

EASYCARD CONTRACT

Date: [Account.DateOpened]

Parties

Between:

referred to in this Agreement as "you" and "your"

And: Pioneer Finance Limited (trading as "Easycard"), Flat 106, 100 Parnell Road, Parnell, Auckland, 1052, New Zealand, referred to in this Contract as "we" and "us".

Your application for an EasyCard Account is approved. You just need to sign this Contract below, and return the signed Contract to us. You will be able to use your Easycard to finance the purchase of goods (**Goods**) from Smiths City stores and the Smiths City webstore, on the terms set out in this Contract (including the General Terms and Disclosure Statement attached).

Your Details

You must tell us of any changes to these details.

Initial Unpaid Balance

Total

TotalAdvances

Easycard Details

Credit Limit: CreditLimit

Annual Interest Rate: AnnualInterestRate

Account#: [Account.AccountId]

Signed

[Account.ESignatureBlock]

[Account.SignatureBlock]

EASYCARD DISCLOSURE STATEMENT

Initial Disclosure Statement (section 17 of the Credit Contracts and Consumer Finance Act 2003)

IMPORTANT – This document should be read together with the front page of your EasyCard Contract. Together they set out key information about your EasyCard Contract (a consumer credit contract). You should read them thoroughly. If you do not understand anything in these documents, you should seek independent advice. You should keep this Disclosure Statement and a copy of your EasyCard Contract in a safe place. The law gives you a limited right to cancel your EasyCard Contract (see below for further details). Note that strict time limits apply.

CREDITOR DETAILS

(This is the person providing you credit):

Pioneer Finance Limited (trading as "EasyCard") is the person providing you credit under your EasyCard Contract.

You can send notices to us by:

Physical Address: 106/100 Parnell Road, Parnell, Auckland 1052, New Zealand

Postal Address: P O Box 137084, Parnell, Auckland 1052, New Zealand

Ph: 0800 586 286

Email: contactus@scfinance.co.nz

We consent to receiving notices and other communications from you by email, text and other forms of electronic communication.

STATEMENTS

We are required to provide you with regular Statements which will give you information about your EasyCard Account (e.g. any interest or fees charged during the Statement period) and the amount and timing of your payments. Statements will be provided monthly (under certain circumstances, where we are permitted by law not to provide you with a Statement, you may receive a statement less often).

CREDIT LIMIT

Your Credit limit is as stated on the front page of your EasyCard Contract.

CREDIT DETAILS

Initial unpaid balance: This Disclosure Statement is effective as at the date you signed or otherwise accepted your Contract. Your initial unpaid balance (the amount you owe) is the total cash price of the Purchases you made as at this date (or nil if you have not made any Purchases on that date).

Interest free period: An interest free period applies to each individual purchase from the date charged for a period of:

- 60 days for each individual Everyday Transaction (defined in your Contract); or
- for a purchase that qualifies for an EasyCard Promotional Offer, any longer interest free period applying to that EasyCard Promotional Offer.

ANNUAL INTEREST RATE

Interest will be charged on each purchase from the day after the relevant Interest Free Period expires, and on other amounts from the date charged. The Annual Interest Rate is 27.95% (this may vary from time to time). Interest charges are calculated by multiplying the relevant portion of 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 EasyCard Account monthly. The interest rate on purchases during the Interest Free Period is 0%.

CREDIT FEES AND CHARGES

The following credit fees and charges apply:

- There are no Establishment fees or account maintenance fees.
- Paper Statement Fee: If you advise us that you wish to receive paper Statements rather than receiving them by email or other form of electronic communication: Currently \$1.00 per Statement.

Note that your EasyCard Contract allows us to vary these fees and charges.

PAYMENTS

Each month you must pay a Minimum Payment amount, which is the greater of:

- \$10 (or, if your unpaid balance excluding any Everyday Transactions and EasyCard Promotional Offer transactions during their relevant Interest Free Period is less than \$10, that lesser amount); or
- 3% of the closing balance of your EasyCard Account (excluding Everyday Transactions and EasyCard Promotional Offer transactions during their relevant Interest Free Period).

The Minimum Payment must be paid within 20 days of the Statement end date (This payment date will be shown on your Statement).

You may pay more than the Minimum Payment at any other time, for no additional fee or charge.

WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS

If you do not pay the full Minimum Payment amount by the due date you must immediately pay the unpaid portion of the Minimum Payment and default fees (set out below). Your next Statement will set out any overdue amount (to be paid immediately), along with the Minimum Payment (to be paid within 20 days of the Statement end date).

Security interest

This is secured credit. The goods that you purchase using your EasyCard Account are subject to a purchase money security interest. If you fail to meet your commitments under your EasyCard Contract, we may be entitled to repossess and sell those goods.

If there is a shortfall in the proceeds of the sale of the goods that is subject to the security interest, you will remain indebted to us for the balance.

If you give anyone else a security interest in those goods you will be in breach of your EasyCard Contract, and we may repossess and sell those goods.

Default fees

The following fees and charges apply should you default under your EasyCard Contract:

- Default notification fee – If an Arrears Notice is sent to you, we may charge you \$19 per notice.
- Dishonoured AP – If your automatic payment is dishonoured, any 3rd party fees incurred will be passed on.
- Repossession – If a Repossession Agent is used, any 3rd party fees incurred will be passed on.

You must pay the reasonable costs and expenses that we incur in enforcing your EasyCard Contract.

RIGHT TO CANCEL

You are entitled to cancel your EasyCard Contract (because it is a consumer credit contract) by giving notice to us.

Time limits for cancellation

You must give notice that you intend to cancel your EasyCard Contract within 5 working days of the date you receive this Disclosure Statement if it is given to you in person, within 7 working days of it being emailed to you, or within 9 working days of it being sent to you by post. Saturdays, Sundays, and national public holidays are not counted as working days.

How to cancel

To cancel, you must give us written notice that you intend to cancel your EasyCard Contract by—

- giving notice to us or an employee or agent of us; or
- posting the notice to us at our address above; or
- emailing the notice to our email address above.

You must also, within the same time, pay the cash price of the property or services (or the balance of the cash price after deducting any amount you have already paid) within 15 working days of the day you give the cancellation notice.

What you may have to pay if you cancel

If you cancel your EasyCard Contract, we can charge you the amount of any reasonable expenses we had to pay in connection with your EasyCard Contract and its cancellation (including legal fees and fees for credit reports, etc) and any 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 us for a hardship variation.

To apply for a hardship variation, you need to:

- a) make an application in writing; and
- b) explain your reason(s) for the application; and
- c) request a postponement of the dates on which payments are due under your EasyCard Contract (specify the period for which you want this to apply); and
- d) give the application to us.

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

FINANCIAL ADVISOR LAWS

You are protected by responsible lending laws. Because of these protections, the recommendations given to you about your EasyCard Contract are not regulated financial advice. This means that duties and requirements imposed on people who give financial advice do not apply to these recommendations. This includes a duty to comply with a code of conduct and a requirement to be licensed.

DISPUTE RESOLUTION

We are a member of the dispute resolution scheme run by Financial Services Complaints Limited. It is free to make a complaint to this independent dispute resolution scheme. This scheme can help you to resolve any disagreement you have with us.

Phone: 0800 347 257

Website: www.fscl.org.nz

Business Address: PO Box 5967, Lambton Quay, Wellington 6145.

REGISTRATION ON FINANCIAL SERVICE PROVIDER REGISTER

We are registered on the Financial Service Provider (FSP) Register under the name Pioneer Finance Limited (and the trading names "Pioneer Finance Limited", "Pioneer Finance" and "Easycard") with the registration number FSP2861.

General Authority for Collection, Use and Disclosure of Personal Information

Privacy Statement

You agree to the full terms of our Privacy Statement (provided to you previously and available online at: <https://www.pioneerfinance.co.nz/privacy-statement/>)

I/We _____ **(the Borrower/ Guarantor/ you)** understand that Pioneer Finance Limited (Pioneer Finance) is asking for your personal information in order to assess your credit profile and being creditworthy.

Pioneer Finance fully understands that your privacy is very important, and you have the right to control your personal information. This Privacy Policy governs how Pioneer Finance will collect, use and disclose your personal information.

How will Pioneer Finance use your personal information?

Pioneer Finance will ask you directly for your personal information.

Pioneer Finance may use your personal information for the following purposes to:

- Verify your identity and any personal information provided by you.
- Obtain credit check information about you from a credit reporting agency.
- Assist debt recovery including appointing an agent to collect any outstanding debts and listing your defaults with a credit reporting agency.
- Check the Ministry of Justice fines database for any overdue fines.
- Respond to any queries from third parties about you.
- Ensure Pioneer Finance complies with relevant legislation, codes or practice, and regulations as a Lender.

Where does Pioneer Finance collect personal information from?

You authorise any third party which holds your information to disclose the information to Pioneer Finance for the purposes set out above.

Pioneer Finance can collect information from:

- Employers (including previous employers).
- Credit reporting agencies and bodies.
- Ministry or Department of the NZ Government including (but not limited to):
 - Work and Income (WINZ)
 - Inland Revenue (IRD)
 - Ministry of Justice (MOJ)
 - Housing New Zealand (HNZ)
 - NZ Transport Authority, Land Information New Zealand.
- Bank and financial services organization
- Credit provider or Creditor
- Broker

Pioneer Finance may disclose your personal information

You agree that Pioneer Finance may disclose your personal information (which may include positive or negative credit information) to any credit reporting agency so the agency may:

- Hold that information on their credit reporting database.



- Use your personal information for the purpose of providing credit reporting services or for any other lawful purpose.
- Share any of the information or documents you have supplied with associated companies Finance People and Active Finance.

We require those credit reporting agencies to comply with the Credit Reporting Privacy Code 2020 and the Privacy Act 2020.

Signature of Borrower / Co-Borrower / Guarantor / or Other

Signature of Borrower / Co-Borrower / Guarantor / or Other

[Account.ESignatureBlock]

IMPORTANT NOTE:

All personal information of borrowers, guarantors, directors or shareholders will be held by Pioneer Finance, its employees or agents for record maintenance purposes. The information may be stored electronically and in paper based form. Under the Privacy Act 2020, individuals have the right of access to and correction of their personal information.

For all inquiries that you have regarding Pioneer Finance's Privacy Policy or if you believe your personal information we hold is inaccurate, incomplete or out of date please contact:

Matthew Chamberlain
Email: matthew.chamberlain@pioneerfinance.co.nz
Phone: 0800 000 724
Physical Address: 106/100 Parnell Road, Parnell, Auckland 1052

EasyCard General Terms

1. Definitions

- 1.1. In this Contract, unless the context requires otherwise:
AML/CFT Act means Anti-Money Laundering and Countering Financing of Terrorism Act 2009;
CCCFA means Credit Contracts and Consumer Finance Act 2003;
Interest Free Period in relation to a purchase means the period set out in clause 5.1; **Everyday Transaction** means a transaction that is interest free for 60 days from the date charged to your EasyCard Account, during which no payments are required in relation to the transaction;
EasyCard Promotional Offer means any offer of interest free terms longer than the 60 day Everyday Transaction period, during which period no payments are required in relation to the transaction;
Deferred Charge Purchase means Goods purchased on order that you intend to charge to your EasyCard when available for collection or delivery on a future date; and
Minimum Payment means the minimum payment calculated in accordance with clause 4.3, set out on your Statement.

- 1.2. Other terms defined on the front page of this Contract have the same meaning in these General Terms.
- 1.3. Any reference to any law includes any amendment or replacement of that law.

2. EasyCard

- 2.1. You can use your EasyCard to finance the purchase of goods from Smiths City stores and at the Smiths City webstore (in accordance with the website terms). Each time you use your EasyCard to make a purchase, we make an advance to you for the cash price of the goods purchased using your EasyCard and we will pay the cash price of the goods to Smiths City (2020) Limited.
- 2.2. You must comply with any rules we set from time to time about the use of an EasyCard (e.g. providing ID when making a purchase).
- 2.3. EasyCard Accounts are intended to be used to finance the purchase of goods for personal, domestic, or household purposes. If you do not or are not intending to use your EasyCard wholly or predominantly for personal, domestic, or household purposes then the rights and protections granted for "consumer credit contracts" under the CCCFA do not apply.
- 2.4. Your card cannot be used by any other person.
- 2.5. You should report to us immediately if your EasyCard has been lost or stolen.

3. Credit Limit

- 3.1. We may reduce your Credit Limit from time to time and we may increase it if agreed with you.

- 3.2. You can apply to increase or reduce your Credit Limit.
- 3.3. You must ensure your total balance does not exceed the Credit Limit. We may choose to honour a transaction even if it means the Credit Limit will be exceeded. You must immediately pay to us the amount by which the Credit Limit is exceeded.
- 3.4. The Credit amount available recorded on your Statement is your Credit Limit less amounts charged to your EasyCard Account on the date of your Statement and amounts reserved for Deferred Charge Purchases.

4. Statements and payments

- 4.1. Each month we will send you a Statement (except in circumstances where we are permitted by law not to do so).
- 4.2. Your Statement will show payments made by you, summarise all transactions made during the Statement period, show any amounts overdue and show a Minimum Payment to be made and a due date for that payment. If you believe anything on your Statement is incorrect you should notify us immediately.
- 4.3. The minimum payment will be the greater of:
 - a) \$10 (or, if your unpaid balance excluding any Everyday Transactions and EasyCard Promotional Offer transactions during their relevant Interest Free Period is less than \$10, that lesser amount); or
 - b) 3% of the closing balance of your EasyCard Account (excluding Everyday Transactions and EasyCard Promotional Offer transactions during their relevant Interest Free Period).
- 4.4. You must pay the Minimum Payment by the date set out in your Statement. If all or any part of the Minimum Payment is not received by that date you will be in default.
- 4.5. Unpaid Minimum Payment amounts will appear as overdue in the following Statement(s).
- 4.6. You may pay more than the Minimum Payment at any time, for no additional fee or If you pay the full balance of your EasyCard Account no later than the Minimum Payment due date as shown on your Statement, no interest will be payable during the period between the Statement date and your payment date (provided you are not in default on the Statement date).charge.
- 4.7. We will apply payments to your account in the order that remedies any default, and then minimises the interest charged on your account.
- 4.8. You must make all payments to us in cleared funds in NZ dollars without any deduction, in a manner specified on the Statement.

5. Interest Free Period

- 5.1. An interest free period applies from the date

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purchases are charged for a period of:

- a) 60 days for each individual Everyday Transaction; or
- b) for a purchase that qualifies for an EasyCard Promotional Offer, any longer interest free period applying to that EasyCard Promotional Offer.

5.2. The Interest Free Period will start on the date your EasyCard Account is charged. If you order Goods that are not immediately available to be collected or delivered, this may be earlier than the date of collection/delivery e.g. if you elect to charge your EasyCard Account on the date you place your order (You might prefer to do this if the sale is combined with goods that are immediately available). You can instead elect to have those Goods processed as a Deferred Charge Purchase. In that case your available credit will be reduced by the amount reserved for Deferred Charge Purchase (as set out in clause 3.4) but your EasyCard Account will not be charged until the Goods have been collected or delivered. If the Deferred Charge Purchase includes Goods with different availability dates, your EasyCard Account will be charged on the date the first item is available.

5.3. Interest will be charged on each purchase from the day after the relevant Interest Free Period expires, and on other amounts from the date charged.

6. Interest and fees

6.1. The interest rate on a purchase during the Interest Free Period is 0%. Interest on the rest of your EasyCard Account will be calculated daily by multiplying the relevant portion of 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 EasyCard Account monthly, on the last day of each month.

6.2. If you pay the full balance of your EasyCard Account no later than the Minimum Payment due date as shown on your Statement, no interest will be payable during the period between the Statement date and your payment date (provided you are not in default on the Statement date).

6.3. We may debit your EasyCard Account with the fees described in the Disclosure Statement.

7. Security Interest

7.1. You grant us a security interest in the Goods you have purchased using your EasyCard (as more particularly described on your sales invoices) until they have been paid for in full.

7.2. You must not grant any other party a security interest in those Goods without our consent. If you grant anyone else a security interest in those

Goods you will be in breach of this Contract, and we may repossess and sell those Goods.

7.3. If we repossess and sell any Goods, any residual balance owing will still be due and payable, and we can collect this debt from you.

8. Default

8.1. You will be in default if:

- a) you breach of any of your obligations under this Contract;
- b) you become bankrupt, insolvent or if you are a company, are wound up or have a receiver appointed; or
- c) proceedings are commenced which in our opinion may put the Goods at risk or a third party asserts a claim to the Goods.

8.2. If you are in default then we may do any one or more of the following (at our election):

- a) charge you the default fees set out in your Disclosure Statement;
- b) repossess any Goods that we have a security interest in under clause 7. We may enter your premises at reasonable times in order to do so (even if you are not present); or
- c) cancel this Contract (and your EasyCard Account) and you shall immediately pay the unpaid balance of your account.

9. Disclosure of information

9.1. You authorise us and Smiths City (2020) Limited (**Smiths City**) to each collect information and make enquiries about you, and to exchange, hold, and use such information to:

- a) administer and manage your EasyCard Account and your credit limit;
- b) confirm information provided about you is true (including receiving updates if information about you changes);
- c) undertake customer due diligence and monitoring in accordance with the AML/CFT Act;
- d) make credit decisions affecting you and to enforce debt and legal obligations; and
- e) comply with our respective obligations.

9.2. You authorise any person to disclose information to us in response to such enquiries.

9.3. You authorise us to:

- a) use customer due diligence services (including electronic based services) to verify your identity and undertake customer due diligence and monitoring in accordance with the AML/CFT Act; and
- b) obtain credit information from credit reporting agencies to make credit decisions affecting you (and for directly related purposes including debt collection).

When using such services, we and the service provider will each disclose and receive

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information about you for that purpose, and the service provider may hold information on its system and use it to provide its customer due diligence or credit reporting service to its other customers.

9.4. If you default in your payment obligations, information about that default may be given to credit reporters (and used by them to provide credit reporting services to their customers).

9.5. Any personal information we collect about you will be handled in accordance with our privacy policy, which can be accessed at <https://www.pioneerfinance.co.nz/privacy-statement/>.

9.6. You authorise us to send commercial, marketing and promotional communications to you (including by email, text and other means of electronic communication), about offers, services and products. You may unsubscribe from marketing communication at any time by responding in the medium that communication was received, or using our contact details recorded in this Contract.

10. Right to cancel EasyCard Account

10.1. We will cancel this Contract (and your EasyCard Account), at your written request, provided you repay the total balance and destroy your Card.

10.2. We may, on reasonable grounds, at any time, suspend credit under this Contract for such period as we may determine or cancel this Contract (and your EasyCard Account).

10.3. If we advise you that this Contract has been cancelled you must repay the total balance (including interest and fees owing after the date of cancellation through to actual payment) and destroy your Card.

11. Assignment

11.1. You may not transfer or assign this Contract unless you first get our consent which we may give at our discretion.

11.2. We may transfer or assign our rights under this Contract in accordance with the CCCFA.

11.3. We can give any assignee or transferee (or their associates) any information we hold about you.

12. Concerns and complaints

12.1. We have an internal complaints handling

process. If you have a concern, problem or complaint about any aspect of our service please contact us so that we can try to fix it.

12.2. If we cannot agree how to fix it, you can contact Financial Services Complaints Limited. We are a member of the dispute resolution scheme run by Financial Services Complaints Limited. It is free to make a complaint to this independent dispute resolution scheme. Contact:

Phone: 0800 347 257

www.fscl.org.nz

PO Box 5967, Lambton Quay, Wellington 6145.

13. GST

13.1. You confirm that you are not registered as a supplier under the Goods and Services Tax Act 1985. If you do register you will inform us immediately and give us your GST number.

14. Variation

14.1. We may make reasonable variations to this Contract (including, for the avoidance of doubt, the Annual Interest Rate, the fees and the amount, frequency, time for payment, or method of calculation of any interest or payment to be made) at any time. We will give you notice of the variation in the manner and within the timeframe required by the CCCFA's disclosure provisions (or otherwise, by notice in writing).

15. General

15.1. You agree to sign any other documents or do anything else we ask you to do to enable us to fully protect our interests under this Contract.

15.2. No failure or delay by a party in insisting on the strict performance of this Contract or to exercise any right under this Contract will operate as a waiver of those matters. A waiver will not be effective unless it is in writing. A waiver of any breach will not be a waiver of any other breach.

15.3. If a clause in this Contract is found to be unenforceable or illegal, that will not affect the legality or enforceability of any other clause in this Contract.

15.4. The obligations in this Contract continue if you die or become insolvent.