



FlexiGroup (New Zealand) Limited

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Please visit our website

www.flexirent.co.nz

Open seven days a week

Monday to Wednesday 9am – 5:30pm

Thursday & Friday 9am – 9pm

Saturday & Sunday 9am – 6pm

Applications 0800 444 827

Account enquiries 0800 353 947

Flexirent Protect 0800 587 123

Terms & Conditions Booklet

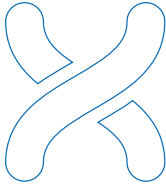
This booklet contains important information.
Please keep this booklet for future reference.

FLEXIRENT[®]





FLEXIRENT[®]
Finance Solutions



Questions & Answers

General Information

Every day more and more businesses and individuals use Flexirent finance solutions by FlexiGroup to keep up-to-date with the latest technology in their businesses or homes. We are delighted to welcome you as one of them. This application booklet contains a wide range of information about your Operating Lease or Lease to Own agreement that you may find useful, both now, and in the future. Operating Lease is a type of lease available for business customers. Lease to Own is a hire purchase arrangement available to both consumers and businesses where you take ownership of the equipment after you have completed all monthly payments.

Some of the requirements and conditions in this booklet apply to the Operating Lease or Lease to Own, but not necessarily to both. Please check whether you have the Operating Lease or Lease to Own agreement and take a few moments to read this booklet and agreement. Be sure to keep it in a secure place for future reference. We look forward to helping you enjoy the best technology and updating it as your needs change.

What if I change my address?

It is important that we have your current address at all times. Please call us on 0800 353 947 to update your address details.

What if I change my bank account?

Simply phone us on 0800 353 947. We will send you a new Payment Method Form to complete and sign.

How is the GST calculated on my Operating Lease agreement?

If you have an Operating Lease agreement,

the GST on your lease agreement is the GST on the purchase price of the goods, divided equally over the term of the lease. For example, on a \$4,000 computer the GST is \$500. When divided by 36 on a 3-year lease, the amount added to your monthly lease payment is \$13.89. GST registered entities should be able to claim the GST amount as an Input Tax Credit. For more information, we suggest you contact your tax advisor.

Can I prepay the agreement at any time?

Yes, but you will need to pay FlexiGroup the termination amount which is calculated by the formula set out in your agreement (shown in clause 12). The prepayment amount varies depending on whether the equipment is returned to us and the condition it is in. You should be aware that the prepayment amount in the early stages of the agreement can in fact exceed the original cost of the leased equipment.

Upgrading the performance of the equipment

If you want to modify the equipment to improve its performance you must receive our consent. Please notify us beforehand by phone or in writing.

Can I add new equipment to my agreement at a later date?

You can easily add items during the term (subject to credit approval). Just call us on 0800 444 827. We can usually approve the extra amount over the phone and fax the forms to your supplier within minutes. We will alter the amount to be paid on your subsequent payments and can combine the payments so they fall on the same day if preferred. There is a minimum requirement of \$500 including GST for add-ons. Conditions apply.

Lease Agreement Questions & Answers

Who is responsible if the equipment breaks down?

You will be responsible for the maintenance or repairs of your leased equipment. We strongly recommend that all 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 supplier. If the equipment breaks down during the manufacturer's warranty period, call the manufacturer or your supplier. After that time, call the extended warranty provider or your supplier.

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

If you have not taken Flexirent Equipment Protect, you will be responsible if your leased equipment is lost, stolen or damaged. You will have to continue your lease payments and if you have an Operating Lease agreement, return the equipment to us at the end of the lease term. For your protection, we require that all leased equipment be insured.

Flexirent Equipment Protect

No one wants to keep paying for equipment they don't have the use of anymore. For a small additional amount Flexirent Equipment Protect will protect you in the event that your leased equipment is accidentally lost, stolen, or damaged.

Flexirent Payment Protect

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

Extra care needed for portable equipment

If you are leasing portable equipment such as a laptop computer, you should always keep it in safe place, secure from theft. Please do not leave it unattended in a public place, or in an unoccupied motor vehicle. The equipment may not be covered by Flexirent Equipment Protect or your own insurance policy if you fail to ensure that it is kept safe and secure.

How do I make a claim under Flexirent Protect?

Just call us on 0800 444 827 and ask for an Incident Notification Form. Our Customer Service Centre will help you through the process.

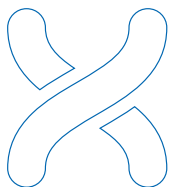
What happens at the end of my Lease to Own agreement?

If you have selected Lease to Own ownership transfers to you at the end of the agreement, provided all payments have been made and there are no other amounts owing.

What happens at the end of my Operating Lease agreement?

FlexiGroup (New Zealand) Limited will endeavour to contact you before the end of your agreement as a reminder that your agreement is about to end. We encourage you to also note your lease end date.

For your Operating Lease end of term options see the following page for table.



Operating Lease End of Term Options

Operating Lease end of term options	
1. Return Equipment	If at the end of your term you have no further use for the equipment, simply return the equipment to FlexiGroup with no more to pay. Equipment has to be in good working order as per clause 13 (a) and (b) in the terms and conditions.
2. Own the equipment at the end of the Minimum Term (subject to our agreement)	Make us an offer to purchase the equipment if you would like to own it. You can offer any price, but we have the right to accept or reject your offer.
3. Swap and update to new equipment (subject to our agreement)	3 months prior to the end of the Minimum Term (excluding 12 month terms), simply return the equipment in good working order and take out a new agreement. The new asset traded up must be no less than 10% of the original contract value. FlexiGroup will waive up to 3 remaining lease payments if a trade up occurs 3 or more months before the end of term.
4. Keep and update to new equipment	If at the end of Minimum Term you wish to keep leasing the old equipment and update to new equipment, simply take out a new agreement for equal or higher value, and keep leasing the old equipment for one extra payment.

Lease Agreement End of Term Options

Updating equipment before the end of your Operating Lease agreement

Many Flexirent Operating Lease customers choose a three-year term but want to “update” their equipment before the end of the term. This is easy to do, with no lump sum cash pay out required. An early update involves selecting the new equipment from your supplier and entering into a new Operating Lease agreement. You can then either offer to purchase the old equipment or return it to us. The amount that you owe us under your old agreement can be simply added to the new Operating Lease agreement. When a customer is doing a trade-up (update) the carry over amount cannot be more than the new invoice cost. The new asset traded up must be no less than 10% of the original contract value. You can update the equipment at any time, however it is most economical to do so in the last six months of the agreement.

How to update your Operating Lease agreement

- Call 0800 444 827
- Advise if you would like to make an offer to purchase the existing equipment or if you wish to return the equipment to us. If you are upgrading, decide the spending limit you would like for a new agreement and we will determine your new lease payments.
- Go to your supplier and select your new equipment: We will prepare the paper work and fax it to your supplier. Read and sign the paper work, then collect the new equipment. Unless you want to change your banking details, we will simply deduct the first payment of your new agreement as previously arranged. You do not need to make any additional payment to the supplier.
- Enjoy the new equipment.

If you have selected OPERATING LEASE, Parts A, B and D of this Lease apply.

If you have also selected Equipment Protect, Parts A, B, D and E of this Lease apply.

If you have also selected Payment Protect, Parts A, B, D, E, and F of this Lease apply.

If you have selected LEASE TO OWN, Parts A, C and D of this Lease apply.

If you have also selected Equipment Protect, Parts A, C, D and E of this Lease apply.

If you have also selected Payment Protect, Parts A, C, D, E, and F of this Lease apply.

This Lease Agreement (Lease) is between you and FlexiGroup (New Zealand) Limited.

Lease Agreement Terms & Conditions

PART A – GENERAL TERMS

1. OWNERSHIP OF EQUIPMENT

- a) We are the owner of the Equipment. You only have the right to use it.
- b) For the purposes of this Lease, Equipment includes hardware and software.
- c) You must protect our ownership of the Equipment and not attempt to sell, hire or deal with it in any other way.

2. ENTIRE AGREEMENT

- a) The entire Lease between you and us consists of these terms and conditions, the Signature Page, the Disclosure Statement or Business Declaration as applicable and each accepted Request.
- b) This Lease cannot be cancelled or terminated except in accordance with its terms.

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 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.
- i) To the extent permitted by law, the provisions of the Consumer Guarantees Act 1993 are excluded if you lease the Equipment.
- 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 agreement solely.

4. CORRECTION OF ERRORS

You authorise us to make any immaterial charges or correct any manifest errors on the Acceptance page and any Request provided we subsequently notify you in writing, and provide you with a complete copy of the relevant amended disclosure statement (including inserting equipment descriptions, serial numbers, model numbers, and Customer Contract Number).

5. FLEXILINE CREDIT FACILITY

- a) At any time, you may request that we lease additional equipment to you on the terms and conditions of this Lease by signing and returning to us a completed Request for New or Additional Equipment form

Lease Agreement Terms & Conditions

- ("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 agree to lease to you the Equipment in the Request on the terms and conditions of this Lease. Each accepted Request shall form part of this Lease.
 - d) If we have approved a facility limit for you, the aggregate purchase price 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 each month the Total Monthly Lease Payment shown on the Signature Page and each accepted Request (as such amount may be amended in accordance with paragraph (h)).
 - b) The obligation to make Total Monthly Lease Payments continues for the Agreed Term shown on the Signature Page and on each accepted Request.
 - c) Payments are due monthly in advance. By signing the Lease you accept that you have reviewed the terms and conditions.
 - d) Unless we otherwise agree, all Total Monthly Lease Payments are due on the Payment Date shown on the Signature Page. We may adjust the first Lease Payment of any accepted Request to reflect a shorter or longer period than one month in order to effect 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 adjust the Total Monthly Lease Payment and/or Residual Amount (if any) accordingly.
 - 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.
 - k) If you want to make full prepayment of this Lease contact us and we will advise you of how much you must pay. The amounts which are payable in a full prepayment are described in the Disclosure Statement.
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 may modify the Equipment only with our consent.
8. LOCATION AND INSPECTION
- a) Other than portable equipment, you must not move the Equipment from its location noted on the Signature Page or on each accepted Request without our prior written consent.
 - b) You agree to provide our authorised agents and us with reasonable

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- 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.
9. LATE PAYMENTS
- a) If any Total Monthly Lease Payment or any other amount due is not paid in full on time, you are in default and we are entitled to recover liquidated damages on the overdue amount which you agree is a genuine pre-estimate of the actual loss that we will suffer as a result of you being late in any payment to us.
- b) For each failure to make a payment in full and on time, the amount of liquidated damages payable will be the greater of \$25 or 1.5% per month on the overdue amount until paid in full.
- c) In addition, you agree to reimburse us for the amount that our bankerscharge us for your dishonoured payment(s).
- d) All liquidated damages are payable on demand which we may demand by debiting the amount of any liquidated damages from your nominated bank account or credit card on any date at our election without notice to you.
- e) Upon and after termination of this Lease, as a separate and independent obligation which survives termination of this Lease, you agree to pay liquidated damages at the rate of 1.5% per month on the overdue amount, capitalised monthly, until all amounts owing under this Lease are paid in full.
10. 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 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 or encumber the Equipment or make any attempt to do so.
11. TERMINATION
- If you repudiate this Agreement, default under this agreement, or if you terminate the Agreement by returning the Equipment during the Agreed Term, we may give you notice terminating this Agreement, and then you must immediately:
- a) Pay any overdue payments and late payment charges or fees accrued on these payments; and
- b) As applicable, return the Equipment in accordance with clause 12 and 13 of this Agreement.
12. CONSEQUENCES OF EARLY TERMINATION
- a) If this Lease is terminated under clause 11, you must immediately:
- i) pay to us the amounts set out in the Disclosure Statement; and
- ii) for Operating Lease: return the Equipment, in respect of which this Lease 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 Protect.
- b) If you fail to comply with paragraph

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- (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 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.
- c) 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 (b) 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 (b). 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, or under any other agreement between you and us.
13. RETURN OF EQUIPMENT
- a) If you have a right or obligation under this Lease 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 Signature Page or any accepted Request which is stored on or in the Equipment before returning it to us.
- c) We expressly deny all liability for any consequences arising from your failure to remove such information.
- 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.
- e) If any Equipment is returned to us other than in accordance with paragraph (b), you must pay to us, calculated at our standard rates, for our services required to remove any personal data in accordance with paragraph (b).
14. REPOSSESSION OF EQUIPMENT
- a) If you fail to pay any Total Monthly Lease Payment or if you fail to return the Equipment when you are required to do so under this Lease, 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, you may collect the Equipment from us only if you have paid all amounts payable under this Lease (including any amounts owing

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under clause 16).

15. ASSIGNMENTS

- a) You may apply to assign this Lease 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; and
 - ii) any expenses we reasonably incur in enforcing this Lease or incur because you have repudiated, terminated or breached this Lease, 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) 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.
- b) You waive the right to receive a copy

of the verification statement confirming registration of a financing statement or a financing change statement relating to our interest in the Equipment and you agree that we may charge fees for compliance with a demand that is given under section 162 of the PPSA.

18. RECEIVER

You agree that, in addition to our rights of termination and enforcement under this Lease, we may appoint a receiver in relation to the Equipment and this Lease 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.

19. SEVERABILITY

If:

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

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.
- b) Subject to complying with any applicable law, we can give you notice by delivering it to you personally or

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- 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.
- c) A certificate signed by an authorised officer will be adequate proof of the facts stated in it relating to this Lease and rights and obligations arising under it.
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 Total Monthly 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) This notice may also be given to you by advertising the information at least once in the daily newspapers published in all of the following areas: Whangarei, Auckland, Hamilton, Rotorua, Hawkes Bay, New Plymouth, Palmerston North, Wellington, Nelson, Christchurch, Dunedin and Invercargill.
22. FEES
- a) We reserve the right to charge fees for services we provide.
- b) Fees will be charged at our standard rates.
- c) A dishonour fee of \$25 will be charged, if a Total Monthly Lease Payment or any other amount due under this Lease Agreement is unable to be processed (including because you do not have sufficient funds in your account or a credit card transaction is declined). Following a dishonour, we may attempt to process a Total Monthly 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 non refundable.
- (d) A payment deferral fee of \$25 is payable by You where we agree to defer a Total Monthly Lease Payment or any other amount due under this Lease Agreement.
- (e) A MasterCard & Visa administration fee is payable by You, of the Total Monthly Lease Payment or any other amount due under this Lease Agreement where payment is made from a MasterCard or Visa.
23. GOVERNING LAW
- a) This Lease is governed by the laws of New Zealand.
- b) The parties submit to the non-exclusive jurisdiction of the courts of New Zealand.
24. INTERPRETATION
- Capitalised terms used in the Signature Page or any accepted Request have the same meaning in these terms and conditions.
- In this Agreement "you" means the person or persons described as the "Customer" on the Acceptance page and each Request. "Us" or "we" means FlexiGroup (New Zealand) Limited. "Agreement" means (in accordance with context) the entire Agreement between you and us constituted by these Terms and Conditions, the Acceptance page and any Request that has been properly executed by you and us.
25. 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
26. END OF TERM OPTIONS
- a) At any time not earlier than 6 months

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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; or
 - iii) make us an offer to purchase the Equipment at any price you see fit (which we are free to accept or reject). GST will apply to this purchase price.
 - iv) Swap and Update to new equipment. The new lease agreement can be up to 10% less than the current agreement.
- b) If you do nothing, or fail to give us notice under paragraph (a), this Lease will continue on a monthly basis and during this period, you must pay the Total Monthly Lease Payments in accordance with clause 6 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).
- c) You accept our Conditions by signing the Lease Agreement with regards to clause 26 b) 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 you have no right or obligation at any time to purchase the Equipment.

27. INTERPRETATION

"New Lease Agreement" means a lease agreement created by any Request that has been completed and executed by you and us, in accordance with clause 3. "Equipment" means all or some (as determined by context and circumstance) of the Equipment described in any Request. "Agreed Term" means the agreed term specified in the Request. "Lease Payments" means the lease

payments shown on the Request.

"Payment Date" means the Payment Date shown on the Request. "Total Payments" means the total payments shown on the Request.

28) 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 Agreement or any New Lease Agreement and, subject to any privacy laws, disclose information about you for this purpose.

29) INTERIM LEASE

To cover the lease amount payable for the period between the delivery of any new Equipment pursuant to a Request and the next scheduled Payment Date, we may either charge you Interim Lease calculated on a daily pro rata basis, or we may adjust the Lease Payments to reflect the cost of the Interim Lease. If Interim Lease is payable it is due when the Request is executed. The Interim Lease (if any) once calculated by us, will be shown on the Request.

PART C – LEASE TO OWN SPECIFIC TERMS

30. TRANSFER OF OWNERSHIP

On termination of this Lease and after you have paid to us all amounts owing under this Lease, ownership of the Equipment shall pass to you.

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.

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- 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.
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 Total Monthly 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
 - 4) 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;

PART E – FLEXIRENT 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.

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- 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 up to a maximum of 1 claim per 12 months of a lease (i.e. 12 months lease 1 claim, 24 months lease maximum 2 claims).
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, we may request further information
 - b) Within 14 days after the loss or damage occurring, you must complete an Incident Notification form and send it 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; or
 - iii) choose to release you from your future payment obligations under this Lease except for any payments in arrears at the time the loss or damage claim is approved.
 - 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 if it is not a manufacturing fault.
 - c) Unless we release you from your obligations under paragraph (a) (iii), you must continue to pay Total Monthly Lease Payments in accordance with clause 6.

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PART F – FLEXIRENT 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 Total Monthly 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 wilful 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.

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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 Total Monthly 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 Total Monthly 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 Total Monthly 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/s natural person/s as well under Customer details on the Signature Page, 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.

