lease Agreement for the purposes of clause 1(a) of the General Terms and Conditions.
- b) Terms defined in the General Terms and Conditions shall have the meanings set out in the General Terms and Conditions, unless the context requires otherwise.
- c) To the extent of any inconsistency between any other document that forms part of the Lease Agreement and this Schedule, this Schedule will prevail.

2. EQUIPMENT PROTECT

We offer two types of protection products (which are each referred to in this Schedule as a “Protection Product” and collectively as the “Protection Products”):

- a) **Equipment Protect:** which protects you in the event of theft, accidental 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, as set out in clause 3.
- b) **Payment Protect:** which protects you against needing to make payments under the Lease Agreement if you suffer an Event, as set out in clause 7.

PART B. EQUIPMENT PROTECT

3. EQUIPMENT PROTECT

If you have purchased a Protection Product:

- a) Following notification in accordance with clause 16 of the General Terms and Conditions and subject to clause 5 below, in our absolute discretion, we may:
 - (i) repair any accidentally damaged Equipment;
 - (ii) replace any stolen, accidentally lost or accidentally damaged Equipment with equipment of similar age, original specifications (excluding modifications) and condition; or
 - (iii) release you from your future payment obligations under the Lease Agreement except for any payments in arrears at the time the theft, loss or damage claim is

accepted 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 we agree to the repair under this Schedule.
- c) Replacement equipment under paragraph (a) (ii) will be of the same class of equipment as the stolen, lost or damaged equipment (for example, if the stolen, lost or damaged equipment is a laptop computer the replacement equipment will be a laptop computer and if the stolen, lost or damaged equipment is a desktop computer the replacement equipment will be a desktop computer) but the replacement equipment may not be identical to the stolen, lost or damaged equipment (in brand, size or technical specifications).
- d) Unless we notify you in writing that we have released you from your obligations under paragraph (a) (iii), you must continue to pay Total Monthly Lease Payments in accordance with the General Terms and Conditions in respect of any Equipment which is lost, damaged or stolen.
- e) We may decline to repair, replace or release you from future payment obligations in the event of theft, accidental loss or accidental damage to the Equipment:
 - (i) If the applicable theft, accidental loss or accidental damage to the Equipment occurs within the first 30 days of the Start Date of the Lease; or
 - (ii) If we have previously agreed to a repair or replacement of the Equipment within the previous 12 months.
 - (iii) If the Equipment is lost or stolen and a Police Incident Notification Form with police case number has not been completed within 14 days of the incident.
 - (iv) If the Equipment has not been received for repair assessment at the nominated repair agent within 30 days of receiving a prepaid courier label.

4. LOANER EQUIPMENT UNDER EQUIPMENT PROTECT

If we agree to repair accidentally damaged Equipment in accordance with clause 3(a)(i) we will, at your request, supply you with Loaner Equipment while the accidentally damaged Equipment is being repaired, subject to the conditions in clause 8 of the General Terms and Conditions.

5. SCOPE AND EXCLUSIONS

If we accept a claim from you under Equipment Protect you agree to pay us \$220 in respect of administration costs. Equipment Protect applies in the event of theft, accidental loss or accidental damage to the Equipment occurring anywhere in New Zealand and Australia or anywhere else in the world during a trip of not more than 28 days' duration, subject to the exclusions below. Equipment Protect does not apply:

- a) to any loss or damage to the Equipment which is not accidental loss or accidental damage;
- b) where at the time of the theft, loss or damage, you are in arrears with your Total Monthly Lease Payments or are otherwise in breach of the Lease Agreement;
- c) to any loss or damage 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);
- d) to any 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;
- e) to any 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.
 - (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;

- (6) from an employee (past or present) taking Equipment and not returning it;
- (7) from an occasion where the Equipment is found to be missing during a stock take.
- f) to any theft, loss or damage occurring during or as a result of the Equipment being transported in any aircraft or watercraft unless carried as cabin baggage;
- g) to any theft, loss or damage to Equipment that was on loan or being used for trial, testing, demonstration or exhibition;
- h) where any 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;
- i) for the costs of data programming, data reconstruction, data recovery or program installation or reconfiguration;
- j) to any theft, loss or damage 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;
- k) where loss or damage is 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;
- l) to any theft, loss or damage of items 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
- m) if the Equipment is used other than for a purpose for which it was designed.

PART C. PAYMENT PROTECT

6. PAYMENT PROTECT

If you have purchased Payment Protect:

- a) If your circumstances change in a manner contemplated by clause 7 or clause 8 and you are not able to satisfy your payment obligations under the Lease Agreement, you may apply to us to either:
 - (i) have payment of Total Monthly Lease Payments temporarily suspended in accordance with clause 7 ("Suspended Payments"); or
 - (ii) following the occurrence of an Event (as defined in clause 8), be released from the Lease Agreement, and treat the Lease Agreement as terminated ("Release").
- 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.

7. SUSPENDED PAYMENTS

- a) Subject to clause 9(a), you may, following an Involuntary Unemployment Event within the meaning of clause 8(b) or a Business Interruption Event within the meaning of clause 8(e), elect to have Suspended Payments for a period of 3 months, instead of seeking a Release under clause 7.
- b) If you elect Suspended Payments rather than a Release, FlexiGroup will waive the administration fee payable under clause 9(b).
- c) Following expiration of the 3 month Suspended Payments period:
 - (i) you may seek a Release under clause 8, in which case the return of the leased Equipment is required and the administration fee becomes payable in accordance with clause 9(b); or
 - (ii) the remaining Total Monthly Lease Payments will be adjusted to allow for the Suspended Payments.

8. RELEASE

Subject to clauses 9 to 11, where you are a sole trader or contractor and 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:

- a) Your Disablement or the Disablement of any Nominated Person(s) where Disablement means:
 - (i) total and continuous inability to perform the usual duties of an occupation for which you or any Nominated Person(s) 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 any Nominated Person(s) 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 your Nominated Person(s) does not relate to any illness, injury or condition known to be present within the 12 months preceding the commencement of the Lease Agreement.
- b) Your involuntary unemployment or the involuntary unemployment of any Nominated Person(s), which is the termination from permanent and gainful employment, not by your choice or the choice of any Nominated Person(s), 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 ("Involuntary Unemployment Event").
- c) Your death or the death of any Nominated Person(s) where the death is certified by a legally qualified Medical Practitioner acceptable to us.
- d) Diagnosis by a qualified Medical Practitioner acceptable to us that you or any Nominated Person(s) 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 you have been operating in the same business for at least 6 months prior to any claim being lodged.

9. EXCLUSION AND ADMINISTRATION FEE

- a) Notwithstanding clause 8, 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 10, or if you seek a Release after a Suspended Payments period in accordance with General Terms and Conditions clause 9(b), you agree to pay us an administration fee of \$220.

10. NOTIFICATION OF AN EVENT

If you have purchased Payment Protect and wish to exercise any of your rights set out in clause 7 or clause 8:

- 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 8 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.

11. RETURNING EQUIPMENT FOLLOWING AN EVENT

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

contact us

CALL

0800 444 827

POSTAL ADDRESS

FlexiGroup (New Zealand) Limited
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