

GUARANTEED FUTURE VALUE AGREEMENT SCHEDULE

marac

Dated: _____

Dealer: _____

Under this GFV Agreement (the **Agreement**), **Heartland Bank Limited** (who we call **we** or **us** in this Agreement) agree to make the GFV Options available to you on the terms and conditions set out in this Agreement (as described in this Agreement).

When we refer to this Agreement, we mean this Schedule and the General Terms.

WE or US (we are the person making the GFV Options available to you)

Name: Heartland Bank Limited

Address: 35 Teed Street, PO Box 9919, Newmarket, Auckland 1149

BUYER(S) (this is who we call **Buyer** in the Agreement)

GUARANTOR(S) (this is who we call **Guarantor** in the Agreement)

Date Of Loan Agreement:

Loan Agreement No:

Vehicle

RRP (incl GST)

Make

Colour

Type Of Body

V.I.N.

Year

Model

CC

Registration No.

Engine No.

FINAL PAYMENT

MAXIMUM ESTIMATED KILOMETRES:

Amount:

Due Date:

AGREEMENT

By completing and submitting this Agreement, you request that we provide the GFV Options to you on the terms of this Agreement. A legally binding agreement is effective only when your request is accepted by us, which will be notified to you. We are under no obligation to accept your request.

You and each Guarantor confirm that you and each Guarantor have received a copy of this Agreement and have read, understood and agree to the terms of this Agreement – **if you or the Guarantor do not understand anything in this Agreement please seek legal advice before entering into this Agreement.**

SIGNED BY

Buyer(s)

Signature: _____

Date: _____

Guarantor(s)

Signature: _____

Date: _____

Marac, a division of Heartland Bank Limited

Level 3, 277 Broadway, PO Box 9919, Newmarket, Auckland 1149

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GUARANTEED FUTURE VALUE AGREEMENT

GENERAL TERMS



Capitalised terms used in these General Terms are explained in the Dictionary in section 2 below.

1. YOUR GFV OPTIONS

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

Under this Agreement, you can choose to repay the Final Payment Amount in one of the following three ways (**GFV Options**), subject to the terms of this Agreement:

1.1 Option 1 : Retain

You can choose to retain the Vehicle by either paying us, or *re-financing*, the Final Payment Amount on or before the Due Date:

- a) If you want to retain the Vehicle by paying us the Final Payment Amount, then you must repay it on the Due Date.
- b) If you want to re-finance the Final Payment Amount (that is, enter into a new loan agreement to borrow more money to pay for this amount), **you must tell us in writing at least 30 days before the Due Date**. You will only be able to choose this option if you meet our normal lending criteria.

1.2 Option 2 – Replace

You can choose to replace the Vehicle, in which case you can trade the Vehicle in on or before the Due Date.

If you select this option and the Vehicle's trade value (agreed between you and the dealer who you trade it in with) is more than the Final Payment Amount, you may use the amount equal to the difference between the Vehicle's trade value and the Final Payment Amount as a deposit on the purchase price of a new or different vehicle but you are not required to do so.

However, if the Vehicle's trade value is less than the Final Payment Amount then you must pay us the difference on the Due Date.

1.3 Option 3 – Return

a) Sell Back Conditions

You can choose to return the Vehicle on the Due Date if you meet the following conditions (**Sell Back Conditions**):

- (i) You have told us in writing that you have chosen this Return option.
- (ii) You have paid all amounts owing under the Loan Agreement, other than the Final Payment Amount.
- (iii) You have kept the Vehicle registered and warranted.
- (iv) 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.
- (v) You have not altered or changed the Vehicle without our prior written consent.
- (vi) You have paid or will pay the Sell Back Top Up (as described below in sub-paragraph (b)) on the Due Date.
- (vii) If you are registered for GST, you have given us a GST invoice at the time you pay the Sell Back Top Up to reflect the sale of the Vehicle to us at the Sale Price.

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

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

b) Sell Back Top Up and Sale Price

The Sell Back Top Up is the amount of the difference between the Final Payment Amount and the Sale Price on the Due Date. The **Sale Price** is the Final Payment Amount, less the following (all inclusive of GST):

- (i) a \$350.00 disposal fee;
- (ii) any Excess Wear and Tear Deduction; and
- (iii) any Excess Mileage Deduction.

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 may include, but are not limited to, the cost of preparing or replacing:

- (i) glass that is damaged or that you have tinted;
- (ii) any damage to the Vehicle, including mechanical damage;
- (iii) any tyre with less than 5mm of tread remaining at the shallowest point; and
- (iv) 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 set out in clause 1.3(d)), and we will notify you of this amount after we (or our agents) have completed an initial inspection.

d) Exceptions to the Excess Wear and Tear Deduction

The following exceptions apply to us charging you the Excess Wear and Tear Deduction:

- (i) If you disagree with our calculation, you can pay for a professional inspection of the Vehicle's condition by a third party that we approve and, if you do so, the amount confirmed by that inspector will be the amount of the Excess Wear and Tear Deduction.
- (ii) If, in our opinion, the Vehicle's condition has materially deteriorated since our initial inspection or the professional inspection (as described in clause 1.3(d)(i) 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.

e) Excess Mileage Deduction

You have estimated in the Schedule the maximum estimated kilometres that the Vehicle will be driven before the Due Date (**Maximum Estimated Kilometres**). The Excess Mileage Deduction used to calculate the Sale Price is calculated as follows:

$$\text{Excess Mileage Deduction} = A \times B$$

A = Number of kilometres driven in excess of the Maximum Estimated Kilometres as at the date of our initial inspection of the Vehicle's condition.

B = The amount per kilometer as specified in the below table

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
15,001 to 25,000 kilometres	14 cents
exceeds 25,001 kilometres	18 cents

2. DICTIONARY

2.1 Meaning of Words

In this Agreement, unless the context otherwise requires:

Dealer means the vehicle dealer described in the Schedule.

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(e);

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

Final Payment Amount means the amount (or if there is more than one amount, the total of all amounts) specified in the Schedule as the final payment amount, and any other amounts payable by you under the Loan Agreement on or after the Due Date.

GST means any applicable goods and services tax.

Loan Agreement means the loan agreement listed in the Schedule that you enter into with us at the same time as this Agreement in respect of the Vehicle.

Sale Price is defined in section 1.3(b).

Schedule means the schedule to this Agreement.

Sell Back Conditions are listed in section 1.3(a).

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

GFV Options means the three options available to you in respect of repaying the Final Payment Amount as described in section 1.3.

Vehicle means the vehicle described in the Schedule.

you means each Buyer and Guarantor.

2.2 Interpreting this Agreement

This Agreement must be interpreted using the following rules:

- (a) Where we refer to an agreement or document (including the Loan Agreement), we include that agreement or document as amended, varied or replaced from time to time with our consent.
- (b) Where we refer to any statute, we include all future versions of 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 Agreement is a Relevant Document for the purposes of any Loan Agreement. If there is more than one Buyer, each Buyer has joint and several liability. That means we can sue all Buyers together, or any Buyer by itself, for the full amount owed to us and 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.

Any term of the Loan Agreement relating to giving notices, privacy and costs apply equally to this Agreement.

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