

Chattel Mortgage Terms and Conditions

Allcredit Automotive Finance Pty Ltd ABN 56 647 220 371 ('we', 'us', 'AAF', 'the Lender')
Managed by Allied Retail Finance Pty Ltd
ABN: 31 609 859 985 ~ Australian Credit Licence: 483211

1. The Loan

- 1.1 By signing the Schedule you offer to borrow the Amount of Credit from us on the terms set out in the Schedule, these Terms and Conditions and, if applicable, any Special Conditions.
- 1.2 We accept your offer when our authorised officer signs the Schedule or when we disburse the Amount of Credit in accordance with your directions, whichever occurs first.

2. Payments

- 2.1 You must repay the Amount of Credit and pay interest in accordance with these Terms and the payment details set out in the Schedule. Payments must be made on or before the due dates specified. You must also pay any other fees and charges levied by us to cover our costs in relation to this Agreement.
- 2.2 You must make all payments by direct debit, or in another manner, acceptable to us. If a payment is dishonoured, the payment is taken not have been made.
- 2.3 Where Loan Instalments are made monthly and a Loan Instalment becomes due on a date in a month that has no such date, the Loan Instalment will be due on the last day of that month.
- 2.4 Any payment due on a day which is not a Business Day must be made on the next Business Day.
- 2.5 You must make all payments free of all deductions and without set-off, irrespective of any loss, damage, destruction, defect, unsuitability, failure to operate, or anything else relating to the Goods.
- 2.6 You must pay all reasonable costs and expenses which we incur in exercising any of our rights under

this Agreement, including any amount paid to release a lien claimed over the Goods or to remedy a breach of your obligations under this Agreement (e.g. fail to maintain insurance).

- 2.7 Also, you must pay to us the fees and charges specified in the Schedule.
- 2.8 In addition, if this Agreement is terminated for any reason before the expiry of the Term, you must pay to us our early termination fee calculated as specified in the Schedule.
- 2.9 Unless otherwise stated in this Agreement, all amounts are payable by you on demand.
- 2.10 Payment we receive may be applied to any amount you owe under this Agreement in any order we reasonably decide.
- 2.11 If taxes, stamp duties, fines or other government charges apply in relation to this Agreement or anything done or supplied under it, or relate to the use, possession or operation of the Goods, then you must pay, or reimburse us for, the amount of those taxes, stamp duties, fines or other government charges. We may, by written notice, vary the Loan Instalments as a consequence of any change to, or imposition of, any tax, stamp duty, fine or other government charge.
- 2.12 You must pay or reimburse us for the amount of any GST payable on any taxable supply made by us under or in connection with this Agreement.
- 2.13 If a payment to a party under this Agreement is calculated by reference to a loss, cost, expense or outgoing incurred by that party, then the calculation of that payment is to be reduced by the amount of any input tax credit to which that party is entitled for

that loss, cost, expense or outgoing. That payer must also pay to the supplier of the taxable supply any GST payable in relation to the payment.

2.14 You must pay all costs of delivery of the Goods. Any failure to obtain delivery or any defect in the Goods does not affect your obligation to pay the Loan Instalments and any other money due under this Agreement.

3. Interest

3.1 Interest accrues from the date we accept your offer. It is calculated using the implicit rate in the return to us under this Agreement. Interest is calculated on daily balances and debited to your loan each month on the same day of the month on which we accept your offer. Also, any accrued interest charges will be debited to your loan account immediately before payout of the loan.

4. Mortgage

4.1 You give to us a mortgage over the Goods described in the Schedule and any goods acquired in replacement for, and any additions or accessories added to, or modifications made to, the Goods that cannot be undone without damage to them. You must ensure the Goods and any replacement is, and all additions and accessories are free of any third party interest, including Security Interests. The mortgage secures all amounts payable by you under this Agreement and all Proceeds.

4.2 If you do not have legal ownership of any one or more of the Goods at the time of signing the Schedule:

(a) you undertake to do all that is necessary to become the legal owner of those Goods free of any third party interests of any kind, as soon as possible; and

(a) you acknowledge the mortgage is given for a loan to be spent wholly or in part in purchasing those Goods; and

(b) if we request, you must provide us with evidence of title to those Goods.

4.3 Our interest in the Goods and all Proceeds is a Security Interest and this Agreement is a Security Agreement.

4.4 You consent to us registering our Security Interest on the Register and agree to provide all assistance reasonably required by us to facilitate registration.

4.5 You must not assign this Agreement or grant a Security Interest in the Goods without our permission.

4.6 If we are satisfied you have paid all amounts payable under this Agreement and you are not in breach of any other obligation under this Agreement, we will discharge the mortgage.

5. Use and Location

5.1 The Goods must be kept in your possession and control.

5.2 All costs arising from possession and use of the Goods are to be paid by you.

5.3 The Goods must be ordinarily kept at the address specified in the Schedule or such other place as we approve.

5.4 You must promptly notify us if the address at which the Goods are ordinarily kept changes and of any change in the registration of the Goods (including any loss of registration).

5.5 You must tell us within 7 days of being requested in writing where the Goods are used or ordinarily kept. If the Goods are not in your possession, you must give us all the information you have that might assist in tracing the Goods.

5.6 You must not without our written consent make any alterations, additions or improvements to the Goods.

5.7 You assume all risks and liabilities arising from your possession or use of the Goods. You indemnify us against any liability we may incur arising from the use or possession of the Goods by you or any other person, excluding any liability caused by our negligence.

6. Repair and Maintenance

6.1 You must keep the Goods in good repair and ensure the Goods are serviced and maintained in accordance with the manufacturer's specifications and recommendations.

6.2 You must pay for repairs to the Goods immediately, to avoid a repairer's lien over the Goods.

- 6.3 We are entitled to inspect and test the Goods upon giving reasonable notice.
- 6.4 You must maintain current registration throughout the Term and comply with all laws relating to the Goods or their use.
- 7. Loss or Damage**
- 7.1 You bear the entire risk of loss of, or damage to, the Goods from any cause resulting from inappropriate use, or care, of the Goods.
- 7.2 You must tell us immediately the Goods are stolen, lost, destroyed or damaged to such an extent we or the insurer decides that repair is impracticable or uneconomic.
- 7.3 If the Goods are stolen, lost, destroyed, or damaged so that repair is impractical or uneconomic, any insurance money must be paid to us in reduction of your liability. Payment of the insurance money to us does not release you from liability for any other amount due under this Agreement. If repair is practical, you are obliged to repair the Goods promptly.
- 8. Insurance**
- 8.1 You must maintain insurance of the Goods during the Term against loss, damage or destruction, and such risks as we from time to time require.
- 8.2 Insurance must be on such terms as we reasonably require with an insurer approved by us.
- 8.3 Insurance must be for the respective rights and interests of you and us and for the full insurable value of the Goods as determined by us. You must produce proof of the terms and currency of insurance over the Goods whenever we request you to do so.
- 8.4 You must not do or permit to be done anything which could prejudice any insurance or any claim under any insurance.
- 8.5 You must notify us immediately of any claim made under any insurance or if any insurance is reduced or cancelled.
- 9. Default**
- 9.1 You will be in default under this Agreement if an Event of Default occurs.
- 9.2 On default, you must immediately pay us the full amount owing under this Agreement which includes the balance outstanding, arrears, interest, fees and charges, enforcement expenses and costs.
- 9.3 On default, we may do any one or more of the following:
- (a) exercise any right, power or privilege conferred by law, equity, this Agreement or any other collateral document;
 - (b) perform any of your obligations under this Agreement;
 - (c) sue you for the full amount owing under this Agreement;
 - (d) enforce the Guarantee;
 - (e) enter any premises and take possession of the Goods;
 - (f) sell or otherwise deal with the Goods.
- 9.4 You must pay all costs of and incidental to enforcement of this Agreement by us, including any costs of taking possession, attempting to take possession, and storage, of the Goods.
- 9.5 The parties agree each of the following requirements or rights under the PPSA do not apply to the enforcement of our Security Interest in the Goods or of this Agreement:
- (a) Any requirement for us to give you a notice of removal of accession.
 - (b) Any requirement for us to give you a notice of our proposed disposal of the Goods.
 - (c) Any requirement for us to include in a statement of account, after disposal of the Goods, the details of any amounts paid to other secured parties.
 - (d) Any requirement for us to give you a statement of account if we do not dispose of the Goods;
 - (e) Any right you have to redeem the Goods before we exercise a right of disposal;
 - (f) Any right you have to reinstate this Agreement before we exercise a right of disposal of the Goods.
- 10. Powers you give to us**
- 10.1 In the exercise of rights by us in relation to this Agreement, under this clause:

- (a) each authorisation and appointment cannot be revoked for as long as any amount remains owing under this Agreement; and
- (b) when we exercise each of those rights we will do so at your cost and in your name.

10.2 We are authorised to act on your behalf in the exercise of any right and in relation to any legal proceedings involving our interest in the Goods where you fail or are unable to do so or attempt to exercise rights without regard to our Security Interest.

10.3 You appoint us your attorney to do anything you should do under this Agreement, and to settle any disputes concerning the Goods where you fail or are unable to do so or attempt to exercise rights without regard to our Security Interest.

10.4 Where we have taken possession of the Goods:

- (a) we may execute any transfer, assignment, discharge or other instrument we reasonably consider necessary for the enforcement or protection of our rights; and
- (b) we may notify an insurer who is providing insurance in respect of those Goods to cancel the insurance and direct the insurer to pay any rebate of premium to us to pay money owed under this Agreement.

11. Your warranties

You and all persons signing this Agreement warrant that:

- (a) all information given by you, them or any guarantor to us is correct and is not misleading; and
- (b) you have not relied upon any statement made by us or anyone acting on our behalf about this Agreement, financial or taxation matters and their effect on you, or the quality, or the suitability for any purpose, of the Goods; and
- (c) you, and all persons signing this Agreement on your behalf, are authorised to enter into this Agreement.

12. Your acknowledgements about introducers and commission

12.1 You acknowledge any introducing dealer or broker has no authority to bind us.

12.2 You agree to us paying commission or other remuneration and benefits to any person who introduced you to us.

13. Limitation of liability

13.1 If you are a consumer (as that term is defined in the Competition and Consumer Act 2010, the Australian Securities and Investments Commission Act 2000 or any similar legislation), then nothing in this Agreement is intended to exclude, restrict, or modify any statutory obligation of us if it cannot be lawfully effected.

13.2 If you are a consumer under those laws, our liability, is limited, as appropriate, to:

- (a) replace or pay for the cost of replacing the Goods with the same or equivalent Goods; or
- (b) repair the Goods or pay for their repair.

14. Guarantee and indemnity

14.1 In consideration of us agreeing, at the request of the Guarantor, to enter into this Agreement, the Guarantor agrees to give the guarantee and indemnity in this clause.

14.2 The Guarantor unconditionally and irrevocably guarantees the Borrower will pay us all amounts payable under this Agreement when they are due. If the Borrower does not pay any amount under this Agreement on time and in accordance with this Agreement, then the Guarantor agrees to pay that amount to us on demand from us.

14.3 In addition, the Guarantor unconditionally and irrevocably indemnifies us against, and the Guarantor must therefore pay us on demand for any liability, loss or costs we suffer or incur if:

- (a) the Borrower does not, is not obliged to, or is unable to, pay us in accordance with this Agreement; or
- (b) the Borrower is obliged, or we agree, to pay an amount to a trustee in bankruptcy or liquidator (or bankruptcy person or insolvent company) in

connection with a payment by the Guarantor or the Borrower.

14.4 The Guarantor must pay us for our reasonable costs in enforcing the guarantee and indemnity contained in this Agreement. The Guarantor must also pay for anything which the Guarantor must do under this Agreement.

14.5 The Guarantor's liability is not prejudiced or affected by anything that might otherwise have that effect, including, but without limitation, any of the following:

- (a) if another person who was intended to sign this Agreement but does not sign it or is not bound by it;
- (b) by us granting time or other concession to or making any composition with the Borrower or any Guarantor; or
- (c) by the Borrower or any Guarantor being bankrupt or Insolvent; or
- (d) by us obtaining any further or other covenant or security or guarantee in respect of the Borrower's obligations from any other person; or
- (e) by us forbearing or neglecting to exercise any remedy or right we have for the enforcement of the Borrower's obligations;
- (f) by the absence of any notice to the Guarantor of default by the Borrower or by any other Guarantor; or
- (g) by any Guarantor (being a natural person) becoming of unsound mind or dying; or
- (h) any change in the membership of any partnership or firm of which the Borrower or the Guarantor is a member; or
- (i) our assignment of our interest in this Agreement and this guarantee and indemnity to any person without the Guarantor's consent or knowledge.

14.6 The Guarantor agrees to waive any rights the Guarantor might have as surety which are inconsistent with the terms of this guarantee and indemnity or which might in any way restrict our rights, remedies or recourse.

14.7 The Guarantor acknowledges that no payment operates or discharges or reduces any Guarantor's liability if the payment is voidable as a preference or an insolvent transaction under any law relating to bankruptcy or the winding up of companies and no discharge that occurs because of such a payment discharges the liability of the Guarantor under this guarantee and indemnity.

15. Trusts

If the Borrower enters into this Agreement, or the Guarantor gives the guarantee and indemnity contained in clause 14, as trustee, then that person warrants that:

- (a) they are the sole trustee of the trust, unless we have been otherwise informed; and
- (b) they have the necessary powers to enter into this Agreement or the guarantee and indemnity, as the case maybe, and do so with the consent and for the benefit of the beneficiaries of the trust; and
- (c) they have rights to seek recourse or indemnification from the trust's assets for the obligations so incurred; and
- (d) they will not without our consent retire or be removed as trustee from the trust; and
- (e) the trust will not be terminated and the trustee will not be changed without our consent; and
- (f) if we request, they will give us copies of the trust deed and other documents relating to the trust; and
- (g) they are liable both personally and in their capacity as trustee.

16. Administrative Provisions Notices

16.1 If the Borrower or Guarantor has to give us a document about this Agreement, the Borrower or Guarantor can:

- (a) leave it at our office address as shown on the Schedule, or any other address we tell you; or
- (b) send it to our facsimile number as shown on the Schedule or any other number we tell you; or
- (c) send it to an email address we tell you.

16.2 If we need to give the Borrower or Guarantor a document about this Agreement, we can do so by:

- (a) delivering it to the Borrower or Guarantor personally; or
- (b) leaving it at, or sending it by post or facsimile to, the Borrower's or Guarantor's residential, business or postal address, or facsimile number, last known to us; or
- (c) sending it to the email address the Borrower or Guarantor has authorised and only if the Borrower or Guarantor has agreed to receive documents this way; or
- (d) making it securely available on our website for retrieval by electronic communication and only if the Borrower or Guarantor has agreed to receive documents this way.

16.3 The Borrower waives its right to receive any notice under the PPSA (including notice of a verification statement), unless the notice is required by the PPSA and cannot be excluded.

Assignment

16.4 We may assign, or grant a Security Interest in, our rights under this Agreement or the Goods without the Borrower's or Guarantor's consent. The Borrower and the Guarantor agree that if we consider exercising this right, we may disclose any information (including documents) about this Agreement, the Borrower and the Guarantor to the assignee, or to anyone who is considering becoming the assignee, and to that person's advisors and service providers.

Confidentiality

16.5 We and the Borrower agree this Agreement and all related information and document(s) are confidential and will not be disclosed, except to the extent disclosure is permitted or required by this Agreement or by law (other than section 275(1) of the PPSA).

Severability

16.6 If any term, agreement, or condition of this Agreement, including the guarantee and indemnity under clause 14, or the application of any term, agreement, or condition of this Agreement to any

person or circumstance is or becomes illegal, invalid, or unenforceable in any jurisdiction it will be severed and neither the remaining terms, agreements, and conditions nor the application, validity, and enforceability of the severed term, agreement, or condition in any other jurisdiction will be affected.

Waiver, Amendment, etc

16.7 No delay or granting of time or other indulgence by us will affect our rights to enforce the Borrower's or Guarantor's obligations or to exercise any right under this Agreement.

16.8 This Agreement may not be waived or varied except as agreed, or as otherwise permitted by this Agreement.

Disputes

16.9 If the Borrower or the Guarantor wishes to dispute a payment or anything else about this Agreement, the Borrower and the Guarantor are encouraged to contact our internal dispute resolution process.

Governing Law

16.10 This Agreement, including the guarantee and indemnity contained in clause 14, is governed by the law applying in New South Wales.

Mandatory laws of other States and the Territories, and the Commonwealth, may also apply to this Agreement.

17. Definitions and Interpretation

17.1 Definitions

In this document unless the context otherwise requires:

Agreement means the agreement between us and the Borrower as set in the Schedule and these Terms and Conditions and, if applicable, any Special Conditions.

Business Day means any day on which we are ordinarily open for business in Sydney, New South Wales.

Event of Default means if any one or more of the following occur:

- (a) the Borrower does not pay any amount payable under this Agreement on the due date and also fails to subsequently comply with a

notice of default given to the Borrower requiring payment to be made within 14 days;

- (b) the Borrower is in breach of any other obligation under this Agreement which is capable of rectification and the Borrower fails or is unable to rectify the breach within 14 days after we give you a notice telling you what the default is and requiring you to rectify it;
- (c) the Borrower is in breach of any obligation under this Agreement which is not capable of rectification;
- (d) the Goods are lost or destroyed, or we form the opinion the Goods are so damaged as to make their repair uneconomical, or we believe, on reasonable grounds, that urgent action is required to protect the Goods;
- (e) the Borrower deals with the Goods in any way that is inconsistent with our security interest in the Goods or the Borrower surrenders possession of the Goods to us;
- (f) if the Borrower or Guarantor is an individual, the Borrower or Guarantor dies or gaoled;
- (g) an Insolvency Event occurs to the Borrower or the Guarantor;
- (h) if the Borrower is a partnership, the partnership is dissolved or an application is made to a court for dissolution of the partnership;
- (i) the Borrower ceases to carry on business;
- (j) any warranty given by the Borrower in relation to this Agreement is false in a material respect;
- (k) this document is, becomes or is claimed to be void or unenforceable or this document does not have or loses the priority it is intended to have.

GST means goods and services tax levied under 'A New Tax System (Goods and Services Tax) 1999' and related legislation.

Insolvency Event means the happening of any the following events:

- (a) an application is made to a court for an order or an order is made appointing a liquidator or provisional liquidator in respect of the Borrower or the Guarantor (or proceedings are

commenced or a resolution passed or proposed in a notice of meeting for any of those things);

- (b) proceedings are initiated with a view to obtaining an order for the winding up or similar process of the Borrower or the Guarantor, or an order is made or any effective resolution is passed for the winding up of the Borrower or the Guarantor;
- (c) except to reconstruct or amalgamate while solvent on terms approved by us, the Borrower or the Guarantor enters into, or resolves to enter into, a scheme of arrangement, deed of company arrangement, or composition with, or assignment for the benefit of, all or any class of creditors, or proposes a reorganisation, moratorium or other administration involving any class of creditors;
- (d) a controller is appointed to or over or takes possession of all or a substantial part of the assets or undertaking of the Borrower or the Guarantor;
- (e) the Borrower or the Guarantor is or is deemed or presumed by law or a court to be insolvent;
- (f) the Borrower or the Guarantor takes any step to obtain protection or is granted protection from its creditors, under any applicable legislation or an administrator is appointed to the Borrower or the Guarantor;
- (g) anything analogous or having a substantially similar effect to any of the events specified above happens in respect of the Borrower or the Guarantor under the law of any applicable jurisdiction.

Loan Instalments means the loan instalments set out in the Schedule.

PPSA means the *Personal Property Securities Act 2009*.

Schedule means the schedule to this Agreement which sets out the specific terms of, and the parties to, the Agreement.

Special Conditions means additional or substitute terms and conditions applicable to this Agreement.

Terms and Conditions means these terms and conditions.

17.2 PPSA Definitions

The words listed below have the same meaning, when used in this Agreement, as they do in the PPSA:

- (a) Accession
- (a) Proceeds
- (b) Register
- (c) Registration
- (d) Security Agreement
- (e) Security Interest.

17.3 Interpretation

In this document unless the context otherwise requires:

- (a) clause and subclause headings are for reference purposes only;
- (b) the singular includes the plural and vice versa;
- (c) reference to a person includes any other entity recognised by law and vice versa;
- (d) where a word or phrase is defined its other grammatical forms have a corresponding meaning;
- (e) any reference to a party to this document includes its successors and permitted assigns;
- (f) an agreement, representation or warranty on the part of two or more persons binds them jointly and severally;
- (g) an agreement, representation or warranty on the part of two or more persons is for the benefit of them jointly and severally;
- (h) words used in any document comprising this Agreement have the same meaning when used in the other documents;
- (i) references to a law or agreement includes that law or agreement as changed from time to time and to any law or agreement made in substitution for it.