

Credit Contract and Disclosure Statement from Acorn Finance

Below are the details of what is in a credit contract from Acorn Finance

ACORN FINANCE

28/369 Adelaide Road, Newtown, Wellington 6022 Ph 09 419 8984

Your full name

IMPORTANT INFORMATION

The creditor is required to provide you with a disclosure statement under section 17 of the Credit Contracts and Consumer Finance Act 2003 (CCCFA). This document sets out the key information about your consumer credit contract. You should read it thoroughly then keep this document in a safe place. If you do not understand anything in the document, you should seek independent advice. The law gives you a limited right to cancel the consumer credit contract. See below for further details. Note that strict time limits apply.

FULL NAME AND ADDRESS OF CREDITOR

This is the person or company providing you the credit ("we").

You may send notices to the creditor by:

- Writing to the creditor at its postal address; or
- Sending a fax to the number specified ; or
- Sending an email to the address specified

Name: Acorn Finance 2012 Ltd, trading as Cash Relief and The Little Loan Shop

Physical Address 28/369 Adelaide Road, Newtown, Wellington 6022

Postal Address PO Box 27 260, Marion Square, Wellington 6141

Email info@acornfinance.co.nz

YOUR DETAILS

This is the person responsible for making payments to the creditor ("you").

Your name and address

CREDIT DETAILS

Initial unpaid balance.

This is the amount you owe at the date of this statement (including any fees charged by the creditor).

Cash Advance \$

Establishment Fee \$

Other Fees \$ (if applicable)

Total Advances \$ Total advances This is the total amount of all advances to be made to you.

PAYMENTS

You are required to make each payment in the amount specified and at the time specified.

Number of payments and how often

First regular payment amount and due date

Last regular payment amount and due date

Total amount of payments

Method of payment – usually by direct debit or any other method agreed by the Creditor

INTEREST

Interest Rate

49.5% fixed for the whole term of the contract and thereafter until the balance is fully repaid. Daily interest rate: 0.1356%

Total interest charges \$

This is the total amount of the interest charges payable under the contract.

Method of charging interest

Interest charges are calculated by multiplying the unpaid balance at the end of the day by a daily interest rate. The daily interest rate is calculated by dividing the annual interest rate by 365. Interest is charged to your account weekly.

CREDIT FEES AND CHARGES

The following credit fees and charges (which are not included in the initial unpaid balance) are, or may become, payable under, or in connection with, the contract.

Your credit contract may allow the creditor to vary this/these fees and charges.

Account Fee; \$10.50; Monthly.

Administration costs and fees payable on full prepayment are disclosed under the full prepayment heading.

CONTINUING DISCLOSURE

We will provide statements 6 monthly and on request as long as you owe us money

WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS

Default fees

In the event of a default in payment you must pay the default fees. In the event of a breach of the contract or on the enforcement of the contract, the default fees specified below are payable. Your credit contract may allow the creditor to vary these fees and charges

In the event of a breach of the contract or on the enforcement of the contract, the default fees specified below are payable.

Dishonour / Missed Payment Fee \$10.00 for each default

Debt collection agency fees and commissions if you do not pay the unpaid balance when it is due and we refer your debt to an agency to collect from you. Those fees will include the agency commission. You will have to pay the agency fees and commission once we refer your debt to the agency, even if you then pay the unpaid balance (as it was when it fell due) to us or to the debt collection agency. Debt collection fees charged by our debt collection agency, currently \$12.09 setup fee for each debt plus actual court filing fees plus commission of 40.35% of any amount which you pay after we refer the debt.

Our solicitors' actual fees charged to us if we instruct a solicitor to act for us in recovering the unpaid balance.

FULL PREPAYMENT

You can repay your loan in full at any time. All you need to pay is the unpaid balance.

RIGHT TO CANCEL

You are entitled to cancel this consumer credit contract by giving notice to the creditor.

Time limits for cancellation

If the disclosure documents are handed to you directly you must give notice that you intend to cancel within 5 working days after you receive the documents.

If the disclosure documents are sent to you by electronic means (for example, email) you must give notice that you intend to cancel within 7 working days after the electronic communication is sent.

If the documents are mailed to you, you must give the notice within 9 working days after they were posted.

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

How to cancel

To cancel, you must give the creditor written notice that you intend to cancel the contract by:

- giving notice to the creditor or an employee or agent of the creditor; or
- posting the notice to the creditor or an agent of the creditor; or
- emailing the notice to the creditor's email address (if specified on the front of this disclosure statement); or
- sending the notice to the creditor's fax number (if specified on the front of this disclosure statement).

You must also return to the lender any advance and any other property received by you under the contract.

What you may have to pay if you cancel

If you cancel the contract, the creditor can charge you 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).

If you cancel the contract, the creditor can also charge you interest for the period from the day you received the advance until the day you repay the advance.

WHAT TO DO IF YOU SUFFER UNFORESEEN HARDSHIP

If you are unable reasonably to keep up your payments or other obligations because of illness, injury, loss of employment, the end of a relationship, or other reasonable cause, you may be able to apply to the creditor for a hardship variation.

To apply for a hardship variation, you need to:

1. make an application in writing; and
 2. explain your reason(s) for the application; and
 3. request one of the following:
 - an extension of the term of the contract (which will reduce the amount of each payment due under the contract); or
 - a postponement of the dates on which payments are due under the contract (specify the period for which you want this to apply); or
 - both of the above; and
1. give the application to the creditor.

Do this as soon as possible. If you leave it for too long, the creditor may not have to consider your application.

YOUR RIGHT TO COMPLAIN AND DISPUTE RESOLUTION

If you are not satisfied with the service you have received from Acorn Finance 2012 Ltd you should contact us by telephone, by email, or in writing and tell us what your complaint is about. We have an internal complaints process and undertake to investigate your concerns promptly and fairly.

In addition, we are a member of an independent dispute resolution scheme operated by Financial Services Complaints Limited (FSCL) and approved by the Ministry of Consumer Affairs. If you are not satisfied with the outcome after you have contacted us directly you may refer the matter to FSCL by emailing info@fscl.org.nz or calling FSCL on 0800 347257.

Full details of how to access the FSCL scheme can be obtained on their website www.fscl.org.nz. There is no cost to you to use the services of FSCL

REGISTRATION ON FINANCIAL SERVICE PROVIDER REGISTER

Credit Registration Name: Acorn Finance 2012 Limited

Registration Number: FSP246365

I/we the debtor(s) acknowledge that the above are the key terms of our agreement, that we have received a copy of the disclosure statement and operative terms below and the

Important Information for Borrowers document and I/we promise to comply with the operative terms.

DEBTOR'S SIGNATURE

– your signature

OPERATIVE TERMS

We, being Acorn Finance 2012 Limited and the creditor agree to:

1. Lend you the initial unpaid balance specified in the Credit Details section when we receive a signed copy of the Credit Contract (or your Electronic Approval if you are a returning client)

You, the debtor(s) agree and promise:

1. To pay the amount(s) set out in the PAYMENTS section of the disclosure statement on the due date(s) using Direct Debit or a payment method approved by us
2. To seek our written consent if you wish to sell, dispose of, or give to another person any part or all of the security interest
3. To acknowledge that Acorn Finance retains title of the security interest until the loan has been repaid in full
4. To waive your right to receive a copy of the verification statement confirming registration of the security interest
5. To keep the security interest insured and in good condition
6. To pay the interest set out in the INTEREST section of the disclosure statement
7. To pay the default fees set out in the WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS section of the disclosure statement. That means you must also pay the costs of enforcing this agreement including any debt collection agency fees and commission if we refer your overdue debt to such an agency. You must also pay any solicitor's fees (the full amount that the solicitors charge us – that is legal fees on a solicitor/client basis.) or other costs which we have to pay as part of trying to make you pay us.
8. To pay the interest on the unpaid balance if you do not repay the unpaid balance when it is due
9. All the information you give us is accurate and complete
10. To tell us you intend to cancel any Direct Debit Authority we are using to deduct payments from your bank account.
11. To pay any repossession costs including storage costs incurred by Acorn Finance if you fail to meet your obligations under this contract
12. To tell us if you are having difficulties making the scheduled loan payments
13. To tell us of any change in your contact details, your employer or your financial situation that could affect your ability to repay this loan on time
14. If you do not do anything that under this agreement you must do or if you do something that under this agreement you must not do, we may call up the loan early and if we do that, you must pay us the unpaid balance immediately. If you fail to pay immediately, annual interest will continue until the date of your final payment in the PAYMENTS section of disclosure and from that date you must pay us at the interest rate specified in the INTEREST section on the unpaid balance. However, we will not call up the loan early if you default or breach under any of paragraphs 11 to 12 above.

You promise that you have read our Important Information for Borrowers document on our website or been given a copy at our office and have read it.

We both agree to :-

1. Accept notices and communications by mail, fax, email or personal delivery
2. Agree to be bound by any electronic communications that we send or provide each other

Other conditions:

You will be in default of this contract if:-

- You fail to make a payment to us when it is due or;
 - You fail to meet one or more of your obligations under this credit contract; or
 - You are declared bankrupt, or under a No Asset Procedure or Summary Installment Order
1. During any relationship you have with us, you agree that we may collect information about you. You may ask to see information we hold about you and ask for any details that are wrong to be corrected. We may hold the information and share it with the persons who we consider need it to register a financing statement for the security interest and for the continuance or enforcement of this credit contract
 2. **Credit Agencies.**
 1. In respect of us providing one or more loans to you and undertaking periodic reviews, or for the requirements of the Anti-Money Laundering and Countering of Terrorism Act 2009, you authorize us to make credit references within our normal procedures. For this purpose, we may seek from any such source information concerning you.
 2. You also authorize the collection and disclosure of all information relevant to your accounts including repayment history information from/to any credit reporting agency. Credit reporting agencies may use information disclosed by us to update their credit reporting database, and disclose any information that they hold about you to their customers as permitted under the Credit Reporting Privacy Code. In addition, we may use any service provided by our credit reporting agencies to receive updates of the information it holds about you.
 3. In the event that you are in default under any credit facility from us, we are authorized to disclose all relevant information about you, to and for the use by, credit reporting agencies, debt collecting agencies and law firms.
 3. We may use any company or agent approved by us to perform any of our responsibilities under this contract. This means they will have the same specified rights as we have

We may transfer all of our obligations in this agreement to someone else. We will advise you if we do this.