

«HEARTLANDHOMEEQUITYLOAN» LOAN DETAILS

Sentinel Custodians Limited (Sentinel) of 35 Teed St, Newmarket offers you a Heartland Home Equity Loan on the terms set out in this Agreement.

Sentinel holds the Heartland Home Equity Loan on trust for the benefit of Heartland. (In this Agreement, we refer to both Sentinel and Heartland together as **us** or **we** unless we say otherwise).

This Loan is a reverse equity mortgage.

When we refer to **this Agreement** we mean the following:

1. These **Loan Details** which:
 - include important information about this Loan in Section 1 (*Disclosure*);
 - set out key terms that are specific to your Loan in Section 2 – for example, the amount you can borrow and the interest rates that apply (*Loan Details*);
 - include the **Fees Schedule** (*Attachment 1*); and
 - attach the form of Authority and Instruction (*Attachment 2*).
2. The attached **HeartlandBank Mortgage Memorandum** no «MemorandumOfMortgage» which:
 - sets out the terms and conditions which apply to your Loan and the Mortgage;
 - is deemed to incorporate the provisions of these Loan Details; and
 - creates the Mortgage over the Home as security for the Loan when you give the signed Authority and Instruction to a lawyer to register the Mortgage.

(You do not have to sign the Mortgage Memorandum).

We explain capitalised terms used in the Agreement in the **Dictionary** at the end of the Mortgage Memorandum.

You must read both parts of this Agreement together. You should also carefully read the information booklet about the «HeartlandHomeEquityLoan» you received with your application form. Ask for help if there is anything you don't understand.

You will become bound by the Agreement if you send us the following signed documents within 30 days of the Disclosure Date set out in Section 2 of these Loan Details:

- these Loan Details
- the attached copy of the Authority and Instruction (with all attachments)
- a certificate from your lawyer in the form provided confirming that he or she has given you independent advice about the effect of this Agreement, and your confirmation that you have received and understood that advice.

Keep this Agreement in a safe place.

SECTION 1: DISCLOSURE

*** IMPORTANT ***

This Agreement contains key information about your Loan and is a disclosure statement under section 17 of the Credit Contracts and Consumer Finance Act 2003. We may also have to give you regular information about your Loan (**continuing disclosure**). If required, we will give you statements containing the continuing disclosure at least every six months. You should keep a copy of this Agreement in a safe place.

Independent legal advice

You must take independent advice from a lawyer before you sign this Agreement and agree to become bound by the Mortgage.

Credit fees and charges

All current credit fees and charges (including default charges) that you might need to pay us under this Agreement are listed in the attached **Fees Schedule**. However, these fees and charges may change in accordance with clause 4 of the Mortgage Memorandum. If you do not pay an amount when it is due, we will charge you additional interest at the Default Interest Rate (which is specified in Section 2 of these Loan Details). We give you some more information about the default interest charges in clauses 2 and 13.1 of the Mortgage Memorandum. You should be aware that in some cases we can change the credit fees and charges you might have to pay, and the Default Interest Rate, under clauses 2.2 and 4 of the Mortgage Memorandum.

Prepayment

You can fully repay the Loan early by paying us the amount we confirm is the Total Amount Owing on the prepayment date plus the Discharge Fee specified in the current **Fees Schedule**. (The Discharge Fee reasonably compensates us for the administrative costs we incur in relation to the full prepayment). You can also make part prepayments in accordance with clause 3.5 of the Mortgage Memorandum.

Your right to cancel this Agreement

You have the right to cancel this Agreement for a short period after you sign it, as follows:

How to cancel

You can cancel this Agreement by sending a written cancellation notice to us within 30 calendar days of being handed a fully signed copy of this Agreement by your lawyer.

Please send the cancellation notice to:

Sentinel Custodians Limited

35 Teed St

Newmarket

Auckland, 1149

Time limit for cancellation

You must give us written notice of cancellation within 30 calendar days of being handed a fully signed copy of this Agreement by your lawyer. (The Credit Contracts and Consumer Finance Act 2003 provides for a shorter period of time than 30 calendar days, but we will provide you with this extended right to cancel).

What you may have to pay if you cancel

If you cancel the Agreement we can charge you:

- (a) our then-current Valuation Fee (the Credit Contracts and Consumer Finance Act 2003 allows creditors to charge other reasonable expenses on cancellation, but we will only charge this fee); and
- (b) interest for the period from the day you received the Loan until the day you repay it in full.

This statement only contains a summary of your rights and obligations in connection with your right to cancel. If there is anything about your rights or obligations under the Credit Contracts and Consumer Finance Act 2003 that you do not understand, if there is a dispute about your rights, or if you think that we are being unreasonable in any way, you should seek legal advice immediately.

What could happen if you fail to meet your commitments under this Agreement?

There could be very serious consequences for you, your spouse or partner and (if different) the Home owners if you do not meet your commitments under this Agreement and this becomes a **Continuing Default**.

The «HeartlandHomeEquityLoan» is a type of secured loan known as a **reverse equity mortgage**.

If you or any other person, such as another Nominated Resident or an Owner fail to meet your commitments under this Agreement, we may have the right to take control of your Home and sell it. We can use the sale proceeds to pay back the total amount of the Loan and all other amounts owed to us. In addition, if there is a Continuing Default, we might not be bound to honour the No Negative Equity Guarantee, the Loan Repayment Guarantee or the Lifetime Occupancy Guarantee.

- **Nature of the security interest:** Our Mortgage over the Home must be a sole, first-ranking mortgage over the Home. That means we must be the only person with a security interest in the Home and there must not be any other security granted over it to anyone else.
- **Extent of security interest:** The Mortgage is an all-obligations security. That means it secures the payment to us of all amounts you owe to us, and the performance of all of your obligations to us, now and in the future, under this Agreement or any other Relevant Document (and all these amounts make up the **Secured Debt**). If we exercise our rights under the security interest and the Net Sale Proceeds of the Home are insufficient to repay the Secured Debt, you will still be liable to pay us the remaining amounts, subject to the terms of the No Negative Equity Guarantee described in clause 3.3 of the Mortgage Memorandum.
- **What happens if you give someone else a security interest in the Home?** If you or any Owner of the Home gives a mortgage or other security interest over the Home to anyone else without our permission, that will breach this Agreement and this will be a Default under clause 12 of the Mortgage Memorandum and, if not remedied, will become a **Continuing Default**.
- If that happens, the **Secured Debt** may be due for payment immediately, and we may enforce our rights under the Mortgage (which could include taking control of and selling your Home).

Electronic communications

By initialling in the box below, you agree that we can send you notices and other communications relating to this Agreement electronically, including by email or (if we choose to) by other electronic means such as an online portal. This includes any continuing disclosure that we have to make to you under the Credit Contracts and Consumer Finance Act 2003. **You do not have to tick this box.**

We agree to receive notices or other communications from you in electronic form.

If there is a dispute about this Agreement

We are a member of the following dispute resolution scheme:

Banking Ombudsman
Level 5, Huddart Parker Building
1 Post Office Square
Wellington 6011

<http://www.bankomb.org.nz>, phone: 0800 805 950 and email: help@bankomb.org.nz.

It is free to make a complaint to this independent dispute resolution scheme. The scheme can help you to resolve any disagreement you may have with us.

Registration on the Financial Service Providers Register

Our Financial Service Providers Register Number is FSP363986 and our registration name is Sentinel Custodians Limited.

Additional Important Disclosure

The Credit Contracts and Consumer Finance Act 2003 requires us to give you certain key information relating to this Agreement. We have summarised below where to find key information about your Loan.

Name and address of Credit Provider	<p>SentinelCustodiansLimited, of «SentinelStreetAddress», in its capacity as a trustee, is the legal owner of this Agreement.</p> <p>Heartland Bank Limited, of 35 Teed Street, Newmarket, Auckland 1023, has a beneficial interest in your Heartland Home Equity Loan. Heartland is not the legal owner of this Agreement (the 'lender of record'), but Heartland provides various services in relation to your Heartland Home Equity Loan.</p>
Credit Limit	<p>The maximum amount you can borrow under the Loan at any time is:</p> <ul style="list-style-type: none">• the Initial Loan Balance set out in Section 2 of these Loan Details; plus• the amount of the Express Top Up Facility Limit (if any) specified in Section 2 of these Loan Details; plus• the amount of all fees, charges, interest and other amounts charged to your loan account in accordance with this Agreement, all of which form part of the amount you owe us. These are detailed in Section 2 of these Loan Details.
Initial Unpaid Balance	<p>This is the amount you owe us as at the Disclosure Date. Because the Disclosure Date is before the First Loan Date, the initial unpaid balance is zero.</p>
Subsequent Advances	<p>This is the amount we will lend you after the First Loan Date if you meet all of your obligations under this Agreement.</p> <p>The amount, a description, and timing of each additional Loan amount that we are currently aware you want to draw down after the Disclosure Date is set out as part of the Initial Loan Balance in Section 2 of these Loan Details.</p> <p>In addition, Subsequent Advances will include any further advances we agree to make under the Express Top Up Facility (if any) described in Section 2 of these Loan Details and clause 1.3 of the Mortgage Memorandum.</p>
Total Advances	<p>The Initial Loan Balance also represents all additional Loan amounts that we are currently aware you want to draw down after the Disclosure Date.</p> <p>We may agree to advance additional amounts on request in accordance with the terms of any Express Top Up Facility specified in the Loan Details and clause 1.3 of the Mortgage Memorandum.</p> <p>All fees, charges, interest and other amounts that are incurred or that accrue under this Agreement may be debited to (i.e. added to) your loan account and form part of the Unpaid Balance in accordance with clause 3.8 of the Mortgage Memorandum.</p>
Annual Interest Rate	<p>The current Annual Interest Rate is set out in Section 2 of these Loan Details. However, this rate is variable and will change from time to time. These changes will be caused by a range of factors, including what is happening in the funding market and economy both in New Zealand and overseas, as well as changes to our own borrowing costs. We will display the Annual Interest Rate that applies to your Loan from time to time on our website. (At the date of this document this is www.heartland.co.nz but it may change). Changes in the Annual Interest Rate will</p>

	affect the daily Interest Rate that applies to your Loan and will therefore have an impact on the Total Amount Owing.
Default Interest Rate	The Default Interest Rate is set out in Section 2 of these Loan Details. This rate will change if the variable Annual Interest Rate changes in accordance with clause 2.2 of the Mortgage Memorandum.
Method of Charging Interest	<p>Interest charges (including default interest charges) are calculated daily on the Unpaid Balance of your Loan - which includes all fees, charges, interest and other amounts that are debited to (i.e. added to) your loan account in accordance with this Agreement. The daily Interest Rate that we will charge you is calculated by dividing the Annual Interest Rate on any date by 365, even in a leap year. The current Annual Interest Rate is published on our website and will change from time to time, in accordance with clause 2.2.</p> <p>Accrued interest charges are debited to (i.e. added to) your loan account monthly. This means the charges are added to the Loan principal and we will charge interest on that full amount during the Loan term.</p>
Total Interest Charges	The total amount of interest charges payable under this Agreement are not ascertainable on the Disclosure Date. The total interest charges will depend on matters such as the eventual term of the Loan, whether additional advances are requested under any Express Top Up Facility, the total amount of all fees, charges, interest (including any changes in the variable Annual Interest Rate) and other amounts debited to (i.e. added to) your loan account, whether any early repayments are made, and whether you Default under this Agreement.
Credit Fees and Charges	All current credit fees and charges (including default charges) that you might need to pay us under this Agreement are listed in the attached Fees Schedule . However, these fees and charges may change in accordance with clause 4 of the Mortgage Memorandum. You should be aware that we can change the credit fees and charges you might have to pay under clause 4 of the Mortgage Memorandum. Fees and charges are debited to your loan account. This means they are added to the Loan principal and we will charge interest on that full amount during the Loan term.
Default Interest Charges and Default Fees	<p>The Default Interest Rate is specified in Section 2 of these Loan Details. We give you some more information about the default interest charges in clauses 2 and 13.1 of the Mortgage Memorandum. All current default charges are listed in the attached Fees Schedule. You should be aware that the default fees and charges and the Default Interest Rate you might have to pay may change in accordance with clauses 2.2 and 4 of the Mortgage Memorandum.</p> <p>We can charge the Default Interest Rate on the due but unpaid amount from the date of Default until the date the Default is remedied. The Default Interest Rate applies at all times until the Default has been remedied.</p> <p>We calculate default interest charges based on a 365-day year, even in a leap year. The interest charges accrue daily and are debited to your account at the end of each Monthly Cycle in which they accrue.</p>
Payment Required	<p>The payment required is one payment of the Total Amount Owing, as set out in Section 2 of these Loan Details and clause 3.1 of the Mortgage Memorandum.</p> <p>The Loan Repayment Guarantee and Lifetime Occupancy Guarantee are described in clause 3.2 of the Mortgage Memorandum. In clause 3.3 of the Mortgage Memorandum, we guarantee that, if the property is sold, you will not be required to pay us more than the Net Sale Proceeds of the Home (unless there is a Continuing Default). In clause 3.4 of the Mortgage Memorandum, we describe the Equity Protection Option, which is an option for you to protect the Equity Protected</p>

	<p>Percentage of the Net Sale Proceeds.</p> <p>The payment required for a full prepayment is set out in the next row.</p>
Full Prepayment	<p>Your right to repay early is set out in clause 3.5 of the Mortgage Memorandum. A Discharge Fee may be payable on full prepayment as described in the attached Fees Schedule but, as at the Disclosure Date, no other fees or charges are payable as a direct result of full prepayment.</p>
Security	<p>This Agreement is security for all Secured Debt – that is, means all amounts and all obligations you now owe, or may in the future owe, to us under this Agreement as described at clause 6 of the Mortgage Memorandum or another Relevant Document, and not just the amount stated in the Loan Details. See “<i>What could happen if you fail to meet your commitments</i>” in section 1 (<i>Disclosure</i>) of these Loan Details for more information.</p>
Your Right to Cancel	<p>The Credit Contracts and Consumer Finance Act 2003 gives you a right for a short time after the terms of this Agreement have been disclosed to you to cancel this Agreement. A statement of this right to cancel is set out in Section 1 (<i>Disclosure</i>) above.</p>
Continuing Disclosure Statements	<p>We will provide you with regular statements of account as set out in clause 5.2 of the Mortgage Memorandum.</p>

SECTION 2: YOUR HEARTLAND HOME EQUITY LOAN DETAILS

The information set out in the table below is correct as at the Disclosure Date. However, the Annual Interest Rate and, therefore, the daily Interest rate applicable to your Loan and the Default Interest Rate, are variable rates and, therefore, they may increase in accordance with clause 2.2 of the Mortgage Memorandum, and credit fees may increase in accordance with clause 4.2 of the Mortgage Memorandum, after the Disclosure Date.

Disclosure Date:	23 February 2017
Loan reference:	«LoanID»
Borrowers:	«BorrowerNamesAkaTI»
The Home (this is the property that is subject to the Mortgage):	«Security1_SecurityAddress» being all the land and improvements in Computer Register Identifier «Security1_CT»
Your postal address (if different):	«Borrower1_PostalAddress», «Borrower1_PostalAddress»
Nominated Residents:	«residentnames»
Personal Representative:	«RepresentativeNames»
Initial Loan Balance:	<p>\$«TotalLoanAmountBorrowed»</p> <p>This is the total of all advances that will be made to you on the First Loan Date. It does not include any amount available to you under any Express Top Up Facility or any fees that we deduct from the Initial Loan Balance on the First Loan Date.</p>
Express Top Up Facility Limit:	<p>\$«AvailableCredit» \$0.00</p> <p>The Express Top Up Facility Limit referred to above is the maximum amount you may draw down in addition to the Initial Loan Balance. Each drawdown under any Express Top Up Facility must be a minimum of:</p> <ul style="list-style-type: none"> • \$5,000.00; or • The undrawn balance (if the undrawn balance available to you is less than \$5,000.00). <p>The Interest Rate applicable to each drawdown under any Express Top Up Facility will be the variable Interest Rate applicable at the time of the drawdown.</p> <p><i>We may, at our discretion, reduce or withdraw any undrawn part of an Express Top Up Facility at any time.</i></p>
Current Annual Interest Rate:	<p>«InterestRate»% per annum</p> <p>This rate is variable and will change from time to time in accordance with clause 2.2 of the Mortgage Memorandum, both before and after the First Loan Date. The daily Interest Rate that applies to the Unpaid Balance of your Loan on any day will be calculated by dividing the then-current Annual Interest Rate on that day by 365, even in a leap year.</p>
Default Interest Rate:	On any date, the variable Annual Interest Rate on that date, plus a margin of 2.00% per annum.
Equity Protected Percentage:	<p>«EquityProtectionOption» of the Net Sale Proceeds.</p> <p>The Equity Protected Percentage is relevant if you have selected the Equity Protection Option in the Loan application form. The Equity Protected Percentage cannot be more than 50% of the Net Sale Proceeds.</p>
Initial Loan Balance:	
<ul style="list-style-type: none"> • Initial Loan Balance: 	\$«TotalLoanAmountBorrowed»
Total Approved Loan Balance:	

<ul style="list-style-type: none"> • Total Approved Loan Balance: This sum includes the amount of \$, currently owing under your existing loan account with the lender and the new initial draw down and Express Top Up Facility Limit above, plus fees – please see the special conditions regarding repayment and re-advance of this sum. • Unpaid Valuation Fee: We will deduct this amount from the Initial Loan Balance on the First Loan Date: • Unpaid Arrangement Fee: We will deduct this amount from the Initial Loan Balance on the First Loan Date: • Unpaid Home Equity Upgrade Fee: We will deduct this amount from the Initial Loan Balance on the First Loan Date: • Unpaid Equity Protection Option Fee: We will deduct this amount from the Initial Loan Balance on the First Loan Date: <p>Initial Loan: We will pay this remaining amount to your solicitor’s trust account on your behalf on the First Loan Date:</p>	<p>\$</p> <p>\$«YValuationFeeUnpaid»</p> <p>\$«YArrangementFeeUnpaid»</p> <p>\$«YHomeEquityUpgradeFeeUnpaid»</p> <p>\$«YEquityProtectionOptionFeeUnpaid»</p> <p>\$«zInitialDrawdownRCP»</p>
<p>Fees you have already paid and we have received:</p>	<p>Nil</p>
<ul style="list-style-type: none"> • Valuation Fee: 	<p>\$«security1_ValuationFeeRCP»</p>
<ul style="list-style-type: none"> • Arrangement Fee: 	<p>\$«security1_ValuationFeeRCP»</p>
<ul style="list-style-type: none"> • Home Equity Upgrade Fee 	<p>\$«HomeEquityUpgradeFeeRCP»</p>
<ul style="list-style-type: none"> • Equity Protection Option Fee: 	<p>\$«EquityProtectionOptionFeeRCP»</p>
<p>Security:</p>	<p>You agree that your obligations under this Agreement will be secured by a first registered mortgage over your Home.</p> <p>Home details:</p> <ul style="list-style-type: none"> • security «Security1_SecurityAddress» • Title Reference: «Security1_CT» • new security • provided by «Ownernames» <p>The Home listed here (as well as your entitlement to receive any money arising out of the ownership, use, or occupation of the Home (including insurance proceeds)) is taken as security for all moneys and obligations you owe us under any agreement both now and in the future.</p>
<p>Security:</p>	<p>You agree that your obligations under this Agreement will be secured by a first registered mortgage over your Home.</p> <p>Home details:</p> <ul style="list-style-type: none"> • security «Security1_SecurityAddress» • Title Reference: «Security1_CT» • Mortgage No. being the existing mortgage to the Lender registered over the above property. • provided by «Ownernames» <p>The existing mortgage will be varied by a memorandum of variation to incorporate the terms of memorandum no. :«MemorandumOfMortgage» in lieu of the current memorandum. The mortgage as varied will remain as security for all moneys and</p>

	obligations you owe us under any agreement both now and in the future.
Insurance:	You must maintain insurance over your Home with a sum insured policy for the cost to reinstate the Home as detailed in the most recent valuation (or any other sum we may reasonably require).
Payment required:	<p>We require you (or your estate) to make one payment only of the Total Amount Owing to us. The Total Amount Owing is not ascertainable as at the Disclosure Date.</p> <p>The payment required must be made immediately when a Payment Event occurs – that is, the first to occur of the following:</p> <ul style="list-style-type: none"> (a) the Home is sold; or (b) a period of six months has elapsed since the death of the last Nominated Resident; or (c) a period of six months has elapsed since the day the last Nominated Resident: <ul style="list-style-type: none"> (i) entered into Permanent Long-Term Care; or (ii) left the Home, whether or not with an intention to return, and has remained absent for such six month period without our consent; or (d) a Continuing Default has occurred and we make demand under clause 13.6 of the Mortgage Memorandum. <p>No Negative Equity Guarantee and Equity Protection Option: However, if the Home is sold and there is a shortfall, you will not be required to pay to us more than the Net Sale Proceeds (reduced by any Equity Protected Percentage if you have selected the Equity Protection Option) – unless or until a Continuing Default has occurred.</p> <p>The Mortgage Memorandum sets out the terms that apply to selling the Home (see clause 9).</p> <p>Loan Repayment Guarantee and Lifetime Occupancy Guarantee: We may only make a demand for payment of the Total Amount Owing on or after the occurrence of a Payment Event.</p> <p>Please note that all fees, charges, interest and other amounts that are debited to your loan account during the loan term in accordance with his mortgage form part of the Unpaid Balance on which interest charges are calculated in accordance with clause 2.1 of the Mortgage Memorandum.</p>
Credit Fees and Charges:	<p>You may be required to pay other credit fees and charges for additional services.</p> <p>The credit fees and charges as at the Disclosure Date are set out in the attached Fees Schedule.</p> <p>If you have received services from a financial intermediary, such as a broker or advisor, to assist with your application, we may pay commission to that intermediary, at no additional cost to you. Your intermediary is required to disclose details of any commission paid, on your request.</p>
Special Conditions:	This Agreement is in substitution for the existing Agreement with the Lender. On the day of settlement the Lender will internally repay all amounts outstanding under the existing Agreement and the terms and conditions of the existing Agreement will be deemed to be varied and replaced by the terms and conditions set out in this Agreement and in memorandum number: «MemorandumOfMortgage»
Special Conditions:	The purpose of your Heartland Home Equity Loan shall be to enable you to use the Mortgaged Property to finance the payment of your annual rates bill, your annual house and contents insurance bill, or (if approved by Heartland) certain house maintenance

costs. To that end, and notwithstanding anything to the contrary in this mortgage:

- (a) you must use our Bills Plus payment instructions form to request the drawdown of the Initial Drawdown or any amount under the Express Top Up Facility (if any), and must submit together with that form a copy of the invoice(s) to be paid by the proceeds of the relevant drawdown;
- (b) if we accept your drawdown request, unless we agree otherwise, we shall lend you the amount by paying those invoice(s) directly to the person to whom they are payable (rather than crediting the amount lent to you), and will advise you once this has occurred;
- (c) the Initial Drawdown may be an amount of less than \$10,000;
- (d) the valuation of the Mortgaged Property may be a desktop valuation (undertaken by us, at our cost) rather than a registered valuation;
- (e) unless approved by Heartland, you may only use your Heartland Home Equity Loan to pay the annual instalment (rather than any more regular instalments) of your rates or house and contents insurance bills; and
- (f) you agree that, if the balance of your Heartland Home Equity Loan exceeds the Express Top Up Facility Limit, we will need to obtain a registered valuation of the Mortgaged Property (at our cost), following which we may decide to increase your Express Top Up Facility Limit. You agree to co-operate with any registered valuer we appoint to commission that valuation.

If you wish to use your Heartland Home Equity Loan for any other purpose, or to increase the Express Top Up Facility Limit outside of the circumstances set out in 1(f) above, you will be required to enter into a new agreement with us, obtain a registered valuation of the Mortgaged Property (at your cost) or reimburse us for any registered valuation of the Mortgaged Property that we have commissioned, and pay additional credit fees.

«specialcondition1_text»

«specialcondition0_text»

Acceptance of our offer

How to accept

You may accept this offer by sending us the following signed documents within 30 days of the Disclosure Date:

- these Loan Details;
- the attached copy of the Authority and Instruction (with all attachments); and
- the certificate from your lawyer confirming that he or she has given you independent advice about the effect of the Agreement and your confirmation that you have received and understood that advice.

If you do not sign and send the above documents to us within 30 days of the Disclosure Date then we do not need to make the Loan to you.

The effect of sending us those signed documents

If you sign the above documents, you:

- accept the offer of the Loan – this means you **agree to pay the Loan and all interest, fees and costs due under this Agreement and to grant us a mortgage over your Home to secure that obligation** and to be bound by the full terms of the Agreement;
- agree that the Mortgage secures the payment to us of all amounts you owe to us, and the performance of all of your obligations to us, now and in the future, under the Agreement or any other document under this Agreement or any other Relevant Document;
- understand that if you default under this Agreement, we may be able to **take control of your Home and sell it to repay amounts you owe us**;
- confirm that all of the Nominated Residents are 60 years of age or older, and that all the information you have given us (verbally or in writing) about yourself, the Nominated Residents, the Owners and the Home is – to the best of your knowledge and belief - accurate and not misleading or deceptive;
- confirm that you live in the Home and it is your main residence and you do not run a business from your Home;
- confirm that you accept personal responsibility for your obligations under this Agreement and enter into this Agreement in your personal capacity – unless you have told us and we have agreed in writing in these Loan Details that you are acting only as a trustee or on another person's behalf;
- acknowledge that you received a copy of this Agreement and received independent legal advice before you signed the above documents;
- understand that we strongly recommend that you take financial advice and discuss this Agreement with your family before you sign it; and
- acknowledge that we are relying on the information you have given us.

Before you sign

Have you considered all other financial options?

You should make sure that this Loan will meet your current and possible future needs. For instance you should think carefully about whether this Loan will affect your ability to move into aged care accommodation, or to leave equity in your Home to your estate. If a reverse mortgage product like the Heartland Home Equity Loan is not suitable for you, there may potentially be serious consequences.

Other options that might be appropriate for your circumstances could include:

- taking out a personal loan;
- downsizing to a less expensive house;
- using your savings or cashing in investments;
- borrowing money from family;
- using other assets, apart from your Home, as security for a loan (for example, any investments you may have);
- taking on boarders or renters; and/or
- applying for government assistance (such as a benefit).

Have you taken financial advice?

We strongly recommend that you take independent advice from a qualified financial adviser.

You should also discuss your options with a trusted friend or family member, or if that is not possible, call the Citizens Advice Bureau or your local community law centre.

You can also use our free Home equity release calculator to work out the financial impact of the Loan:

www.homeequityrelease.co.nz/calculator.

We are also happy to answer any questions you may have – please feel free to ring us on «Freephone» for more information.

Have your taken independent legal advice?

You *must* get advice from a lawyer that does not work for us before entering into the Agreement. We will ask you to provide a certificate from your independent lawyer confirming that he or she has explained the terms of this Loan to you. You will need to pay for the cost of taking this advice. We can deduct the cost of this advice from the amount that you receive when you draw down your Loan if you choose.

Signed by Borrower(s) *(as a Borrower and, if relevant, a Nominated Resident)*

Signed by «Borrower0_FullNameAkaTI»)
in the presence of:)

Witness (signature)

Date

Witness (name)

Witness (occupation)

Witness (address)

Director

Director

Date

Date

If Sole Director in the presence of

Witness (signature)

Witness (name)

Witness (occupation)

Witness (address)

Signing by Nominated Resident(s) *(if Nominated Resident is not also a Borrower)*

Signed by «Resident0_FullName»)
)

Date

HEARTLAND BANK

Attachment 1: Fees Schedule

Below is a list of the fees that may be charged on your Bills Plus Heartland Home Equity HER Loan. These fees are correct as at the Disclosure Date however, are subject to change after the Disclosure Date. If, during the term of your Bills Plus Heartland Home Equity Loan these fees change, we will send you an updated **Fees Schedule** that incorporates these changes.

Name of Fee	Amount of Fee	Details of Fee
Arrangement Fee	\$«LoanType_ArrangementFee»	Charged as at the initial Settlement Date of the HER Loan. This fee will be deducted from your initial drawdown.
Equity Protection Fee	\$«LoanType_EquityProtectionOptionFee»	If you choose the Equity Protection Option, this will be charged on the initial Settlement Date of the HER Loan. This fee will be deducted from your initial drawdown.
Express Top Up Fee	\$«LoanType_ExpressTopUpFee»	Charged on each Settlement Date on the Express Top Up Facility. This fee will be deducted from each drawdown under the Express Top Up Facility
Loan Variation Fee	\$«LoanType_VariationFee»	Charged if you look to vary the HER Loan. This fee will be added to the loan balance of the HER Loan
Substitution Fee	\$«LoanType_SubstitutionFee»	Charged if you sell your home and then substitute your new home in the HER Loan. This fee will be added to the loan balance of the HER Loan
Home Equity Upgrade Fee	\$«LoanType_HomeEquityUpgradeFee»	Charged as at the Settlement Date of the variation to your Bills Plus HER Loan to remove the limitation to borrow only for the purpose of Rates and Insurance payments on the Security Property
Further Advance Fee	\$«LoanType_FurtherAdvanceFee»	Charged as at the Settlement Date of a Further Advance to the HER Loan. This fee will be deducted from the initial drawdown of any Further Advance.
Mortgage Discharge Fee	\$«LoanType_MortgageDischargeFee»	Charged at the time the HER Loan is fully repaid. This fee will be added to the loan balance of the HER Loan and will form part of the repayment required.

PRIVATE INDIVIDUAL CLIENT AUTHORITY AND INSTRUCTION FOR AN ELECTRONIC TRANSACTION

(This form is approved by the New Zealand Law Society and Registrar-General of Land)

1. TO LAW FIRM: **«SolicitorsFirmName»**
(Firm name)

2. CLIENT(S): **«BorrowerNames»**
(Full name(s). If tenant in common state share.)

3. TRANSACTION:

Property Address: **«Security1_SecurityAddress»**

Date and Nature of Base Document:

Instruments:

- Mortgage
- Variation of Mortgage
 - Title Reference(s): **«Security1_CT»**
 - Registered Mortgage No:
 - Mortgagee Name: Sentinel Custodians Limited
 - All Obligations
 - Memorandum Number: **«MemorandumOfMortgage»**
 - Priority Amount \$: \$ 0.00 plus interest and capitalised interest including a specified principal amount of
\$ (being the initial advances secured by the mortgage)
 - Priority Amount \$: \$ 0.00 plus interest and capitalised interest including a specified principal amount of
\$ (being the amount owing under this mortgage as at the date of registration
of this variation)

4. AUTHORITY AND INSTRUCTION:

I confirm that

- (a) This form is for the transaction noted above;
- (b) I am 18 years of age or over;
- (c) I am not an undischarged bankrupt;
- (d) I am not subject to any order or management pursuant to the Protection of Personal Property Rights Act or any other legislation that could restrict my ability to deal with my land;
- (e) As required by s164A of the Land Transfer Act 1952 I irrevocably authorise and instruct you to register the instruments above as an e-dealing;
- (f) I understand that by signing this form I am legally bound by the electronic instruments certified and registered on my behalf as if such instruments had been signed by me personally;
- (g) I understand that the authorised transaction will become a matter of public record upon registration.

Date: _____

Signature of «Owner0_Fullname»

(Note: Each Client named must sign personally. 'for and on behalf' is not acceptable)

5. CLIENT IDENTIFICATION: *(Tick applicable ID. Person establishing identity to complete.)*

NZ Driver Licence	Passport	NZ Firearms Licence	Other NZ government- issued photo ID
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«IndividualOwner0_Fullname»

(Attach copy of ID used or details (e.g passport number) where copying not practicable.)

I certify that:

- (a) I have witnessed the client(s) sign this form;
- (b) I have sighted the original form(s) of identity ticked above;
- (c) I have attached a copy of ID(s) used;
- (d) The photo(s) name(s) and signature(s) match the client(s) name(s) and identification provided;
- (e) The client(s) appear(s) to be of sound mind.

Signature of person establishing identity

Full name of person establishing identity

Occupation

Phone/Email

Address

Notes:

1. The requirements for client identification specified in LINZS20002 Standard for verification of Identity must be complied with
2. With the exception of foreign passports, only NZ government issued photo ID may be relied upon for identity verification purposes
3. Where the client is signing this form under a Power of Attorney the identification required to be established is that of the attorney
4. Attach certificate of non-revocation of power of attorney if required
5. A trustee may use the same form in respect of the same transaction in their personal capacity and as trustee
6. A faxed copy of this form is acceptable (refer to NZLS e-dealing Guideline J)
7. The consent of prior mortgagees, lessors, etc may be necessary to avoid a breach of covenants

LINZ Dealing Number: _____

Client Reference: _____

PRIVATE CORPORATE CLIENT AUTHORITY AND INSTRUCTION FOR AN ELECTRONIC TRANSACTION

(This form is approved by the New Zealand Law Society and the Registrar-General of Land.
For use by a non-publicly listed company or incorporated society, etc.)

1. TO LAW FIRM: «SolicitorsFirmName»
(Firm name)

2. CLIENT(S): «Company0_CompanyName»
(Registered name of corporate as per Certificate of Incorporation. Referred to as 'the Client'.)

3. TRANSACTION:

Property Address: «Security1_SecurityAddress»

Date and Nature of Base Document:

Instruments:

- Mortgage
- Variation of Mortgage
 - Title Reference(s): «Security1_CT»
 - Registered Mortgage No:
 - Mortgagee Name: Sentinel Custodians Limited
 - All Obligations
 - Memorandum Number: «MemorandumOfMortgage»
 - Priority Amount \$: \$, plus interest and capitalised interest including a specified principal amount of \$ (being the initial advances secured by the mortgage)
 - Priority Amount \$: \$, plus interest and capitalised interest including a specified principal amount of \$ (being the amount owing under this mortgage as at the date of registration of this variation)

4. AUTHORITY AND INSTRUCTION:

I confirm that:

- (a) I am properly and duly authorised by law to sign this Authority on behalf of the Client;
- (b) this authority is binding on the Client;
- (c) this form is for the transaction noted above;
- (d) I am 18 years of age or over;
- (e) the Client is not subject to any statutory management order, the appointment of a receiver or liquidator, or similar;
- (f) the Client has passed the necessary resolutions as required by its empowering constitution, rules or statute to authorise the transaction noted above;
- (g) as required by s 164A of the Land Transfer Act 1952 I irrevocably authorise and instruct you to register the instruments above as an electronic *e-dealing*; and
- (h) I understand that by signing this form the Client is legally bound by the electronic instruments certified and registered on its behalf pursuant to this authority and instruction as if such instruments had been signed by me personally on behalf of the Client.

Signature of Authorised Signatory

Date: _____

Signature of Authorised Signatory

Date: _____

(Important note: Each Signatory named must sign personally. 'for and on behalf' is not acceptable)

5. SIGNATORY IDENTIFICATION: *(Tick applicable ID. Person establishing identity to complete.)*

- | | Signatory A | Signatory B |
|--------------------|--------------------------|--------------------------|
| ● Driver Licence | <input type="checkbox"/> | <input type="checkbox"/> |
| ● Passport | <input type="checkbox"/> | <input type="checkbox"/> |
| ● Firearms Licence | <input type="checkbox"/> | <input type="checkbox"/> |
| ● Other Photo ID | <input type="checkbox"/> | <input type="checkbox"/> |

(Attach copy of ID used or details (e.g. passport number) where copying not practicable. Add Signatory C, D, etc for number of individuals involved.)

I certify that:

- (a) I have witnessed the signatory(s) sign this form;
- (b) I have sighted the original form(s) of identity ticked above;
- (c) I have attached a copy of ID(s) used;
- (d) the photo(s) name(s) and signature(s) match the signatory (s) name(s) and identification provided;
- (e) the client(s) appear(s) to be of sound mind.

Signature of person establishing identity

Full name of person establishing identity

Occupation

Phone/Email

Address

Notes:

1. The requirements for client identification specified in LINZS20002 Standard for verification of Identity must be complied with
2. With the exception of foreign passports, only NZ government issued photo ID may be relied upon for identity verification purposes
3. Where the client is signing this form under a Power of Attorney the identification required to be established is that of the attorney.
4. Attach certificate of non-revocation of power of attorney if required.
5. A trustee may use the same form in respect of the same transaction in their personal capacity and as trustee.
6. A faxed copy of this form is acceptable (refer to NZLS e-dealing Guideline J).
7. The consent of prior mortgagees, lessors, etc may be necessary to avoid a breach of covenants.

