

CONTRACT No. [insert number]

# Plus Home Loan Facility Agreement - Details

Date: [insert date] (“**Disclosure Date**”)

To: [insert borrower name(s)]

We, Bank of China (New Zealand) Limited (“**Bank of China**” or “**we**” or “**us**”), are pleased to offer you a revolving credit facility, a Plus Home Loan product, on the terms and conditions set out in these Plus Home Loan Facility Agreement - Details (“**Details**”) and the enclosed Plus Home Loan Facility Agreement General Terms & Conditions (“**General Terms & Conditions**”). Information on how to accept our offer is set out below.

## What is this?

These Details set out key information about your Plus Home Loan with Bank of China, including your credit limit, the purpose of the facility, the Interest Rate, fees and charges that apply, the repayments you need to make, the security required for this facility, and other important information.

These Details, together with the General Terms & Conditions attached, form your Plus Home Loan facility agreement with us for this facility (“**Facility Agreement**”). By signing these Details, you are agreeing to have a revolving credit facility with us on the terms and conditions set out in these Details and the General Terms & Conditions.

## Your new facility

<p><b>Lender</b></p>	<p>Bank of China (New Zealand) Limited</p> <p>We are a registered bank in New Zealand and registered on the Financial Service Providers Register under our legal name above, with registration number FSP409486.</p> <p>Our address is Level 19, 66 Wyndham Street, Auckland CBD 1010.</p> <p>You may send notices to us at the above address.</p> <p>You may also send notices to us at our email address: <a href="mailto:Lendingservices.nz@bankofchina.com">[Lendingservices.nz@bankofchina.com]</a>. We consent to receiving notices and other communications at this email address for this purpose.</p> <p>You may obtain further information by phoning us at 0064 9 980 9000 or from our website at <a href="http://www.bankofchina.com/nz">www.bankofchina.com/nz</a></p>
<p><b>Borrower</b></p>	<p>[insert borrower details, including the borrower's full name and full address]</p>
<p><b>[Additional Borrower]</b></p>	<p>[insert additional borrower details, if any]</p>

<b>Facility Account Number</b>	[insert Facility Account details, including the Facility Account Number]
<b>Security Provider/ Security Owner</b>	[insert mortgagor details]
<b>[Guarantor]</b>	[insert guarantor details, if any]
<b>Credit Limit</b>	[insert the credit limit for this revolving credit facility] You will not be able to utilise more than the Credit Limit, unless it is an accrued interest charged on your Utilised Amount or fees that we directly deduct from your Facility Account. If your Credit Limit is exceeded, a Default Interest Rate will apply (see below). We also have the right to change (i.e. to increase or to reduce) your Credit Limit by giving you advance notice in writing.
<b>Availability Date</b>	[insert the date on which the revolving credit is to be made available to the client]
<b>Term</b>	[insert loan term]
<b>Interest Rate</b>	Current Plus Home Loan interest rate: [insert the current interest rate]% p.a.  The Interest Rate can change, including before the Availability Date. Interest will be calculated daily and applied to the amount of the facility that you utilise (" <b>Utilised Amount</b> "), so the total interest charges and payments required will be determined by the Utilised Amount. Interest will be charged monthly and deducted from the available balance of your facility.
<b>Default Interest Rate</b>	The Default Interest Rate is the applicable Interest Rate plus 12.50% p.a.  We can charge this Default Interest Rate if you do not pay amounts due on your facility when they are due. For example, when you have exceeded your Credit Limit after we deduct accrued interest or fees from your Facility Account. You will be charged a Default Interest at the Default Interest Rate for the excessive amount over your Credit Limit.  For details on other fees that may apply, see below under "Fees and other amounts charged to you".
<b>Repayment</b>	There are no fixed payments that you need to make. However, you are still responsible for paying any interest that we apply to the Utilised Amount, as well as any other charges or fees that you owe us. It is your responsibility to ensure that you do not exceed your Credit Limit, including all charges and fees that you owe us and that are going to be deducted from your Facility Account, otherwise, the Default Interest Rate will

	be applied to any amount that exceeds your Credit Limit.
<b>Special Conditions</b>	We must receive confirmation from your solicitor that the information in these Details and the General Terms & Conditions has been communicated to you in your choice of language.
<b>Additional Conditions Precedent for this facility</b>	[insert any conditions precedent if applicable]

### Fees and other amounts that may be charged to you

Item	Amount	Timing
<b>Plus Home Loan application fee</b> Administration fee payable when you apply for a revolving credit facility.	Free	Payable on the Availability Date
<b>Facility top up fee</b> Administration fee payable if at any time you apply to increase the Loan Amount	Free	Payable at the time that you apply for a top up to your facility.
<b>Monthly account fee</b> Administration fee charged each month, or part of the month for administering your facility.	Free	Charged each month, or part of the month you have the facility payable each month, deducted from your facility.
<b>Discharge fee</b> Administration fee payable on the discharge of each mortgage registered in favour of us.	NZ\$100	Payable at the time each registered mortgage is discharged
<b>Non-utilisation recovery fees</b> Administration fee payable if you do not make a borrowing under the loan.	NZ\$500	Payable on each scheduled lending date on which you do not make a borrowing
<b>Transfer of security fee</b> Administration fee payable when we review and document any requests you make to transfer or otherwise change the security.	NZ\$100  Plus legal costs (if any) we incur for such transfer or change	Payable on or before the date the security is changed  Legal costs are payable as per legal cost invoices
<b>Consent fee</b> Administration fee payable if we agree to provide our consent to any matter relating to the security for the facility (including on discharge or release of that security).	NZ\$40	Payable on or before the date that consent is provided

<b>Default Notice Fee</b> Administration fee applies for any notice whether under the Property Law Act 2007 or otherwise which we send after you are in default.	NZ\$200  Plus legal costs (if any) we incur in performing or enforcing the loan agreement or security after you are in default	Payable when the notice is sent to you  Legal costs are payable as per legal cost invoices
<b>Redocumentation fee</b> An administration fee payable for redocumenting the facility if you request material changes to be made to your Plus Home Loan.	NZ\$250  Plus legal costs (if any) we incur for such redocumentation	Payable on or before the date that you receive the redocumented facility agreement  Legal costs are payable as per legal cost invoices

These fees will be deducted from your Facility Account at the times set out above unless otherwise notified by us.

Further details relating to fees are detailed in clause 14 of the General Terms & Conditions.

We can change the amount of any fee that you have to pay us or we may introduce new fees by giving you written notice. Any new or changed fee must be reasonable.

### Right to cancel

You may cancel this facility by giving us written notice and meeting the other requirements below.

#### Time limits for cancellation

You must give notice that you intend to cancel this facility within the following time limits:

- if these Details are given to you in person, within 5 working days after you receive them,
- if these Details are sent to you by email or other electronic communication, within 7 working days after the electronic communication is sent, or
- if these Details are sent to you by post, within 9 working days after they are posted.

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

#### How to cancel

You must give us written notice that you intend to cancel by:

- giving notice to us or our employee or agent, or
- posting the notice to us or our agent, or

- emailing the notice to our email address at the start of these Details.

You must also return the Utilised Amount for this facility.

### **What you have to pay if you cancel**

In addition to repaying the Utilised Amount for this facility, if you cancel this facility, we may charge you the amount of any reasonable expenses we necessarily incur in connection with this facility and the cancellation, and interest charges on any advance provided to you for the period until it is repaid.

### **What to do if you suffer unforeseen hardship**

If you are unable, because of illness, injury, loss of employment, the end of a relationship or other reasons, to meet your obligations under this facility, you can apply to make changes for this facility in writing to us specifying the reason for your inability to meet those obligations.

Your written application must explain your reason(s) for a postponement of your payment date(s) for amount you are owing to under this facility (without changing the applicable Interest Rate).

You should make this application as soon as possible after you become aware that you are unable to meet your payment obligations under this facility. If you leave it for too long, interest payment will keep accumulating for the amount you owe us and we may not have to consider your application. There may also be extra requirements you will need to meet if:

- you have already missed a payment that we asked you to make;
- we have already sent you a notice under the Property Law Act 2007 for payment; or
- you have sent us a similar application in the recent past.

We may only be able to make changes to this facility if we believe the requested changes are fair and reasonable given the hardship you are experiencing.

### **Security required for this facility**

This is secured credit. You acknowledge that the following security extends to and secures any money owing (now or in the future) under this facility.

If you fail to pay us any amount under this facility when due or otherwise breach the terms of this facility, we may be entitled to repossess and sell the property referred to below. If we exercise our rights under the security and there is a shortfall, you will remain liable to pay us the amount of any shortfall.

You may not give the same security (as that term is defined in the General Terms & Condition) unless we agree in writing. If we had not agreed and any security interest is given to someone else, we can ask you to repay the amount you are owing to under this facility. If the amount you are owing to under this facility is not repaid, we may be entitled to repossess and sell the property.

### **Security**

You agree to provide us the following security:

Security 1: First registered mortgage by Bank of China (New Zealand) Limited over the property situated at [insert address], as detailed in Record(s) of Title [insert record of title [specify region] Land Registration District] ("**First Property**"), with security priority up to \$[insert priority amount] (which is 1.5 x valuation amount) plus interest.

Security 2: First registered mortgage by Bank of China (New Zealand) Limited over the property situated at [insert address], as detailed in Record(s) of Title [insert record of title [specify region] Land Registration District] ("**Second Property**"), with security priority up to \$[insert priority amount] (which is 1.5 x valuation amount) plus interest.

### **Consent to Transfer of Loan Funds**

You acknowledge and agree that, upon the availability Date of this facility, we are authorised to transfer any amounts under this facility directly from your account to your Solicitor's trust account for the purposes of completing the settlement of the loan.

### **Usage of Term Deposit**

This part only applies to clients who hold one or more Term Deposits with us.

You agree that if you fail to pay us any amount under this Facility Agreement when due (the "**overdue amount**") then, regardless of the terms of the Term Deposit, we shall have the right, at any time, to release and withdraw any amounts standing to the credit of the Term Deposit and to set off, combine or apply such amount against the overdue amount (including any accrued interest at the Default Interest Rate). If following such set off the net amount is an amount owing by you to us, you will be liable to pay us the net amount (which may become subject to the Default Interest Rate).

After any such set-off, you must pay additional amounts into the account of the Term Deposit within [5] working days to ensure that its credit balance is at least equal to the initial amount of the Term Deposit referred to above.

The usage rights above are in addition to all other rights that we may have under this Facility Agreement or the General Terms & Conditions, including our security interest in the Term Deposit.

### **Set Off**

Subject to the usage rights above, to the maximum extent allowed by law, you give up any right to set off any amounts we owe you against the total amount owing (as that term is defined in the General Terms & Conditions).

Without prejudice to the usage rights above, we can apply any money in any account you have with us or any other money received from you as we see fit as between principal, interest and other amounts owing under this facility contemplated in these Details or any other total amount owing (as that term is defined in the General Terms & Conditions). This applies despite any instruction given by you to the contrary.

### **If you have a dispute or complaint**

If you have a complaint or a dispute, please contact us and discuss it with us first as we may be able to help you resolve it. You may contact us by phone at 0064 9 980 9022.

We are also a member of the Banking Ombudsman Scheme, which as an approved dispute resolution scheme. Complaints may be directed to the scheme at:

Banking Ombudsman  
Freepost 218002, PO Box 25327, Featherston Street, Wellington 6146  
0800 805 950

The Banking Ombudsman Scheme will not charge a fee to any complainant to investigate or resolve a complaint.

### Ongoing statements and continuing disclosure

We will provide you with regular statements with information about your account no less than one month. However, we may not provide a statement if during the relevant period there have been no debits or credits to your account and the unpaid balance is nil, or otherwise as permitted by law.

You consent to electronic disclosure by us to you at any email address you have provided to us (whether as part of an account opening process or otherwise).

### Limitation of Liability

Where any trustee of **[insert name of trust]** (the "**Trust**") acts in an independent capacity and has no interest in the assets of the Trust other than as trustee (the "**Professional Trustee**"), then the Professional Trustee's liability under the facility set out in these Details is limited to the trust property available to meet its liability. However, this limitation does not apply if the Professional Trustee loses its right to be indemnified out of the trust property. In the event that the Professional Trustee loses its right to be indemnified out of the trust property, we can claim against the Professional Trustee personally to the extent we are unable to recover amounts due to us from the trust property.

### Acceptance and acknowledgement

Before signing these Details, you should read the General Terms & Conditions, as the General Terms & Conditions and these Details form your Facility Agreement with us. In the event of any inconsistency between these Details and the General Terms & Conditions, these Details prevail. If you do not understand anything in these documents, you should seek independent advice. You should keep these Details and the attached General Terms & Conditions in a safe place.

When you sign these Details below as borrower, you agree to be bound by and to comply with the terms & conditions of any security agreement that you have signed or that was signed by others or registered for you in respect of this facility.

When you sign these Details, you are acknowledging:

- you have received, and read and understood, a copy of these Details and the General Terms & Conditions.
- you have received and understood any independent legal advice, and received all other professional advice you need to satisfy yourself about the matters referred to in these Details, the General Terms & Conditions or any security agreements.
- the decision about whether to take out this facility with us and enter these Details and the General Terms & Conditions and any security agreements was made by you.

[Signature page follows]

**Agreed and acknowledged by the borrower(s)**

[insert the full legal name of the borrower]

Date

[insert the full legal name of the borrower]

Date

Signed for and on behalf of  
Bank of China (New Zealand) Limited by an attorney



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Amy Si

Deputy General Manager

**Enclosed:**

1. Plus Home Loan Facility Agreement General Terms & Conditions