

# Card disclosure statement

This statement is prepared as at the date of this letter.

We are required to provide you with this disclosure statement under section 17 of the Credit Contracts and Consumer Finance Act 2003. This statement and the Conditions set out below contain the key information about your Card. You should read them thoroughly. If you do not understand them, you should seek independent advice. You should keep a copy of this document in a safe place for future reference.

1. Name and Address of Creditor  
Retail Financial Services Ltd  
31 Highbrook Drive  
East Tamaki  
Private Bag 94013  
Manukau 2241

## 2. Continuing Disclosure

You will receive a monthly statement. These statements will provide you information about your account and the amount and timing of your next payment.

## 3. Initial Unpaid Balance

Your initial unpaid balance will be the total of your purchases made as at the date of this letter, or nil if you have not made any purchases.

## 4. Payments

You are required to make a minimum monthly payment of at least 3% of your closing balance as at the end of each statement period or \$10. The minimum payment due date will be specified in your monthly statement.

## 5. Credit Details

Annual Interest Rate and Credit Limit are as stated in this letter or as shown on your monthly statements. Interest is calculated by multiplying the unpaid balance at the end of each 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 account monthly.

## 6. Interest free period

Up to 55 days' interest free. Interest accrues from the date of each purchase and is charged to your account if you do not pay your closing balance in full by the due date.

## 7. Credit Fees and Charges

There are currently no credit fees and charges payable (which are not part of the initial unpaid balance). The following credit fees may apply:

- \$7 Card replacement fee for any re-issue of your Card;
- \$7 Additional Card fee for the issue of an Additional Card;
- \$7 Statement re-print fee payable on issue of statements other than your monthly statement;
- \$16.50 Variation fee payable on variation of the repayment terms of your Credit Account.

We may introduce further credit fees and charges in the future upon giving notice under clause 16 of the Conditions.

## 8. Default Fees

In the event of a default or enforcement of your account, the default fees specified below are payable. These fees can be varied.

\* Default Fees payable upon each separate event of default including default administration services and the issuing of default notices in relation to collection activities and the age of the default:

- (i) Stage One: when we have not received payment in full and you have been issued with a reminder notice - \$14.50;
- (ii) Stage Two: when we have not received payment in full and you have been issued with an overdue notice - \$17.50;
- (iii) Stage Three: when we have not received payment in full and your outstanding account has been passed to our collection specialists for further action - \$14.00; and
- (iv) Stage Four: when we have not received payment in full and you have been issued with a final notice - \$14.00.

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 in our absolute discretion accelerate your transition through the various stages of the collection process.

\* Enforcement Fees – fees payable on enforcement or attempted enforcement action being taken.

# Card terms & conditions and definitions

Your Card is issued to you on the terms and conditions ("Conditions") set out below. When you signed the application for credit or you sign the Card, or use it to obtain credit, you are deemed to have accepted these Conditions.

## 1. USE OF THE CARD

Each Card at all times remains our property, and you must return it to us if we request its return for any reason.

## 2. CREDIT CARD

The Card is issued to you personally and you are liable for all credit obtained on your Credit Account.

You must not let any other person use the Card, and you will be personally liable for any credit obtained by any other person who does use it.

If you wish other members of your family to have a card, you can apply to us for Additional Cards, which will operate on your Credit Account. If any Additional Cards are issued, you will be personally liable for the full amount of credit obtained under your Card and any Additional Cards so issued. If there is more than one of you named as Card holder on a Credit Account, then each of you is jointly and severally liable for the total amount outstanding on that Credit Account.

## 3. CREDIT LIMIT

The Card allows you to obtain credit on your Credit Account up to your Credit Limit. The Credit Limit is the maximum amount of credit including all fees and interest charges which you, together with all Additional Card holders, may obtain on your Credit Account.

You must ensure your Credit Account balance does not exceed the Credit Limit. You must immediately pay to us the amount by which the Credit Limit is exceeded.

Your Credit Limit will appear in the Welcome Letter and in your monthly statement. You may request us to change your Credit Limit. If we agree to change your Credit Limit we will advise you in writing. We may increase or reduce your Credit Limit at any time.

## 4. YOUR CREDIT ACCOUNT

All purchases, cardholder services (such as Card repayment insurance), fees, interest charges, payments and credits will be transacted through your Credit Account.

## 5. MONTHLY STATEMENT

We will send you or make available a monthly statement showing the activity on your Credit Account during that period and the amount and timing of your next payment. A monthly statement will not issue where your Credit Account has a nil balance or you are in default.

## 6. INTEREST

Interest accrues from the date your purchases and charges are added to your Credit Account. If you always pay the closing balance in your monthly statement by the due date, no interest will be charged on the purchases made during the period covered by that statement. If any part of the closing balance is not paid by the due date, interest will be charged on all purchases made during the period covered by your monthly statement and on any purchases from a prior period that make up the closing balance. The interest charge is calculated by applying the daily interest rate (calculated by dividing the Annual Interest Rate by 365) to your Credit Account's daily balance at the end of each day. The interest charge will be applied to your Credit Account at the end of each statement period and will become part of the Credit Account balance. Your monthly statement will show how much interest has been charged up to the date of your statement and the applicable Annual Interest Rate.

## 7. RETURNED GOODS

If at any time, because of a defect or fault, you return goods purchased with the Card please write to us at Retail Financial Services Ltd, Private Bag

94013, Manukau 2241 or telephone us on 09-580-7200 and then confirm in writing, and we will be happy to reassess any interest which may have accrued as a result of the purchase. However, we will not refund any interest if you return purchases for any other reason. We will credit your Credit Account with the value of any goods returned and accepted by the Merchant where you bought the goods.

## 8. PAYMENTS

You must pay at least 3% of the closing balance ("Minimum Payment") shown in your monthly statement by the due date. If the Minimum Payment is less than \$10, then you must pay \$10 (or the entire closing balance if it is less than \$10). Your monthly statement will show the Minimum Payment you are required to make and when that payment is due. Any Minimum Payment not received by the due date is deemed overdue and is subject to immediate payment upon request.

You can make your payment by post to:

Retail Financial Services Ltd, Private Bag 92181, Victoria Street West, Auckland 1142 or in person at any Farmers' Trading Company Limited ("Farmers") store. Payments sent by mail to us will not be credited until received (at least four working days should be allowed for transit time to us by mail). Please make your cheques payable to 'Retail Financial Services Ltd'.

When you make a payment, the payment will be applied against your Credit Account balance in the following order:

- a. any interest, fees or costs;
- b. any overdue payment;
- c. any cardholder services (such as Card repayment insurance) provided by us or other Farmers Finance approved agencies; and
- d. credit purchases, in the order they were charged to your Credit Account.

## 9. IMMEDIATE REPAYMENT

Your Credit Account will be in default if:

- a. you are bankrupted or die;
- b. you breach any of these Conditions; or
- c. your Credit Account is cancelled.

If your Credit Account is in default the total amount outstanding on your Credit Account will become immediately due and payable and all Cards issued under your Credit Account will be deemed cancelled.

If your Credit Account is in default you must pay our enforcement expenses as stated in these Conditions.

## 10. SET OFF

Where you have any actual or contingent liability to us or any Related Company through any other agreement or arrangement, then we or the Related Company (as the case may be) may at any time and without notice set off the amount of that liability against any money which might otherwise be due by us or the Related Company to you. This right shall survive the termination, completion or cancellation of these Conditions.

## 11. LOST OR STOLEN CARDS

If the Card is lost or stolen, you must notify us immediately by telephone on 09-580-7200 or at any Farmers store. If you notify us by telephone or at any Farmers store, you must confirm the notification in writing. Providing you do this, you will not be liable for credit wrongfully obtained after we receive notice and your maximum liability for any credit wrongfully obtained will be limited to \$50 before you notify us (provided you or any Additional Card holder have not been involved or benefited from the credit wrongfully obtained). If you later find a Card reported lost or stolen, you are to destroy it.

## 12. CHANGE OF ADDRESS

You must notify us of any change to your address.

If you move and do not advise us of a change of address then you will be deemed to have received any statement or other notices we send to you at the address you last advised us as if you had not changed address.

## 13. PRIVACY ACT 1993

- (a) Any information you provide to us will be used for the following purposes:
  - (i) Assessing your credit worthiness.
  - (ii) Administering and enforcing your Credit Account.
  - (iii) Updating and enforcing defaults.
  - (iv) Offering you insurance.
  - (v) Maintaining credit records with us, a Related Company and external agencies.
  - (vi) Marketing goods and services provided by us, a Related Company or any other supplier nominated by us.
- (b) You authorise us and a Related Company to:
  - (i) Obtain information about you from other sources.
  - (ii) Retain and use information about you, information about how you use the Card or your Credit Account and provide this information to external agencies for the purposes listed above (such information may be used in updating and maintaining credit reporting agency/ies and databases, which are accessible to their customers).
  - (iii) Disclose information to any potential assignee with whom we may wish to enter into contractual relations.
- (c) All such information will be held by us at our business address and by other parties for the purposes described above.
- (d) Where the information can be readily retrieved you will have access to it. You have the right to have the information corrected. Subject to the Privacy Act 1993 a fee for retrieval and correction may be charged.
- (e) Should you provide any information to a Merchant then the Merchant collects and processes that information as our agent (although in all other respects the Merchant is independent of us).

## 14. FEES AND CHARGES

You agree to pay to us any fees and charges we may charge relating to the issue and use of the Card, your Credit Account and cardholder services, when they are due for payment. The fees and charges currently payable are stated in the Disclosure statement.

You are liable for all costs incurred by us (including legal costs, administrative time and bank charges) in recovering or attempting to recover any amounts overdue or otherwise enforcing our rights under these Conditions and these costs may be charged to your Credit Account.

You must pay to us any government taxes, duties or other charges imposed by law which may apply to the Card, use of the Card or any transaction on your Credit Account.

## 15. TERMINATION

If you no longer wish to use the Card, cut it in half and return both halves to us. We may cancel your right to use the Card at any time, without reason or prior notice or we may refuse to replace the Card including any Additional Cards. If the Card is cancelled for any reason, all Additional Cards will automatically be cancelled at the same time.

If use of the Card is cancelled then you will still be liable for all transactions made up to that time in accordance with these Conditions, and the outstanding balance of your Credit Account will immediately become due and payable.

If you are bankrupted or die, use of the Card and any Additional Cards will immediately cease and the outstanding balance of your Credit Account will immediately become due and payable.

## 16. VARIATION

We may at any time change these Conditions including the Annual Interest Rate, fees and charges payable, or your Credit Limit. We will notify you of any changes by giving you at least 14 days' notice provided that any notice relating to a change in an interest rate or fee may be notified according to regulation 5 of the Credit Contracts and Consumer Finance Regulations 2004.

## 17. EVIDENCE

You agree that any certificate signed by one of our officers stating the amount you owe us under these Conditions will be proof of such amount, in the absence of manifest error.

## 18. NOTICES

Subject to any other period imposed by law, you will be deemed to have received any notice we give you under these Conditions three days following the posting date. We may send any notices to you at your last address shown on our records.

You agree to accept disclosure electronically at any electronic address you have specified for that purpose.

## 19. GOVERNING LAW

These Conditions are governed by the laws of New Zealand.

## DEFINITIONS

"Additional Card" means a credit card issued to another person at your request and on your Credit Account.

"Annual Interest Rate" means the interest rate charged on your Credit Account. It is set out in the Welcome Letter, but may change from time to time.

"Card" means the credit card issued to you by RFS and each Additional Card.

"Credit Account" means your credit card account with us for your Card and all Additional Cards.

"Credit Limit" means the credit limit for your Card Account in the Welcome Letter, and as stated in your monthly statement.

"Farmers Finance" means RFS

"Merchant" means a retailer or any other person, firm or company bound by our merchant agreement.

"RFS" means Retail Financial Services Ltd and its assigns.

"Related Company" means a related company of RFS, within the meaning in section 2(3) of the Companies Act 1993.

"We", "Our" or "Us" means RFS.

"Welcome Letter" means the letterset out on the front of these Conditions.

"You" or "Your" means the Card holder.