

SECURITY AGREEMENT (PERSONAL)

AGREEMENT BETWEEN

Secured Party:	[Dealer] trading as [Dealer Trading Name] (the " Secured Party ")				
Customer:	Customer Name: _____ Physical Address: _____ Customer No.: _____ Telephone: _____ (Mob) _____ (Hm) (the " Customer ")				
Notice Addresses	Notices by the Secured Party to the Customer may be given by the Secured Party to any of the following addresses:				
	Delivery: _____ Email: _____ Fax: _____ Post: _____				
Ref No.					
Collateral: (including particulars to appear in financing statement)	Details of Collateral Goods Type: _____ Description: _____ Make: _____ Model: _____ Year: _____ Registration No.: _____ Chassis/Serial No.: _____ Vin No.: _____ Colour: _____ Odometer Reading: _____ Motive Power : _____ First Registered: _____				
Verification Statement Waiver:	All present and after acquired property that is proceeds of the collateral described in the financing statement.				
Assignment to UDC Finance Limited:	<p>The customer waives/does not waive [Delete one. If no deletion, to be read as 'waives'] the need for the Secured Party to forward it a copy of any verification statement in respect of any financing statement or financing change statement registered under the PPSA by the Secured Party in connection with this Agreement.</p> <p>In consideration of an amount paid by UDC Finance Limited ("UDC"), details of which are separately recorded, the Secured Party acknowledges receipt of a copy of this Agreement and assigns to UDC all the Secured Party's rights, title and interest in the Collateral, in all payments to be made by the Customer pursuant to this Agreement, in all of the Secured Party's other rights under this Agreement, in all guarantees and collateral securities held by the Secured Party in respect of this Agreement, and in this Agreement generally. This assignment shall be governed by the terms of any assignment or similar agreement between the Secured Party and UDC. Unless otherwise agreed in writing, for the purposes of the relevant Dealer Assignment Facility Agreement or Broker Assignment Facility Agreement between UDC and the Secured Party, this assignment is Non-Recourse Assignment and is an Absolute Assignment (in each case as defined in the relevant Dealer Assignment Facility Agreement or Broker Assignment Facility Agreement).</p> <p>You may be required to make payments direct to UDC, and to execute a direct debit authority in favour of UDC.</p> <p>This assignment does not affect the terms of the contract that you entered into (other than terms relating to the identity of the Creditor).</p> <p>UDC's registration number and dispute resolution scheme details are provided in the relevant Facility Agreement's disclosure statement.</p>				
Agreement:	<p>To secure to the Secured Party payment of the Secured Amounts, the Customer:</p> <p>(a) grants the Secured Party a security interest (as defined in the PPSA) in the collateral to the extent it is Personal Property. (b) charges to the Secured Party the Collateral to the extent it is Other Property; and (c) agrees to mortgage to the Secured Party the Collateral to the extent it is Real Property.</p> <p>The Customer agrees to the terms set out in this Agreement (including the terms set out in the attached Schedule of Terms).</p>				

SIGNING PROVISIONS

Signed by the Customer / on its behalf by persons authorised to do so:	Signature of Customer/Authorised Person	Full name of Customer/Authorised Person
Signed for and on behalf of the Secured Party:	Signature	Full name
Date of Agreement:	_____/_____/_____(Secured Party to Complete)	

SCHEDULE OF TERMS

1. Purpose, creation, perfection and release of security interests

1.1 Fixed and floating charge: The charge created under this Agreement is a fixed charge in relation to Other Property. However, if that charge is not legally and fully effective, as a fixed charge then, for so long as and to the extent it may not be so legally and fully effective, that charge is a floating charge until such time as it becomes a fixed charge by virtue of this clause. Any floating charge created under this Agreement will become a fixed charge:

- (a) automatically, without the need for any notice or action by the Secured Party, immediately prior to or, if that would not result in the fixed charge being legally and fully effective, contemporaneously with, the occurrence of any Event of Default; or
- (b) on notice from the Secured Party to the Customer, in respect of such of the Other Property subject to that floating charge as is specified in the notice, if, in the Secured Party's opinion, any of that Other Property is or might be or become seized or taken, subject to any security interest (other than a security interest agreed to by the Secured Party), or otherwise in jeopardy.

1.2 Types of Collateral: If the Collateral that is subject to this Agreement is described in the "Collateral (including particulars to appear in financing statement)" section of this Agreement by reference to:

- (a) the collateral type "All present and after acquired property"; or
- (b) the collateral type "All present and after acquired property, except –"; or
- (c) a type of property, rather than to a specific item of property,

the security interest in that Collateral created by this Agreement will apply to all property of that type that is at that time or subsequently owned by the Customer, or in respect of which the Customer has rights, except to the extent that the CCCFA requires that no security interest may be granted in such property or any part of such property or to the extent that the Secured Party from time to time agrees.

1.3 Consumer goods: If the Customer acquires any consumer goods that are a type of property that is intended to be subject to this Agreement, the Customer will on demand by the Secured Party sign a security agreement in respect of those consumer goods in favour of the Secured Party in the same form as this Agreement (or such other form as the Secured Party may reasonably require).

1.4 Relationship with other Transaction Documents: This Agreement is intended to supplement, and not to limit, any other Transaction Document. Subject to clause 1.7, if the terms of any other Transaction Document and of this Agreement contradict one another, the terms of this Agreement will prevail.

1.5 PPSA registration: The Customer agrees:

- (a) that the Secured Party may register a financing statement under the PPSA in respect of each item of Collateral that is from time to time subject to this Agreement, in such a manner as the Secured Party considers desirable in order to perfect its security interest in that Collateral; and
- (b) to pay the registration fees incurred by the Secured Party in doing so, on demand;
- (c) to do such things as the Secured Party may reasonably request in order to assist the Secured Party to perfect its security interest in that manner.

1.6 Perfection of security interest in proceeds: Except to the extent set out in clause 4.2, the Secured Party does not authorise any sale, withdrawal, transfer, assignment, disposal or other dealings with the Collateral which give rise to proceeds, unless the Secured Party has expressly agreed to any such dealing by the Customer. The Secured Party's security interest in all Collateral will continue in the proceeds of any such dealing, whether or not authorised by the Secured Party, and the Customer agrees:

- (a) to do such things as the Secured Party may reasonably request to ensure that the Secured Party has a perfected security interest in any such proceeds;
- (b) where any proceeds are serial-numbered goods, to inform the Secured Party of the details necessary to allow the Secured Party to register a financing statement in respect of those proceeds no later than the time at which the Customer has rights in those proceeds.

1.7 Release of Collateral by the Secured Party: The Secured Party may from time to time agree to release Collateral from this Agreement, on such terms as the Secured Party may require, but always subject to clause 6.3. If the Secured Party does so:

- (a) the release of any item of Collateral from this Agreement will not affect the Secured Party's security interests or other rights in any other Collateral that remains subject to this Agreement;
- (b) recognising that the Secured Party may incur costs in doing so, the Customer agrees to pay any fees the Secured Party may require as a condition precedent to any such release or in respect of any financing change statement that may be registered under the PPSA in respect of it, even if the release or financing change statement is one which the Customer would otherwise be entitled to require under the PPSA.

1.8 Priority of security interest in Personal Property: The security interest granted in the Personal Property under this Agreement has the same priority in relation to all Secured Amounts, including future advances. Nothing in this clause restricts the Secured Party from claiming that the security interest is a purchase money security interest in respect of all or part of the Personal Property.

1.9 Real Property: If any Collateral comprises Real Property, the Customer agrees to promptly grant in favour of the Secured Party an all obligations mortgage in the form required by the Secured Party over such of the Customer's interest in that Real Property as the Secured Party may require and deliver to the Secured Party any document, and do anything, which the Secured Party requires in order to register any such mortgage. The Customer acknowledges and agrees that any such mortgage shall not in any way affect, or limit, the security interest granted under this Agreement.

2. Customer warranties

2.1 Regular execution: The Customer and each person signing this Agreement on its behalf warrants that this Agreement is validly signed by and binding on the Customer.

2.2 Ownership of Collateral and absence of other security interests: In respect of each item of Collateral that becomes subject to this Agreement, the Customer warrants that:

- (a) the Collateral is owned by the Customer; or
- (b) the Customer has sufficient rights in respect of the Collateral to give the Secured Party a security interest in it;

in either case as a first ranking and only security interest, or otherwise as represented to the Secured Party.

2.3 Repetition of warranties: The warranties in 2.1 to 2.2 shall be considered repeated by the Customer on each occasion the Secured Party enters into a credit contract or any other Transaction Document.

3. Obligations the Customer must perform

3.1 Make payments when due: The Customer will ensure that the Secured Amounts are paid to the Secured Party in cleared funds and:

- (a) at the times and on the terms stipulated in the Transaction Documents; or
- (b) to the extent that there is no such stipulation, on demand or as the Secured Party directs.

3.2 Perform obligations: The Customer will perform all other obligations required of it by this Agreement or by any other Transaction Document when they are due to be performed.

3.3 Apply credit for purpose intended: If any credit is provided by the Secured Party to the Customer in order to acquire rights in Collateral, the Customer will apply the credit to that purpose.

3.4 Comply with laws: The Customer will comply with all laws relating to the Collateral.

3.5 Pay costs: The Customer will meet all costs incurred or payable by it which relate to the Collateral, as and when due.

3.6 Serial-numbered goods: If the Customer acquires any serial-numbered goods that are Collateral for the purposes of this Agreement, as soon as any such Collateral is acquired,

the Customer will advise the Secured Party of such details of that Collateral as are necessary to allow the Secured Party to register a financing statement under the PPSA in respect of any such Collateral, unless those serial-numbered goods are to be held by the Customer as inventory.

Maintain Collateral: The Customer will maintain all Collateral in good order and repair, and will:

- (a) replace defective or worn out parts as and when necessary;
- (b) ensure that any Collateral intended by its manufacturer for use for a particular purpose is used for that purpose, and in accordance with any relevant recommendations of the manufacturer;
- (c) not alter or modify any Collateral, unless the Secured Party agrees;
- (d) not change any registration plate, identification number or similar identification mark in respect of any Collateral, unless the Secured Party agrees;
- (e) allow the Secured Party to inspect Collateral that is able to be inspected, at all reasonable times.

Insurance: The Customer will maintain insurance in its name to full insurable value against all insurable risks in respect of all Collateral which is insurable, with a reputable insurer approved by the Secured Party and with the Secured Party's interest noted in such a manner that the amount of any claim is payable to the Secured Party. The Customer will deliver the policy document and current premium receipts to the Secured Party on demand, if the Secured Party requires it to do so.

Documents of title etc: The Customer will deliver any registration papers or documents of title in respect of any Collateral to the Secured Party, on demand. Where any Collateral comprises investment securities, negotiable instruments or chattel paper for the purposes of the PPSA, the Customer will deliver such documents to the Secured Party, and/or take such steps as required by the Secured Party, to ensure that the Secured Party has possession of that collateral for the purposes of the PPSA.

Actions not to be taken by Customer without prior consent of the Secured Party

Change name or address: The Customer will not change its name or address unless it has given the Secured Party 10 working days prior written notice of its intention to do so.

Dealing with Collateral: The Customer will not sell, withdraw, transfer, assign, lease or otherwise dispose of any Collateral that is subject to this Agreement, unless:

- (a) the Collateral is held by the Customer as inventory and is disposed of in the ordinary course of the Customer's business for full market value; or
- (b) the Collateral is sold, withdrawn, transferred, assigned, leased or disposed of with the prior consent of the Secured Party.

Not create security interests: The Customer will not grant a security interest in the Collateral to any person other than the Secured Party, unless the Secured Party agrees.

Not part with possession: The Customer will not part with possession of any Collateral, or allow any other person to take possession of any Collateral, unless permitted by clause 4.2.

Location of Collateral: The Customer will not allow:

- (a) the Collateral to be kept at any premises other than those notified to the Secured Party; or
- (b) the Collateral to be taken out of New Zealand, unless the Secured Party agrees.

Secured Party's powers if Event of Default occurs

Secured Party's powers if Event of Default occurs: If an Event of Default occurs, the security interest created by this Agreement will become immediately enforceable and the Secured Party may take any one or more of the following actions (subject to any requirements of law):

- (a) terminate any or all of the Secured Party's obligations under the Transaction Documents;
- (b) require immediate payment of all or any Secured Amounts;
- (c) take possession of any Collateral;
- (d) sell any Collateral;
- (e) appropriate the whole or any part of the Collateral in or towards payment of all or any Secured Amounts;
- (f) transfer ownership of any Collateral to itself or any nominee;
- (g) lease, or otherwise grant rights of use in respect of, any Collateral on such terms as the Secured Party may consider desirable;
- (h) exercise any of the Customer's rights against other persons that comprise part of, or relate to, the Collateral;
- (i) complete any transfer or other document which has been signed by or on behalf of the Customer;
- (j) cause itself or its nominee to be registered as the holder of any Collateral or as the person entitled to any Collateral;
- (k) do or omit to do, in the name of the Customer or otherwise, anything in relation to the Collateral which the Secured Party considers necessary or expedient to enforce the security interest created under this Agreement;
- (l) for the purpose of exercising any rights of set-off it may have against the Customer, accelerate the date for payment of any amount owing by the Customer to the Secured Party, irrespective of the terms on which such amount is owing;
- (m) exercise such other rights as the Secured Party may have under any other Transaction Document, the PPSA, the PLA or by law.

Power to acquire Collateral: The Secured Party may exercise its power to retain Collateral towards satisfaction of the Customer's obligations without giving prior notice of its intention to do so to the Customer.

Collateral attached to other property: In order to exercise its power to take possession of any Collateral, the Secured Party may:

- (a) remove that Collateral from any other property to which it may be attached; and/or
- (b) remove any accessions from the Collateral;

whether or not any such other property or accessions have become part of the Collateral subject to this Agreement, without the need for any notice to the Customer, and without being liable to the Customer for any damage or loss that may arise from the Secured Party doing so, and none of Sections 125, 127, 129 and 131 of the PPSA shall apply in favour of the Customer to the extent they may be inconsistent with this clause.

Protection of the Secured Party: The Secured Party, its employees and agents will not be liable to the Customer as a result of any bona fide exercise by the Secured Party of the Secured Party's powers under this Agreement.

Application of proceeds of enforcement: The Secured Party will apply the proceeds of any sale of Collateral by the Secured Party in the manner required by Section 117 of the PPSA in respect of Personal Property and in the manner required by the PLA in relation to any Other Property, except that the Secured Party will not be obliged to pay any surplus to the Customer until:

- (a) the Secured Party has first received an amount equivalent to all costs incurred by it in enforcing its rights;
- (b) the Secured Party is satisfied that any amounts payable to preferential creditors entitled to be paid by law in priority to the Customer have been paid;
- (c) the Secured Party is satisfied that all of the Customer's obligations to the Secured Party have been met; and
- (d) the Secured Party is satisfied that no payment received by the Secured Party, whether from the Customer or otherwise, is at risk of being set aside under any relevant law; and
- (e) the Secured Party is satisfied that the Secured Party has no contingent liabilities referable to this Agreement or the Customer.

