Q Card Initial Disclosure Statement

NOTE: references to "you" or "your" are references to you as the customer and references to "we" are references to the Creditor

IMPORTANT

This disclosure statement should be read together with the email we issued to you with this disclosure statement that sets out the initial credit limit and any other matter for the purposes of disclosure under section 17 of the Credit Contracts and Consumer Finance Act 2003 ("Initial Disclosure Statement"). The Initial Disclosure Statement sets out key information about your consumer credit contract. Please read it thoroughly. If you do not understand anything in this document, you should seek independent advice. You should keep the Initial Disclosure Statement and a copy of your consumer credit contract (represented by the Q Card Terms and Conditions and your Q Card Vouchers and EFTPOS Receipts) in a safe place. Unless stated otherwise herein, terms defined in the Q Card Terms and Conditions have the same meaning in this Initial Disclosure Statement. The law gives you a limited right to cancel the consumer credit contract (see below for further details). **Note that strict time limits apply.**

CREDITOR DETAILS

Full Name and address of Creditor (this is the person providing you with the credit): Consumer Finance Limited (Q Card), 111 Carlton Gore Road, Newmarket, Auckland 1023, Private Bag, 94013, Manukau City, Auckland 2241, Fax No (09) 525 8595. Notices may be sent to the Creditor by writing to the Creditor at the Creditor's postal address or sending a fax to the number specified above.

CONTINUING DISCLOSURE

We are required to provide you with regular Statements which will give you information about your 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.

INITIAL UNPAID BALANCE

This Initial Disclosure Statement is effective as at the date of the email we issued to you with this disclosure statement attached. Your initial unpaid balance (the amount you owe) will be the total of your Purchases made as at this date or nil if you have not made any Purchases.

CREDIT LIMIT

Credit limit is as stated in the email we issued to you with this disclosure statement attached and in the welcome letter we issue you together with your Card.

ANNUAL INTEREST RATE

The Standard Interest Rate applying to the facility is 28.95% p.a. (this may vary from time to time). The Standard Interest Rate applies to the Fees and Miscellaneous Plan and on expiry of the relevant Startup Interest Period(s) to the Flexi Payment Plans and Fixed Instalment Plans. Interest charged during the Startup Interest Period(s) may attract interest at a different rate and will be specified in the Q Card Voucher or your Statement. Interest charges are calculated by multiplying the unpaid balance for each Plan at the end of the day by a daily interest rate. The daily interest rate is calculated by dividing the annual interest rate applying to the Plan by 365. Interest is charged to your account monthly.

ADVANCES

Each advance, including any to be made after the effective date of this Initial Disclosure Statement, is disclosed on the applicable Q Card Voucher or EFTPOS Receipt when you take up a particular Plan.

CREDIT FEES AND CHARGES

- Establishment Fee: $55, charged when you enter into your first Fixed Instalment Plan or Flexi Payment Plan.
- Account Fees: $50 annual fee payable in two advance instalments of $25 every six months, to cover the costs of administering your Card Account.
- Advance Fee: $35, charged every time you enter into a Fixed Instalment Plan or Flexi Payment Plan, except where it is your first Fixed Instalment Plan or Flexi Payment Plan (where an Establishment Fee will be charged).
- Statement Reprint Fee: $7.50 for up to 5 Statements, then $1 per Statement thereafter, payable on each request for additional Statement copies.
- Card Replacement Fee: $10 payable should a new Card be issued.

PAYMENTS

Payments required for the Flexi Payment Plans will be the greater of 3% of the closing balance shown on your Statement, or $10 unless a Payment Holiday still applies. Payments required for your Fees and Miscellaneous Plan will be shown on your Statement. Payments for Fixed Instalment Plans are disclosed on the applicable Q Card Voucher. Payments are due monthly on the date shown on your Statement.

WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS

Restructure Fee: $16.50 payable on provision of a permanent or temporary restructure of your credit contract following any default in payment including but not limited to payment arrangements and variations.

Default Fees: The following fees and charges apply should you default under the contract:

- Default Fees payable under each separate event of default including default administration services and the issuing of default notices and/or statements in relation to collection activities and the age of the default:
  - i. Stage One: when we have not received payment in full on due date and a Statement issues showing an "overdue – please pay immediately amount": $15; ii. Stage Two: when we have not received payment in full on due date and a Reminder Notice issues: $15;
  - iii. Stage Three: when we have not received payment in full on due date and an Overdue Notice issues: $15; and iv. Stage Four: when we have not received payment in full on due date and a Final Notice issues: $15.

In the event a part payment is received on an outstanding balance we may at our absolute discretion defer your transition through the various stages of the collection process. In the event of a serious default we may accelerate your transition through the various stages of the collection process.

- Collection Fee as charged by an agent in collecting money due by you.
- Sales and Commission Fee as charged by an agency relating to the sale of your goods if they are surrendered to CFL including any legal fees.

Statement of right to cancel: You are entitled to cancel your Card Account by giving written notice to us. **Time limits:** You must provide written notice that you intend to cancel to us within:

(a) 5 working days after you receive the Initial Disclosure Statement by hand; or

(b) 7 working days after this Initial Disclosure Statement is sent to you by electronic means (for example, by email); or

(c) 9 working days after this Initial Disclosure Statement is sent to you by post.

Saturday, 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 this Card Account by: (a) giving notice to us or to any Merchant; or (b) posting the notice to us at the address specified in this Initial Disclosure Statement or to any Merchant. You must also, within the same time, return to us any advance and any other property received by you under your Card Account.

What you may have to pay if you cancel: If you cancel your Card Account we can charge you:

(a) the amount of any reasonable expenses we had to pay in connection with the Card Account and its cancellation (including legal fees and fees for credit reports, etc) and

(b) interest for the period from the day you received the advance until the day you repay the advance.

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 Q Card Account (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.

DISPUTE RESOLUTION

We are a member of the external dispute resolution scheme run by Financial Services Complaints Limited ("FSCL"), a scheme approved by the Minister for Consumer Affairs. 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.

You can contact FSCL by:

Telephone 0800 347 257 or 04 472 FSCL (04 472 3725)

Email: info@fscl.org.nz

Post: Financial Services Complaints Limited, PO Box 5967,

Lambton Quay, Wellington 6145

Fax: 04 472 3727

Website: www.fscl .org.nz **FINANCIAL SERVICE PROVIDERS REGISTRATION**

We are registered on the Financial Service Providers Register under the name Consumer Finance Limited with registration number FSP30663.

CONSENT TO ELECTRONIC COMMUNICATIONS

We consent to receiving notices or other communications from you in electronic form.