



The Hongkong and Shanghai Banking Corporation Limited

incorporated in the Hong Kong SAR, acting through its New Zealand branch

Level 9, HSBC House, 1 Queen Street, Auckland 1010

PO Box 5947, Wellesley Street, Auckland, New Zealand

Fax: +64 9 368 8910

www.hsbc.co.nz

<Date>

<Customer Name>

<Customer Address>

LOAN DETAILS

The Hongkong and Shanghai Banking Corporation Limited, New Zealand branch (**HSBC**) is pleased to offer you the loan[s] set out below on the terms set out in:

- these Loan Details;
- HSBC's booklet called "HSBC Home Loan Standard Terms and Conditions" (the **Booklet**); and
- HSBC's Retail Banking and Wealth Management Fees and Charges brochure (the **Fees Brochure**),

which read together comprise the **Agreement**. If there is any inconsistency these Loan Details prevail. Some terms used in these Loan Details are defined in the Booklet. The Booklet and Fees Brochure can be found on our website at www.hsbc.co.nz.

This offer replaces any previous offer made by HSBC in relation to the loan[s] set out below. Any such previous offer is therefore cancelled.

IMPORTANT – These Loan Details set out some of the key information about your consumer credit contract. Additional important information is contained in the Booklet and the Fees Brochure. You should read these Loan Details, the Booklet and the Fees Brochure thoroughly. **If you do not understand anything in this document you should seek independent legal advice.** You should keep these Loan Details, the Booklet and the Fees Brochure in a safe place.

The law gives you a right for a short time after you receive these Loan Details to cancel the credit contract. For further information, please refer to the statement of right to cancel included at the end of these Loan Details.

Name and Address of the Creditor:	<p>Name: The Hongkong and Shanghai Banking Corporation Limited, New Zealand branch</p> <p>Trading Name: HSBC</p> <p>Physical Address: Level 9, HSBC House, 1 Queen Street, Auckland 1010, New Zealand</p> <p>Postal Address: PO Box 5947, Wellesley Street, Auckland 1010, New Zealand</p> <p>Fax: +64 9 368 8910</p>
Disclosure Date:	<p>For the purposes of the Credit Contracts and Consumer Finance Act 2003, the effective date of this Agreement is <Date> and accordingly, the Loan Details are current as at that date.</p>
Total Maximum Amount of Credit (being the total amount of all loan facilities under this Agreement):	\$<Amount>

Loan Details

Your first loan – Home Equity:	
Credit Limit:	<p>\$<Amount> to be drawn in any amount at any time provided that the balance of the Loan Account does not exceed the Credit Limit at any time.</p> <ul style="list-style-type: none"> • \$<Amount> to HSBC on account of the application fees itemised in the Credit Fees and Charges section contained in 'Other Important Information' set out below; <p>For the purposes of the Credit Contracts and Consumer Finance Act 2003 the unpaid balance as at the Disclosure Date is nil.</p>
Annual Interest Rate:	<p>HSBC's Premier Home Equity Interest Rate (currently <rate>% per annum).</p> <p>This is a variable rate and the latest rate can be found at www.hsbc.co.nz/interestrates.</p>
Method of Charging Interest:	<p>Interest accrues daily on the unpaid balance owing on your Loan Account at the end of each day at the Annual Interest Rate divided by 365.</p> <p>Interest will be debited to your Loan Account monthly from the date your Loan Account is opened and on the date on which your loan is repaid in full.</p> <p>The interest debited will be all interest calculated up to and including the day before the date on which the debit is made (excluding interest which has already been debited).</p> <p>If interest is to be debited on a day which is not a Business Day, it will be debited on the following Business Day.</p>
Default Interest Charges:	<p>If you exceed your Credit Limit HSBC may charge you default interest on the excess from the day you exceed your Credit Limit until the excess is paid.</p> <p>The default interest will be calculated daily at the Default Interest Rate divided by 365. The Default Interest Rate at any time is the Annual Interest Rate plus the Default Margin which is currently 5% per annum. The default interest accrues before and after any judgment.</p> <p>We may debit your Loan Account with accrued default interest on any day and in any event, default interest will be debited to your Loan Account at the same time as interest is debited as set out above in the section entitled 'Method of Charging Interest'. That default interest will then itself bear interest at the Default Interest Rate. You must pay default interest on demand.</p>

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Your first loan – Home Equity:	
Discount:	To continue to qualify for our discount you will be required to be a Premier customer with HSBC or continue to maintain minimum home loan borrowings of at least \$500,000.00. In any event the discount and qualifying criteria remains subject to change and HSBC retains the right to withdraw or vary the package or discount upon giving you written notice. Details of our Premier criteria are in our Retail Banking and Wealth Management Terms and Conditions booklet which can be found at www.hsbc.co.nz .
Term:	This Home Equity loan is payable on demand.
Payments:	<p>Interest will be calculated and debited monthly to your Loan Account as outlined above in the section entitled 'Method of Charging Interest'. If interest is payable, the first interest payment will be made one month from the date your Loan Account is opened. You must also make sufficient payments to ensure that the balance of the Loan Account does not exceed the Credit Limit at any time. If at any time the balance of the Loan Account exceeds the Credit Limit you must immediately pay the excess amount to HSBC.</p> <p>HSBC may cancel your loan or reduce your Credit Limit at any time, whether or not you are in default, by giving written notice to you. The Credit Limit will then reduce to zero or to the amount specified in the notice and you must immediately repay:</p> <ul style="list-style-type: none"> • any amount by which the debit balance of the Loan Account exceeds the new Credit Limit; and • if the Credit Limit has been reduced to zero, any other money owing in respect of your loan.
Full and Part Prepayment:	You may prepay or repay all or part of your loan at any time at no cost to you.

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OTHER IMPORTANT INFORMATION		
Credit Fees and Charges:	<p>Application Fee of \$<Amount> payable on or before drawdown.</p> <p>Credit fees and charges may become payable in respect of your loan(s). Please refer to the section called “Loan Products” in the Fees Brochure for a complete list of account related and other fees applying to home loans generally. If you have a Home Equity or Home Smart loan and you are using these accounts for day to day banking, please also refer to the section called “General Service Fees and Charges” in the Fees Brochure for account related transactional fees that may become payable.</p> <p>Other credit fees, charges or taxes may become payable as described and set out in clauses 4 and clause 5.1 of the Booklet.</p> <p>If you have a fixed rate loan and you revoke or fail to draw or switch in accordance with a notice given by you then you may need to pay our costs and an administration fee as described and set out in clause 4.2 of the Booklet.</p>	
Default Fees:	<p>Default fees may become payable in the event you breach your obligations under this Agreement or any document recording our Security Interest. Default fees (including enforcement costs and a general indemnity) are set out in clause 4.3 of the Booklet and any document recording our Security Interest.</p>	
Security Interests:	<p>The following will be security for this Agreement and will fully secure your obligations to HSBC. No loan may be drawn until all security documents are signed and HSBC’s security requirements are met. Each security document must be in HSBC’s standard form. No changes may be made to any of HSBC’s security documents without HSBC’s prior written consent.</p>	
	Security Interest:	Security Provider:
	A valid and registrable all obligations first ranking mortgage of the property at: <Details of property>	<Name of Security Provider>
	<p>Any property subject to a security is at risk if you do not meet your payment obligations or otherwise default.</p> <p>Any person signing this Agreement, or any security for</p>	

Loan Details

	<p>it, gives HSBC the right to apply money in any of that person's accounts towards amounts payable by that person. For example, we may exercise this right where a payment default has occurred.</p> <p>Any mortgage listed above which mortgages to HSBC an interest in real property also mortgages to HSBC any proceeds of insurance policies related to the real property.</p> <p>If HSBC's rights under any security were to be exercised you will remain indebted to HSBC if there is a shortfall in the proceeds of sale of the property is the subject of the security.</p> <p>If you give a security over the property that is the subject of the security given to HSBC to a person other than HSBC without first obtaining HSBC's written consent then you will be in breach of this Agreement and HSBC may exercise its rights under the security including taking possession of and selling the property the subject to the security.</p>
Purpose of Loan(s):	Your First Loan : <Insert purpose>
Independent Trustee(s):	For the purposes of Schedule 2 of the Booklet, <Insert Independent Trustee, if applicable>
Extra things you need to do before drawing (if any):	In addition to the requirements set out in the Booklet, before you can draw your loan you need to deliver the following to HSBC in form and substance satisfactory to HSBC in its sole discretion: <Insert>.
Special conditions:	None
Counterparts:	This Agreement may be signed in any number of counterparts all of which, when taken together, will constitute one and the same instrument. Once the parties have signed the counterparts, each counterpart shall be deemed to be as valid and binding on the party executing it as if it had been executed by all the parties.
Continuing Disclosure:	<p>If you have a Home Equity or Home Smart loan, we will send you a statement of your Loan Account for your Home Smart or Home Equity loan at least once every month unless we notify you otherwise.</p> <p>For all loans other than Home Equity or Home Smart loans, we will send you a statement of your Loan Account at least once every six months unless we notify you otherwise.</p>

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Facsimile Signature:	<p>The parties may sign a counterpart copy of this agreement by photocopying a facsimile of this agreement and signing that photocopy. The transmission by facsimile by a party to the other of a counterpart copy of this agreement signed by that party shall be deemed proof of signature of the original and the signed facsimile so shall be deemed proof of signature of the original and the signed facsimile so transmitted shall be deemed an original. All parties executing by counterpart agree to, immediately following execution, deliver their original signed copy to the Bank.</p>
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SAMPLE

Loan Details

RIGHT TO CANCEL

If your loan is a consumer credit contract, you are entitled to cancel the consumer credit contract by giving notice to the creditor.

Time limits for cancellation

You must give notice that you intend to cancel the contract within the following period:

- if the discloser documents were handed to you in person, you must give notice within 5 working days of receiving them; or
- if the disclosure documents were emailed to you, you must give notice within 7 working days of the email being sent; or
- if the disclosure documents were sent to you by post, you must give notice within 9 working days of them being posted.

Saturdays, Sundays, and national public holidays are not counted as working days.

How to cancel

To cancel, you must give the creditor written notice that you intend to cancel the contract by:

- giving notice to the creditor or an employee or agent of the creditor; or
- posting the notice to the creditor or an employee or agent of the creditor; or
- emailing the notice to the creditor's email address (if specified on the front of this disclosure statement); or
- sending the notice to the creditor's fax number (if specified on the front of this disclosure statement).

You must also, within the same time, return to the creditor any advance and any other property received by you under the contract.

What you may have to pay if you cancel

If you cancel the contract the creditor can charge you the amount of any reasonable expenses the creditor had to pay in connection with the contract and its cancellation (including legal fees and fees for credit reports etc).

If you cancel the contract, the creditor can also charge you interest for the period from the day you received the advance until the day you repay the advance.

WHAT TO DO IF YOU SUFFER UNFORSEEN HARDSHIP

If you are unable reasonably to keep up your payments or other obligations because of illness, injury, loss of employment, the end of a relationship, or other reasonable cause, you may be able to apply to the creditor for a hardship variation.

To apply for a hardship variation, you need to –

- (a) make an application in writing; and
- (b) explain your reason(s) for the application; and
- (c) request one of the following*:
 - an extension of the term of the contract (which will reduce the amount of each payment due under the contract); or

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- a postponement of the dates on which payments are due under the contract (specify the period for which you want this to apply); or
 - both of the above; and
- (d) give the application to the creditor.

*For Home Equity loans, you are only able to request a postponement of the dates on which payments are due.

Do this as soon as possible. If you leave it for too long, the credit may not have to consider your application.

DISPUTE RESOLUTION

Name of dispute resolution scheme: Banking Ombudsman

It is free to make a complaint to this independent dispute resolution scheme. This scheme can help you to resolve any disagreements you have with the creditor.

Contact details of dispute resolution scheme:

Phone: 0800 805 950 or +64 4 915 0400 (from overseas)

Website: <http://www.bankomb.org.nz>

Business address: Level 5, Huddart Parker Building, 1 Post Office Square, Wellington 6011

REGISTRATION ON FINANCIAL SERVICE PROVIDER REGISTER

Creditor registration name: The Hongkong and Shanghai Banking Corporation Limited

Registration Number: FSP36886

If you wish to accept this offer, please sign the accompanying copy of this document and return it to HSBC within 14 days of the Disclosure Date.

**The Hongkong and Shanghai Banking Corporation Limited, New Zealand branch
by its Authorised Officer**

ACCEPTANCE BY BORROWER

We accept HSBC's offer and agree to borrow from HSBC on the terms and conditions set out in this Agreement.

We declare that all the information we have given HSBC is accurate and not misleading and we are aware that HSBC is relying on it.

We confirm that before signing this document we received and read a copy of these Loan Details, the Booklet, the Fees Brochure and each Security Interest given or to be given by us, and we understand our obligations under those documents and have sought independent legal advice where any clarification was required.

We agree to comply with the obligations of a Security Provider under any Security Interest given or to be given by us.

Please note: Each borrower must sign this document.

Executed by:

<Customer Name>

.....
Signature of Customer

.....
Name

Please print date on which you sign:

Date / /

ACCEPTANCE BY SECURITY PROVIDER

We accept HSBC's offer and agree to provide the Security Interests to HSBC as identified with our name in this Agreement.

We declare that all the information We have given HSBC is accurate and not misleading and we are aware that HSBC is relying on it.

We confirm that before signing this document we received and read a copy of these Loan Details, the Booklet, the Fees Brochure and each Security Interest given or to be given by us, and we understand our obligations under those documents and have sought independent legal advice where any clarification was required.

We agree to comply with the obligations of a Security Provider under any Security Interest given or to be given by us.”

Please note: Each security provider must sign this document.

Executed by:

<Security Provider Name>

.....
Signature of Security Provider

.....
Name

Please print date on which you sign:

Date / /