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LOAN CONTRACT (MORTGAGE SECURITY)

DEBTOR:

Member No.

Full name:

Full Address:

THE POLICE AND FAMILIES CREDIT UNION ("the Creditor")

Address: Level 11, Willbank House, 57 Willis Street, WELLINGTON.

The Creditor offers and the Debtor accepts a loan on the terms and conditions contained in this contract including the annexed Schedule of Loan Terms.

1. DEFINITIONS AND INTERPRETATION

"**Advance**" means money paid to the Debtor or to another person to the order of the Debtor

"**Annual Interest Rate**" means the interest rate determined in accordance with clause 4.1 of this contract.

"**Credit Limit**" means the sum specified in item 3 of the annexed Schedule of Loan Terms.

"**CCFA**" means Credit Contracts and Consumer Finance Act 2003.

"**Daily Interest Rate**" means the interest rate determined by dividing the Annual Interest Rate by 365.

"**Default Interest**" means the interest payable by the Debtor at the Default Interest Rate in accordance with clause 7 of this contract.

"**Default Interest Rate**" shall be the Annual Interest Rate for the Loan, as varied from time to time, plus 5 per cent per annum.

"**Facility Account**" the Members Loan Account, Account number **Error! Reference source not found.**

"**Interest Commencement Date**" shall be the date specified in item 7 of the annexed Schedule of Loan Terms and is the date of the first Advance.

"**Mortgage**" means the Mortgage specified in item 12 of the annexed Schedule of Loan Terms.

"**Payment**" shall be the sum specified in item 11 of the annexed Schedule of Loan Terms, but is subject to review pursuant to clauses 8 and 12.5 of this contract.

"**Payment Commencement Date**" means the payment date specified in item 8 of the annexed Schedule of Loan Terms.

"**Property**" means the Property specified in item 12 of the annexed Schedule of Loan Terms.

"**Securities**" means the Securities specified in item 12 of the annexed Schedule of Loan Terms.

"**Unpaid Balance**" means the amount owing under this contract at a particular time, being the difference between all amounts credited and all amounts debited to the Debtor at that time.

"**Term of the Loan**" shall be the Term specified in item 9 of the annexed Schedule of Loan Terms.

"**Working Day**" is as defined in the Credit Contracts and Consumer Finance Act 2003.

1.1 Where the Debtor is more than one person:

- each of them is jointly and severally liable to comply with this contract;
- each reference in this contract to the Debtor is a reference to each such person individually or to any combination of two or more such persons (in any legal relationship, whether joint or otherwise) or to both; and
- each reference to an account of the Debtor includes all accounts of each of the Debtors.

1.2 In this Contract:

- the singular includes the plural and vice versa;
- references to a document or contract include all variations, novations or replacements;
- references to any person (including the Creditor and Debtor) include the person and the successors in title, transferees or executors of the person;
- a reference to a person includes a natural person and a corporation;
- where any word or expression has a special meaning, any other part of speech or other grammatical form of that word or expression has a corresponding meaning;
- headings are for convenience only and do not affect interpretation; and
- the Schedule of Loan Terms as attached forms part of this contract.

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2. THE SECURITIES

- 2.1** All existing Securities from the Debtor to the Creditor secure the Credit Limit, interest and any other amounts payable under this contract.
- 2.2** The Securities in the form required by the Creditor must be given to the Creditor before any part of the Credit Limit is drawn.
- 2.3** The Creditor may at any time require the Debtor to provide such other Securities as the Creditor considers appropriate.
- 2.4** The Debtor shall comply with the terms of the Securities.
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3. DRAWDOWN

- 3.1** The Credit Limit may be drawn down in one sum on the Interest Commencement Date subject to the prior receipt by the Creditor of the following:
- (a) this contract duly executed by the Debtor;
 - (b) the Securities duly executed together with such documents and evidence as are in the opinion of the Creditor necessary to ensure the validity and enforceability of the Securities;
- 3.2** The Creditor may refuse to advance the Credit Limit (or any part of it) if :
- (a) there occurs any event/circumstance which in the opinion of the Creditor may detrimentally alter the financial status of the Debtor or which may reduce the value of the Securities;
 - (b) the Creditor becomes aware:
 - (i) of any non-disclosure of information relevant to this contract and the approval of the loan;
 - (ii) that any statement or information provided to the Creditor by or on behalf of the Debtor is false or incomplete;
 - (c) the Credit Limit is not drawn down within two months of the date of the Debtor signing this contract.
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4. INTEREST

- 4.1** The Annual Interest Rate, as determined by the Creditor, is specified in item 10 of the annexed Schedule of Loan Terms as at the Interest Commencement Date and may be varied from time to time.
- 4.2** (a) Interest charges are calculated by multiplying the Unpaid Daily Balance at the end of each day by the Daily Interest Rate, and are accrued on a fortnightly basis and debited to the point where each payment is to be made.
- (b) In calculating the Total Interest Charges as specified in item 4 of the annexed Schedule of Loan Terms the Creditor has assumed that there will be no change to the Annual Interest Rate for the Term of the Loan and no further Advances.
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5. PAYMENTS

- 5.1** Payments shall comprise principal and interest.
- 5.2** The Debtor shall repay the Initial Unpaid Balance of the loan by fortnightly payments as specified in item 11 of the annexed Schedule of Loan Terms.
- 5.3** In calculating the number and amount of the payments as specified in item 11 of the annexed Schedule of Loan Terms the Creditor has assumed that there will be no change to the Annual Interest Rate for the Term of the Loan and no further Advances.
- 5.4** The Creditor shall apply all such payments paid pursuant to clause 5.2 as provided in clause 14 of this contract.
- 5.5** Should the Creditor review the Annual interest Rate pursuant to clause 8 of this contract the fortnightly Payments may change.
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6. PREPAYMENTS

- 6.1** Provided the Debtor is paying interest at the flexible rate and is not in default under this contract or the Securities, the Unpaid Balance (together with interest calculated at the Annual Interest Rate to the end of the Working Day immediately prior to the actual date of repayment) may be repaid in part or in full, and interest on the sum so repaid shall cease on that date.
- 6.2** Provided the Debtor is paying interest at a fixed rate and is not in default under this contract or the Securities, the Debtor may repay up to 5% of the Unpaid Balance during the fixed term without penalty, and interest on the sum so repaid shall cease on that date.
- 6.3** Provided the Debtor is paying interest at a fixed rate and intends to repay the Unpaid Balance during the fixed term, the Creditor may recover its loss as provided in S54(1)(a) of the CCCFA.
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7. DEFAULT INTEREST

7.1 If the Debtor does not pay any amount due under this contract on its due date the Debtor must pay Default Interest at the Default Interest Rate set out in this contract from the due date for payment until payment is made.

7.2 Default Interest, and Default Fees pursuant to clause 9.2, may be added to the Unpaid Balance of the Loan at intervals determined by the Creditor and interest at the Annual Interest Rate shall be payable on any amounts so added.

8. REVIEW OF INTEREST

8.1 During the currency of this contract the Creditor may review and vary the Annual Interest Rate, and consequently the Default Interest Rate payable by the Debtor by giving the Debtor not less than one month's prior notice, in writing, of the Creditor's intention to vary the Annual Interest Rate.

8.2 The Annual Interest Rate as so varied shall become effective on the date specified in the notice and the Payment shall be recalculated on that date in accordance with the Creditor's amortisation tables on the basis of the new Annual Interest Rate, the Unpaid Balance of the loan and the remaining Term of the Loan.

8.3 Payment, as varied, shall commence on the Payment Date specified in the notice;

8.4 On receipt of the notice the Debtor shall be entitled to make Full Prepayment of the Unpaid Balance of the Loan and all other moneys then owing hereunder together with interest thereon at the Annual Interest Rate, as provided in clause 6.1, on or before the date specified in the notice and interest shall cease to be payable on the moneys so repaid on the date of Full Prepayment.

9. FEES EXPENSES AND TAXES

9.1 The Debtor shall pay to the Creditor:

(a) Upon demand, the full costs and expenses (on a full indemnity basis), including legal fees (upon a Solicitor/Client basis), incurred in connection with this contract and the Securities, the preservation or enforcement or attempted preservation or enforcement of any rights under this contract or the Securities and any approvals hereunder or variations thereof and all duties, fees and taxes, if any, to which this contract or the Securities or any acceptance thereof may be subject or give rise; and

Loan Facility Agreement Variation

(b) Loan establishment fee of \$100.00.

(c) Loan Facility Agreement Variation fee of \$50.00.

(d) Loan processing fee of 1% of the amount of each further advance to a maximum of \$100.00.

9.2 A default fee, may be applied as determined by the creditor in its sole discretion for each default.

10. PAYMENTS

10.1 All payments under this contract must be made:

(a) to the Creditor at its offices at Level 11, Willbank House, 57 Willis Street, Wellington or such alternate address as may be advised by the Creditor; or

(b) by direct credit to the Debtor(s) Police and Families Credit Union account or such alternate account as may be advised by the Creditor; or

(c) by post to the Creditor at P O Box 12344, Wellington; or

(d) as otherwise specified by the Creditor.

10.2 Payments to the Creditor under this contract must be made in same day funds not later than 4.00 pm on the payment due date, without any deduction or withholding whatsoever.

10.3 Any sum due for payment hereunder on a day which is not a Working Day shall be payable on the next succeeding Working Day.

10.4 All payments to be made by the Debtor, whether of principal, interest or other amounts due hereunder, shall be made free of any set-off or counter claim.

10.5 The Creditor may without notice to the Debtor combine, consolidate or merge all or any of the Debtor's accounts with, and liabilities to, the Creditor and may set-off or transfer any sum standing to the credit of the Debtor in any such accounts in or towards the satisfaction of any of the Debtor's liabilities to the Creditor under this contract.

11. PAYMENT DEFAULT

11.1 The Creditor may by written notice to the Debtor:

(a) cancel any undrawn part of the Credit Limit (any amount cancelled will not be available to the Debtor); and/or

(b) require immediate repayment of the Unpaid Balance of the loan, and payment of all interest and other amounts owing under this contract if:

(i) default is made in the payment of any amount due under this contract, or on any of the Debtor's accounts with the Creditor

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- or under any liability the Debtor has to the Creditor; or
- (ii) default is made in the compliance with any term or condition of this contract, or any term or condition of any Securities held by the Creditor from the Debtor; or
 - (iii) the Debtor sells or otherwise disposes of any Property subject to any security held by the Creditor from the Debtor without the Creditor's prior written consent; or
 - (iv) the Debtor is adjudicated bankrupt, or any event preliminary or analogous to the bankruptcy of the Debtor occurs; or
 - (v) the Debtor is unable to pay, or does not pay debts as they become due and payable, or becomes insolvent, or the financial position of the Debtor or the value of any Securities held by the Creditor changes adversely to a material extent, in each case in the Creditor's opinion; or
 - (vi) in the opinion of the Creditor, an unsatisfactory feature develops in the affairs of the Debtor, or the Debtor does not continue to conduct their affairs to the Creditor's satisfaction; or
 - (vii) any representation, warranty or statement made by or on behalf of the Debtor in the Loan Application or in or pursuant to this contract proves to be incorrect,

11.2 The Debtor must immediately comply with any notice given under this clause.

12. REVOLVING CREDIT FACILITY WITH FLEXIBLE RATE

12.1 Where the Debtor has elected to pay interest at the floating rate the Creditor shall make an Advance to the Debtor, and at its sole discretion may make further Advances from time to time, but so that the aggregate amount of the further Advance and the Unpaid Balance of the loan shall at no point in time exceed the Credit Limit. Any further Advance or Unpaid Balance in excess of the Credit Limit shall, to the extent of that excess, be repaid on demand.

12.2 The Creditor undertakes to provide the Debtor with disclosure statements at intervals of not more than 45 working days.

12.3 The provisions of clause 3 of this contract shall apply to any such further Advance.

12.4 Any such further Advance shall be added to and form part of the Unpaid Balance of the Loan and the provisions of this contract shall apply to such further Advance accordingly.

12.5 Should the Creditor make a further Advance, the Payment may be recalculated on that date in accordance with the Creditor's amortisation tables on the basis of the Annual Interest Rate the Unpaid Balance of the Loan and the remaining Term of the Loan, and the Debtor shall pay such new Payment commencing on the next payment due date as advised by the Creditor in writing.

12.6 The Debtor may be charged a fee not exceeding 1% (to a maximum of \$100.00) of each further advance as determined by the Creditor.

13. CERTIFICATES

13.1 In any proceedings relating to this contract a statement as to any amount due to the Creditor, which is certified as being correct by one of the Creditor's officers, shall be prima facie evidence that such amount is in fact due and payable.

14. APPLICATION OF MONEYS

14.1 If any sum paid or recovered in respect of the Debtor's liabilities under this contract is less than the Unpaid Balance of the Loan then due, the Creditor may apply that sum to the Unpaid Balance, interest, fees or any other amount due under this contract in such proportion and order and generally in such manner as determined by the Creditor.

15. WAIVER

15.1 No failure to exercise and no delay in exercising on the Creditor's part of any right, power or privilege hereunder will operate as a waiver thereof nor will any single or partial exercise of any right, power or privilege preclude the further exercise of such one or any other right, power or privilege.

15.2 The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.

16. NOTICES

16.1 Any notice to be given to the Debtor under this contract and for the purposes of all disclosure required by the CCCFA may be:

(a) given to the Debtor personally; or

(b) sent by post to the Debtor at the address shown on the first page of this contract or any other address notified in writing to the Creditor by the Debtor.

16.2 Notice by post shall be deemed to have been received by the Debtor on the fourth Working Day after the date of posting.

17. ASSIGNMENT

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17.1 The Creditor may assign any of its rights under this contract. An Assignee may exercise the Creditor's rights under this contract.

17.2 The Debtor shall have no right of assignment.

18. GOVERNING LAW

18.1 This contract is governed by, and shall be construed in accordance with, the laws of New Zealand.

18.2 All proceedings under this contract shall be heard in the District or High Court at Wellington.

19. COLLATERAL SECURITIES

19.1 This contract shall be collateral with any other document or Securities given by any person whomsoever to secure the Advance or any part thereof and with all documents which evidence the terms of any loans credits advances and other financial accommodation and shall also be collateral with all documents expressed to be collateral herewith, and all such documents shall be read and construed together so that a default under any one such document or security shall constitute a default under all, but so that the Creditor may at its option exercise its rights powers and remedies there under and hereunder either together or separately and in such order as it deems fit.

20. POWER OF ATTORNEY

20.1 The Debtor agrees to irrevocably appoint the Creditor, and each of the Creditor's directors or managers, at the relevant time, as the Debtor's attorney with the power to act on the Debtor's behalf to do anything which the Debtor agrees to do under this contract, or which in the Creditors opinion is necessary to protect the Creditor's interest under this contract or give effect to any right, power or remedy conferred on the Creditor by this contact, by law or otherwise. The Debtor agrees to indemnify the Creditor when acting as the Debtor's attorney for any loss, cost or expense incurred or suffered as a result of any acts or omissions while acting as the Debtor's attorney.

21. INFORMATION

21.1 The Debtor authorises the Creditor to make such enquiries and obtain such information as to the Debtor's credit worthiness from any person or company as the Creditor thinks fit.

21.2 The Debtor, if required, will promptly provide the Creditor, at the Debtor's cost, with such information as to the Debtor's financial position, or any security, or any person providing a guarantee of the Debtor's obligation as the Creditor may from time to time request.

21.3 The Creditor may disclose, on a confidential basis, to a potential Assignee, Transferee or other person with whom contractual relations in connection with the contract or any Securities are contemplated, any information about the Debtor whether or not that information was obtained in confidence and whether or not that information is publicly available.

22. GENERAL

22.1 If any provisions of this contract conflict with the provisions of the Securities, this contract shall prevail.

22.2 This contract may only be varied in writing between the Creditor and the Debtor.

22.3 If any provision of this contract is invalid or unenforceable in whole or in part, the remaining provisions of this contract shall remain valid and enforceable.

22.4 The Debtor acknowledges that the Loan is acquired solely for the Debtor's personal use and not for any business purpose.

SIGNED by : Error! Reference source not found.)
))
as Debtor))
))
on / /))
))
in the presence of:))

Witness:

Occupation:

Address:

SIGNED by THE POLICE AND FAMILIES CREDIT UNION)
as Creditor))
))
on / /))

in the presence of:)
)

Witness:

Occupation:

Address:

SCHEDULE OF LOAN TERMS

1. **DEBTOR:**

2. **CREDITOR:** The Police and Families Credit Union, Level 11, Willbank House, 57 Willis Street, Wellington.

3. CREDIT LIMIT:	7. INTEREST COMMENCEMENT DATE: / / 13
4. TOTAL INTEREST CHARGES:	8. PAYMENT COMMENCEMENT DATE: / / 13
5. CREDIT FEE - Establishment Fee:	9. TERM OF THE LOAN: Years
6. INITIAL UNPAID BALANCE:	10. ANNUAL INTEREST RATE: Floating or Fixed for the first <x> months then reviewed. %

11. PAYMENTS

The Debtor shall repay the Initial Unpaid Balance by payment of <amount> fortnightly payments of <amount> and 1 final payment of <amount> .

12. SECURITY

(a) Mortgage

A registered first Mortgage is to be, or, has been, taken over the following Property:

Mortgagor(s):

Address of property:

Certificate of Title No:

Priority Sum: \$

Deferred Maintenance – The Debtor undertakes to remedy the following at the Property within 12 months of the Interest Commencement Date:

- (i) Replace spoutings; replace all rotted weatherboards and exterior joinery together with any subframe that may have been adversely affected and
- (ii) fit corner scribing to the laundry area and
- (iii) repaint the exterior and repaint the roof. (change/delete as required)

Renovations/Alterations – The Debtor is to ensure that:

- (i) any renovations/alterations etc. to the dwelling are not commenced until the relevant consents/permits have been obtained from the local authorities, and
- (ii) all renovations/alterations etc. meet with local authority requirements and are signed off as completed by those local authorities, (with a copy of such Code Compliance provided to the creditor forthwith), and
- (iii) the Creditor is advised immediately should any local authority require any work on site to cease for any reason whatsoever.
- (iv) the insurer of the property will be advised of any intended renovations/alterations to the dwelling and the insurer's acknowledgment/consent obtained prior to commencement of any work (with a copy provided to the creditor forthwith).

(Change/delete as required)

(b) Superannuation

A Charge over contributions to the Government Superannuation Fund.

A registered charge is to be, or has been taken, over the contributions of - member number

Or (Delete as appropriate)

A Charge over benefits in the Police Superannuation Scheme.

A registered charge is to be, or has been taken, over the benefits payable to, or in respect to – member number

13. STATEMENT OF RIGHT TO CANCEL

The Credit Contracts and Consumer Finance Act 2003 gives you a right for a short time after the terms of this contract have been disclosed to you to cancel the contract.

How to cancel

If you want to cancel this contract you must give written notice to the creditor.

You must also return to the creditor any advance and any other property received under the contract.

Time limits for cancellation

If the disclosure documents are handed to you directly you must give notice that you intend to cancel within 3 working days after you receive the documents.

If the disclosure documents are sent to you by electronic means (for example, e-mail) you must give notice that you intend to cancel within 5 working days after the electronic communication is sent.

If the documents are mailed to you, you must give the notice within 7 working days after they were posted.

Saturdays, Sundays and national public holidays are not counted as working days.

What you may have to pay if you cancel

If you cancel the contract the creditor can charge you-

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

This statement only contains a summary of your rights and obligations in connection with the right to cancel. If there is anything about your rights or obligations under the Credit Contracts and Consumer Finance Act 2003 that you do not understand, if there is a dispute about your rights, or if you think that the creditor is being unreasonable in any way, you should seek legal advice immediately.

14. COMPLAINT RESOLUTION

If you are not satisfied with the services from the Credit Union or you have a complaint about your facility you should contact us at the address given above or by phone on 0800 429 000. You may contact us to make a complaint by telephone, email, or in writing. If after discussing your complaint with the Credit Union you are still not satisfied you may contact the Independent Dispute Resolution Scheme. We are a member of the Independent Dispute Resolution Scheme operated by the Financial Services Complaints Limited (FSCL) which is approved by the Ministry of Consumer Affairs. This service is free to you.

You may refer the matter to FSCL on 0800 347 257, email info@fscl.org.nz, PO Box 4567, Wellington 6145 or their physical address 4th Floor, 101 Lambton Quay, Wellington. For more details see their website www.fscl.org.nz.

15. SCHEDULE OF LOAN TERMS

This schedule forms part of the loan contract.

The Debtor acknowledges having received a copy of this loan contract and the Securities referred to in the loan contract (being initial disclosure as at the date of the Contract under Credit Contracts and Consumer Finance Act 2003) on the _____ day of 2014

Debtor

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Barristers and Solicitors

Attn:

POLICE AND FAMILIES CREDIT UNION – ADVANCE TO
<debtor>

The Police and Families Credit Union (Credit Union) has agreed to make a loan of **Error! Reference source not found.** available to the above named to refinance / purchase the _____ in / renovate/alter _____ secured by a first mortgage over that property. The Credit Union cannot lend to trusts or companies.

The Debtors have requested two loan contracts with \$ _____ at the fixed rate and \$ _____ at the floating rate. This advance is separate from the advance on _____, which is to be repaid on settlement of the sale. The Personal Loan of \$ _____ will be deducted from the advance.

The Credit Union requests you to act on its behalf in the preparation, execution and registration (including electronic registration) of the securities for the loan as detailed below. If for any reason, you are unable to act, please advise urgently.

General Instructions

1. Form of Mortgage and Registration

We require that you use the Auckland District Law Society '**All Obligations**' form of mortgage approved by the Registrar-General of Land together with the accompanying memorandum of provisions.

For mortgages of land you must, where the mortgage will be registered by electronic dealing, ensure that the Mortgagor(s) sign a Client Authority and Instruction in the form set out in the New Zealand Law Society guidelines on e-dealings.

Mortgagee: The Trustees of the Police and Families Credit Union.

Memorandum Number: 2007/4238

Priority Amount (under section 92 of the Property Law Act 2007): \$ _____

Mortgage Type: First – over Identifier: _____

Where security is to be taken over more than one parcel of land and there is no legal impediment to immediate registration of our mortgage at settlement, one mortgage will suffice. However where immediate registration cannot be effected with certainty at settlement (eg because title may be yet to issue) a separate mortgage is to be executed for that parcel of land.

2. Insurance

All buildings are to be insured against loss or damage with a reputable insurance company with a sum insured replacement policy (GST inclusive).

Prior to drawdown, we will require a Certificate of Currency noting the interest of the Credit Union as mortgagee.

3. Life Insurance

The Credit Union does not provide life insurance or mortgage repayment insurance. Please advise the Debtor(s) of the risk associated with uninsured loans and recommend that the risk be covered. The Police Welfare Fund Ltd can assist with life insurance.

4. Outgoings

You are to ensure that all rates (including any arrears), Body Corporate levies (if applicable) and other outgoings are paid on or before settlement.

5. Cross Lease Title

If the security comprises a composite title, the fee simple estate should be free of encumbrances taking priority or adversely affecting the Credit Union's mortgage.

6. Leasehold Titles and Encumbrances

If the property is a leasehold estate (other than a composite title), is Maori land, or is subject to a memorial noted pursuant to the State Owned Enterprises Act 1986, or the title is subject to an encumbrance, or other matter which could adversely affect the interest of the Credit Union as mortgagee, you must advise us and obtain the Credit Union's prior written approval before proceeding.

7. Unit Title

If the property is a stratum estate under the Unit Titles Act:

- (a) obtain the certificate under Section 36 and give notice in terms of Section 41 of the Act of the Credit Union's mortgage, to the Body Corporate;
- (b) confirm that none of the rules of the Body Corporate, nor the contents of the Section 36 certificate, disclose any matter which would adversely affect our interest as mortgagee;
- (c) notify the Body Corporate insurers of the interest of the Credit Union as mortgagee;
- (d) Search the Personal Property Security Register to ensure that there are no charges registered against the property being purchased by the debtor and certify in your solicitor's certificate that there are either no registered charges or that you will have obtained releases of same before settlement.

8. Disclosure

Please attend to disclosure under the Credit Contracts and Consumer Finance Act 2003 after execution of the loan contract. You should disclose copies of all executed documents including a copy of the mortgage provisions to the debtor at the time of execution.

9. Alterations

Please note that there are to be no alterations to the documents without the Credit Union's prior written approval. If approval has been given, please ensure that all changes are initialled by the parties at completion.

10. Establishment Fee

A loan establishment fee of 1% of the amount advanced to a maximum of \$100.00 will be debited to the mortgage loan account at settlement.

The establishment fee is waived.

11. Fees

All of your costs are to be met by your client.

12. Special Instructions

Please complete and return:

- (a) Salary Deduction form
- (b) Mortgage Disbursement Request
- (c) Membership Account Mandate form
- (d) Automatic bank payment authority and confirm that it has been lodged at the bank. The first transfer should be made on the Friday before the first date for payment specified in the Schedule of Loan Terms in order to have cleared funds available for the mortgage payment
- (e) Ensure the mortgagor is aware of item 12 in the Schedule of Loan Terms relating to the need to carry out deferred maintenance / renovations/alterations
- (f) Once the date of refinancing is determined by you, please insert that date in the Schedule of Loan Terms, at item 7

13. Settlement

Funds will not be available unless the following documents are received by the Credit Union at least 24 hours prior to settlement:

- (a) Solicitors Certificate signed by a principal of your firm on your letterhead;
- (b) loan contract, duly executed;
- (c) Insurance Certificate of Currency as in 2 above and showing the Credit Union noted as first mortgagee;
- (d) Copy Client A & I Form, duly executed;
- (e) your trust account deposit form; and
- (f) other relevant documents, for example; Section 36 Certificate.

To avoid any delay in settlement, we strongly recommend that any documents required to be sent to us are sent as soon as possible prior to settlement, so that we can ensure everything is in order. If, for any reason a particular document shall not be available until just before settlement, please forward copies of all documents that are available and send the remaining document later.

14. Securities

All remaining documents requiring registration are to be returned to the Credit Union within 1 week of the date of advance, with a copy of the View Instrument Details and a certificate of title. If there are any delays please notify the Credit Union as soon as possible, indicating the reason for the delay, and the expected availability of the documents.

If you have any enquiries regarding the loan, please contact me.

Yours faithfully

Mortgage Manager

DDI: 04 471 4851

Fax: 04 499 2006

Email: dclayton@policecu.org.nz

Enclosures:

1. Loan agreement (in triplicate)
2. Solicitors Certificate
3. Salary Deduction form
4. Drawdown Form