

BFS DRIVE ADVANTAGE FINAL PAYMENT OPTIONS

To: The Buyer (named in the Schedule below)

Dated:

Copy to: Any Guarantor (named in the Schedule below)

SCHEDULE

Parties to and details of Finance Agreement

Seller (Full Name)

Buyer(s) (Full Name(s))

Guarantor(s) (Full Name(s))

Date of Finance Agreement

Finance Agreement No.

Vehicle

RRP (inc GST)

Make

Colour

Type of Body

V.I.N./Chassis No

Year

Model

cc

Registration No.

Engine No.

Final Payment

Amount \$

Due Date

Maximum Estimated Kilometres

We refer to the Finance Agreement described above. We are pleased to make the BFS Drive Advantage Final Payment Options available to you on the terms and conditions set out in this BFS Drive Advantage Agreement, which is made up of this Schedule and the attached Terms.

Capitalised terms used in this BFS Drive Advantage Agreement are explained in the Dictionary in the attached Terms.

SIGNED BY

Buyer's Signature

Buyer's Signature

Guarantor's Signature

BFS DRIVE ADVANTAGE TERMS

Capitalised terms used in these Terms are explained in the Dictionary in section 3 below.

1. YOUR BFS DRIVE ADVANTAGE FINAL PAYMENT OPTIONS

The Final Payment falls due and must be paid in full on the Due Date under the Finance Agreement.

Under this BFS Drive Advantage Agreement, you can choose to make the Final Payment in one of the following three ways, subject to the full terms and conditions of this BFS Drive Advantage Agreement:

1.1 Option 1 – Keep Owning Option

You can choose to keep owning the Vehicle by either paying your financier, or *re-financing*, the Final Payment amount. If you want to re-finance the Final Payment amount (that is, borrow more money to pay for this amount), you must tell us in writing at least 30 days before the Due Date and enter into a variation of the Finance Agreement, but you will only be able to choose this option if you meet the normal credit criteria at that time in which case:

- we will advise the terms and conditions that apply to the varied Finance Agreement; and
- the interest rate that will apply to the varied Finance Agreement will not be more than the higher of the interest rate that applies under the Finance Agreement at the time you choose this option, or our then-current interest rate for similar borrowers.

1.2 Option 2 – Trade-In Option

You can choose to trade in the Vehicle, in which case you can use the amount equal to the difference between the Vehicle's trade value and the amount of the Final Payment as a deposit on the purchase price for a new or different vehicle (but, if the Vehicle's trade value is less than the amount of the Final Payment, due to any excess wear and tear and excess mileage as detailed below, you have to pay us the difference on the Due Date).

1.3 Option 3 – Sell Back Option

You can choose to sell us back the Vehicle on the Due Date if you meet the Sell Back Conditions set out below. In that case, you must pay us the Sell Back Top Up which is the amount of the difference between the Final Payment amount and the Sale Price on the Due Date.

(a) How we determine the Sale Price

For the purpose of calculating the Sell Back Top Up, the *Sale Price* is the Final Payment amount, less the following (all inclusive of GST):

- a \$350.00 disposal fee;
- any Excess Wear and Tear Deduction (as determined below); and
- any Excess Mileage Deduction (as determined below).

(b) Sell Back Conditions

You must meet the following Sell Back Conditions on the Due Date to be able to choose this Sell Back Option:

- You have told us in writing that you have chosen this Sell Back Option.
- You have paid all amounts owing under the Finance Agreement, other than the Final Payment amount.
- You have kept the Vehicle registered and warranted.
- You have had the Vehicle serviced as per the manufacturer's manual and have had all applicable recall campaigns done via an authorised service facility.
- You have not altered or changed the Vehicle without our prior written agreement.
- You have paid or will pay any Sell Back Top Up on the Due Date.

You cannot choose this Sell Back Option if any of these conditions has not been met on the Due Date.

If you have met the Sell Back Conditions on the Due Date, then the Final Payment will have been made and you will have sold us the Vehicle on that date.

(c) Excess Wear and Tear Deduction

When we calculate the Sale Price, we will do an initial inspection of the Vehicle's condition to estimate the total cost of repairing and restoring the Vehicle to saleable condition (although we will not take into account any normal wear and tear for this purpose).

The estimated costs will include the cost of preparing or replacing:

- glass that is damaged;
- damaged body, fenders, metal work, lights, trim or paint;
- missing equipment that was in the Vehicle when delivered and has not been replaced with equipment of equal quality and design;
- missing wheel covers, jack or wheel wrench;
- missing or unsafe wheels or tyres (including spare);
- any tyre with less than 3mm of tread remaining at the shallowest point;
- torn, damaged or stained dash, floor covers, seats, headlines, upholstery, interior work or bootliners;
- any mechanical damage or other condition that causes the Vehicle to operate in a noisy, rough, improper, unsafe or unlawful manner;
- any other damage, but this is not a complete list. The total amount of these estimated costs will be the Excess Wear and Tear Deduction (subject to the two exceptions below), and we will notify you of this amount after we have completed our initial inspection.

Exceptions

- If you disagree with our calculation, you can pay for a professional inspection of the Vehicle's condition by an independent third party that we approve and, if you do so, the amount confirmed by that professional inspector will be the Excess Wear and Tear Deduction.

- If, in our opinion, the Vehicle’s condition has materially deteriorated since our initial inspection or the professional inspection (see above), we can either undertake another inspection of the Vehicle’s condition, or require you to organise another professional inspection to update the Excess Wear and Tear Deduction on the Due Date, and we will adjust the Sale Price to reflect the revised Excess Wear and Tear Deduction.

(d) Excess Mileage Deduction

You have estimated in the Schedule the maximum estimated kilometres that the Vehicle will be driven before the Due Date. Subject to the exception below, the Excess Mileage Deduction used to calculate the Sale Price will be the product of the relevant amount per kilometre specified in the following table and the number of kilometres the Vehicle has been driven in excess of the maximum estimated kilometres as the date of our initial inspection of the Vehicle’s condition.

Where the number of kilometres driven in excess of the maximum estimated kilometres:	Amount per kilometre (for each kilometre in excess of the maximum estimated kilometres)
does not exceed 15,000 kilometres:	12 cents
exceeds 15,000 kilometres but does not exceed 25,000 kilometres	14 cents
exceeds 25,000 kilometres	18 cents

Exception

If, in our opinion, there has been a material change in the number of kilometres that the Vehicle has driven at the Due Date since the date of our initial inspection compared to the estimate you provided in the Schedule, we can update the Excess Mileage Deduction at the Due Date, and we will adjust the Sale Price to reflect the revised excess Mileage Deduction.

3. DICTIONARY

3.1 Meaning of Words

In this BFS Drive Advantage Agreement, unless the context otherwise requires:

assign includes sell;

Buyer means the person(s) described as the “Buyer(s)” in the Schedule, and if there is more than one, each of them equally, and includes any person that legally takes over a “Buyer’s rights and/or responsibilities. If there is more than one Buyer, each Buyer has joint and several liability. That means we can sue all Borrowers together, or any Borrower by itself, for the full amount owed to us;

Due Date means the due date specified in the Schedule for the Final Payment, but if that date is not a business day, it will be the next business day;

Excess Mileage Deduction is determined in accordance with section 1.3(d) above;

Excess Wear and Tear Deduction is determined in accordance with section 1.3(c) above;

Final Payment means the amount (or if there is more than one amount, the total of all amounts) specified in the Schedule as the final payment or the final instalment, and any other amounts payable by you under the Finance Agreement in respect of that amount;

Finance Agreement means any finance agreement listed in the Schedule that you enter into with us (that is, the financier, or the Seller) at the same time as this BFS Drive Advantage Agreement;

GST means any applicable goods and services tax;

Guarantor means the person(s) described as the “Guarantor(s)” in the Schedule (if any), and if there is more than one, each of them equally, and includes any person that legally takes over a Guarantor’s rights and/or responsibilities. If there is more than one Guarantor, each Guarantor has joint and several liability. That means we can sue all Guarantors together, or any Guarantor by itself, for the full amount owed to us;

Reassignment Time is defined in section 2 above;

Sale Price is defined in section 1.3(a) above;

Schedule means the schedule to this BFS Drive Advantage Agreement;

Sell Back Conditions are listed in section 1.3(b);

Sell Back Top Up is described in section 1.3 and is the amount of the difference between the Final Payment amount and the Sale Price on the Due Date;

Seller means each person described as the “Seller” in the Schedule, and any person who legally takes over its rights and/or responsibilities under this BFS Drive Advantage Agreement (including all assignees and transferees);

BFS Drive Advantage Agreement means the Schedule and these Terms;

BFS Drive Advantage Final Payment Options means the Keep Owning Option, the Trade-In Option, the Sell Back Option, described in section 1.3 above;

Terms means this BFS Drive Advantage Agreement which contains the BFS Drive Advantage terms and conditions;

Vehicle means the vehicle described in the Schedule;

3.2 Interpreting this Agreement

This BFS Drive Advantage Agreement must be interpreted using the following rules (unless it would not make sense to do so):

- Ignore all headings, bolded text and italicised text when interpreting this Agreement.
- Where we refer to one thing (the singular), we include multiple things (the plural), and the other way around.
- Where we define a term in this BFS Drive Advantage Agreement, other grammatical forms of that term have corresponding meanings.

- Where we refer to an agreement or document (including any Finance Agreement), we include that agreement or document as amended, varied or replaced from time to time with our consent.
- Where we refer to any statute, we include all future versions if it, including all changes to it, all re-enactments or replacements of it, and all regulations and orders in-council made in connection with it.

This BFS Drive Advantage Agreement is a Relevant Agreement for the purpose of any Finance Agreement.

Any term of the Finance Agreement relating to giving notices, privacy and costs apply equally to this BFS Drive Advantage Agreement.

This Agreement is governed by and must be interpreted under New Zealand Law