



AUTO FINANCE DIRECT LIMITED RETAIL WAIVER

If you have paid the Additional Consideration and you have, at your cost, obtained and maintained a Comprehensive Motor Vehicle Insurance Policy then if:

- The Vehicle becomes a Total Loss before the Finance Agreement has been repaid in full; and
- Auto Finance Direct Limited (AFD) receives a Total Loss Payment for the Vehicle under a Comprehensive Motor Vehicle Insurance Policy

You will not have to pay any shortfall between the Balance Outstanding and the Total Loss Payment unless that shortfall exceeds \$5000.00. If that shortfall exceeds \$5000.00 you must pay that excess to AFD immediately,

You must also pay immediately the policy excess on the Vehicle insurance policy and any arrears of or additional premiums due under that policy.

The Balance Outstanding is defined below and does not include amounts payable under the Finance Agreement as a result of your default – those amounts must also be paid immediately if the Vehicle becomes a Total Loss.

Added Benefits

Should you choose a replacement vehicle following the Total Loss through our authorized Dealer network and seek finance through AFD, we will also make allowances for up to \$ 500 towards:

- The excess paid by you under the Comprehensive Motor Vehicle insurance policy.
- A deposit, the delivery charges and registration costs of the replacement vehicle

Notification

Immediately following a Total Loss event you must notify AFD in writing by letter to P O Box 137252, Parnell, Auckland 1151 or email claimes@autofinancedirect.co.nz.

Termination

The availability of this waiver will automatically terminate if:

- The Finance Agreement expires or is repaid early.
- Ownership of the Car is transferred to a third party not named on this agreement.

Cancellation of the Auto Finance Direct Limited Retail Waiver

• By you

In addition to your legal rights to cancel the Finance Agreement you may cancel the retail waiver option by writing to AFD within 7 days of signing the Finance Agreement and we will credit the Additional Consideration against the amount owing under the Finance Agreement.

• By AFD

AFD may at any time cancel this Policy by giving 14 days notice in writing to you and will credit the Additional Consideration against the amount owing under the Finance Agreement.

AFD has other rights such as:

AFD is entitled to immediately, and at its sole discretion, void this waiver from the very start (its inception) or end this waiver immediately and decline any application for a waiver if:

- You breach the duty of disclosure you owe to AFD;
- Before this waiver comes into force you make a material misrepresentation to AFD;
- You fail to comply with a provision of this waiver
- You make, or anyone acting on your behalf, makes a dishonest application under this waiver

Meanings of Words

Balance Outstanding

The amount owing to AFD under the Finance Agreement at the date of the Total Loss, less rebatable items (if any) plus default interest (if any)

Vehicle

The motor vehicle identified in the Finance Agreement including its standard equipment, tools and accessories at the Provision of waiver start date.

Comprehensive Motor Vehicle Insurance

A comprehensive insurance policy insuring the motor vehicle for its full market value at the time of purchase against theft and accidental loss and damage and remaining in force at the date of the Total Loss that notes AFD's interest as an additional insured and loss payee in respect of the finance agreement.

Finance Agreement

Means the credit contract you entered into with AFD described in the Schedule.

Financier

Means Auto Finance Direct Limited

Schedule

Means the Schedule issued to you with the Finance Agreement.

Total Loss

Either the Car is stolen and not recovered, or it is damaged beyond economical repair, and the vehicle is deemed a Total Loss under the Comprehensive Motor Vehicle Insurance policy held by you.

Total Loss Payment

Payment made under the Comprehensive Motor Vehicle Insurance policy for Total Loss without adjustments or deductions as a result of a breach of your policy.

You, Your

Means the natural person(s) named in the Finance Agreement.

AUTO FINANCE DIRECT LIMITED LOAN REPAYMENT WAIVERS:

Loan Repayment Waivers provide you with a range of options should you be unable to repay the loan because of Death, Accident, Sickness, Redundancy, Hospitalisation or Terminal illness.

This section records the terms and conditions of the repayment waivers that are available to you.

The purpose of the Loan Repayment Waivers is for Auto Finance Direct Limited to be able to forgive certain amounts you owe us under the Finance Agreement when certain event(s) occur. By agreeing to pay specific consideration stated in the Schedule, Auto Finance Direct Limited will agree to waive its rights to collect repayments under certain circumstances as detailed below.

In all instances below, an application form must be completed. To make an application, contact AFD, PO Box 137252, Parnell, Auckland 1151 or e-mail claims@autofinancedirect.co.nz

1. DEATH REPAYMENT WAIVER

- a. Should you die during the term of your financing contract with Auto Finance Direct Limited or before your 70th birthday, we will waive any repayments owing under the Finance Agreement as at the date of death, excluding any arrears at the date of death.
- b. The executor of your estate must notify us that you have died within 6 months of your death. A death certificate must be provided to Auto Finance Direct Limited.

2. TERMINAL ILLNESS REPAYMENT WAIVER

- a. Should you be diagnosed with a Terminal Illness at any time during the finance contract with Auto Finance Direct Limited and before your 70th birthday, we will allow you to return the vehicle to us and we will waive all future payments as from the date the vehicle is received by us. Any arrears, default interest and fees are specifically excluded from this arrangement and remain payable by you.
- b. To establish Terminal Illness, you must produce a written certificate from an independent registered medical practitioner recording the diagnosis. No waiver application will be considered under this cover unless and until you have provided this written certificate.

3. ACCIDENT & SICKNESS REPAYMENT WAIVER

- a. Should you suffer a bodily injury or contract an illness after the commencement day of the credit contract with Auto Finance Direct Limited which prevents you from engaging in, or attending fulltime employment for more than 7 consecutive days from the date when you first consulted a registered medical practitioner about the bodily injury or illness, we will waive the daily amount payable under the Finance Agreement commencing from the 8th day after you first consulted a registered medical practitioner about the bodily injury or illness for each day you are prevented from engaging in or attending full-time employment until the Finance Agreement is repaid or discharged. The maximum amount Auto Finance Direct Limited will waive under this section is \$5,000.00 or the balance of the contract (whichever is the lesser).
- b. The daily amount payable will be calculated by dividing the total amount of the monthly, fortnightly or weekly installments (excluding residual or "balloon" payments) by the number of days comprising the term of the Finance Agreement.

4. REDUNDANCY REPAYMENT WAIVER

- a. Should you be made redundant, (and this was unforeseen) from your full-time employment at any time during your credit contract with Auto Finance Direct Limited and prior to your 70th birthday (subject to clause C of this section), we will waive our rights to collect the daily amount payable under the Finance Agreement for each day you are unemployed until the Finance Agreement is repaid or discharged after the first 30 days of unemployment.
- b. Redundancy means where your position of full-time employment has become superfluous to the needs of the employer. Redundancy begins when you register as unemployed with Work and Income New Zealand and ends when you commence full-time employment with another or the same employer.
- c. The daily amount payable will be calculated by dividing the total amount of the monthly, fortnightly or weekly installments (excluding residual or "balloon" payments) by the number of days comprising the term of the Finance Agreement, up to a maximum of:
 - i. 180 days of redundancy or the sum of \$10,000 (whichever is the lesser) where you have been engaged in full-time employment for at least 12 consecutive months before you registered as unemployed with Work and Income New Zealand; or
 - ii. 90 days of redundancy or the sum of \$5,000 (whichever is the lesser) where you have been engaged in full-time employment for less than 6 consecutive months before you registered as unemployed with Work and Income New Zealand.

5. BANKRUPTCY REPAYMENT WAIVER

- a. If you are Self-employed and during the term of the credit contract with Auto Finance Direct Limited you are adjudicated bankrupt by a court, or if you are employed by a company over which you have direct financial control, and that company goes into liquidation, we will waive the repayment of the daily amount payable under the Finance Agreement for each day you are bankrupt or the company is in liquidation.
- b. The daily amount payable will be calculated by dividing the total amount of the monthly installments (excluding residual or "balloon" payments) by the number of days comprising the term of the Finance Agreement, up to a maximum of 180 days from the date of adjudication or liquidation or earlier if the Finance Agreement is repaid or discharged. The maximum amount Auto Finance Direct Limited will waive under this section is \$10,000 or the balance of the contract whichever is the lesser.

Exclusions:

- a. No application for a waiver will be accepted for an event occurring while you are residing or working outside of New Zealand.
- b. No Waivers will be considered for Death, Terminal Illness, Accident and Sickness or Hospitalisation, caused directly or indirectly by:
 - i. Uncomplicated pregnancy or childbirth.
 - ii. Suicide, attempted suicide or self-inflicted injury or illness.
 - iii. AIDS or infection with a human immune-deficiency virus including suicide while infected.
 - iv. Any sexually transmitted disease.
 - v. Any bodily injury or physical defect, or any illness, disease or degenerative condition, or symptom of any illness, disease or degenerative condition which the customer knows existed at commencement date of the credit contract between you and Auto Finance Direct Limited, which the customer has sought or received medical advice within 6 months preceding the Commencement Date.
 - vi. Any psychological, psychiatric or nervous condition or disorder, including mental stress.
 - vii. Asbestos, asbestosis or related disease.
 - viii. Any bodily injury suffered while under the influence of alcohol or drugs.
 - ix. Alcoholism or drug addiction.

- x. Involvement in a criminal activity, whether a conviction is entered or not.
- xi. Involvement in parachuting, hang gliding, competitive motor or water sport of any kind, or any professional sporting activity.
- xii. Air travel except as a fare paying or ticket holding passenger in an aircraft fully licensed for the carriage of passengers for hire or reward and operated by a regular airline or established charter service.

c. No waiver will be considered for redundancy if:

- i. Redundancy is voluntary.
- ii. Redundancy occurs within 30 days of the Commencement Date of the credit contract between you and Auto Finance Direct Limited.
- iii. The customer is Self-employed or a working Director.
- iv. Redundancy is the result of the customer's dismissal, resignation or retirement.
- v. Where the work is for a fixed or defined period, upon the occurrence of the fixed completion date or end of the defined period.
- vi. Where the work is of a seasonal nature, including but not restricted to fruit picking, shearing, working at a freezing works, upon the occurrence of the work season ending.

d. No waiver will be considered for Bankruptcy if:

- i. The adjudication of Bankruptcy is on the customer's own application.
- ii. If the application for liquidation was filed by you or on behalf of you by an associated person.

Conditions:

a. These Loan Repayment Waivers have been offered to you on the basis that you have disclosed to Auto Finance Direct Limited all information relevant to the said waivers.

If you fail to provide all relevant information, or have given any information incorrectly or untruthfully, Auto Finance Direct Limited may void these waivers and refuse to consider any application for a waiver.

b. When making an application for a waiver you must disclose to Auto Finance Direct Limited all information relevant to the event. If you fail to provide all relevant information, or have given any information incorrectly or untruthfully, we may refuse your application for a waiver. If any application is made fraudulently, the waiver agreement will be voided and you will forfeit any entitlement to a Waiver which might otherwise be applied.

Applications for a waiver.

a. You should apply for a waiver as soon as possible but no later than 28 days after an event (except for Death: refer to clause 1b.)

To make an application, contact Auto Finance Direct Limited, PO Box 137252, Parnell, Auckland 1151 or e-mail claims@autofinancedirect.co.nz

b. To apply for a waiver you must complete an application form and provide us with all of the information we require. You must assist us with your application in any way we request. You are responsible for providing any certificates or other evidence we may ask for to support your application at your expense. We may require you to undertake a separate or additional medical examination for our confidential information at our expense.

As soon as possible after sustaining an injury or contracting an illness you must consult a registered medical practitioner and follow their advice and treatment at your expense.

All successful applications for a waiver(s) are a forgiving of payment due under the credit contract between you and Auto Finance Direct Limited; therefore there will be no payments of any kind made to you.

If you change your mind and decide you don't want to take advantage of the repayment waiver options, you may cancel by writing to Auto Finance Direct Limited within 7 days of the commencement date of your credit contract with Auto Finance Direct Limited. Auto Finance Direct will credit your account by the additional consideration that was charged at the time the credit contract was signed.

We may amend the terms and conditions of this agreement with your written consent. We can make amendments required by law without your consent.

Meanings of Words

Accident:

Means something that happens or a series of things that happen, resulting from; or are attributable to, one source or original cause. What happens must be unexpected and unforeseen by you. Further, what happens must be violent, external (to your body) and visible. It does not include a sickness or disease.

Application:

Means the form completed by the Customer to apply for a repayment waiver

Commencement Date:

Means the date the credit contract between you and Auto Finance Direct Limited was signed.

Finance Agreement:

Means the credit contract you entered into with Auto Finance Direct Limited.

Full-time employment:

Means working for salary, wages, commission, compensation, fees or other financial gain for at least 25 hours per week, or self-employment involving work for the sole purpose of a business for more than 25 hours a week.

Hospitalisation:

Means the admission as a patient to a hospital licensed under the Hospitals Act 1957.

Registered medical practitioner:

Means a person registered as a medical practitioner.

Schedule:

Means the schedule issued to the customer with the Finance Agreement.

Self-employed:

Means: carrying on business as a sole trader or as a partner in a partnership.

Terminal Illness:

Means the final stage of a fatal disease which is incurable and irreversible and is likely in the opinion of Auto Finance Direct Limited to result in your death within 6 months of the date you applied for a repayment waiver.

You/Your:

Relates to: the person or persons named in the Schedule as the customer.

Us/we:

Relates to Auto Finance Direct Limited