

Endow.

LENDING SERVICE TERMS & CONDITIONS

[Dated as 1 April 2021](#)

INTRODUCTION

1. You agree to be bound by these terms and conditions by
 - making an application for membership to the Service; and/or
 - using the Service.

DEFINITIONS

2. Unless otherwise stated, the following terms will have the following meanings:

AML/CFT Act means the Anti-Money Laundering and Countering Financing of Terrorism Act 2009.

Associated Persons has the meaning given to it in section 12 of the FMCA.

Board of Directors means the board of directors of Endow.

Borrower means a person or entity who has been accepted as a borrower by us.

Borrower Agreement means the agreement which applies between you, us, and the Trustee when you take out a Loan.

Borrower Disclosure means the disclosure document provided to the Borrower for the purposes of the CCCFA.

Borrower Documents means the combination of the Borrower Agreement, Terms and Conditions, Loan Offer, Loan Documents, Declaration of Trust, and any other agreement entered into between you, us, and the Trustee in connection with a Loan.

CCCFA means the Credit Contracts and Consumer Finance Act 2003.

Clearing Account means the bank account operated by us on behalf of the Trustee into which payments received will be deposited, and from which payments and deductions in relation to RWT may be made, in relation to the provision of the Service.

Commission means the fee payable by the Borrower to us to aEndownister the Loan on behalf of the Investors.

Declaration of Trust means the declaration between the Trustee and the Investors in relation to the Service.

Endow/we/us means Endow Limited.

Fee Schedule means the schedule attached to the Investor Agreement and Borrower Agreements and as published on our Website which sets out the fees and charges payable by Investors and Borrowers.

FMA means the Financial Markets Authority.

FMCA means the Financial Markets Conduct Act 2013.

Guarantor means a guarantor in relation to a Loan.

Initially Funded Loan means a Loan which is funded by an Initial Funder(s).

Initial Funder means an investor who funds a Loan.

IRD means the New Zealand Inland Revenue Department.

Investment Authority means the investment authority an Investor provides to make an Offer to invest in a Loan.

Investor means a person or entity who has been accepted as an investor by us and includes us and an Initial Funder, where the context requires.

Investor Account means the account held within the trust account operated by the Trustee for each and every Investor.

Investor Agreement means the investor agreement which applies between you, us, and the Trustee in connection with your participation in a Loan via the Service.

Investor Documents means the combination of the Investor Agreement, Terms and Conditions, Declaration of Trust, and any other agreement entered into between you, us, and the Trustee in connection with your participation in a Loan via the Service.

Listing Period means the period of time that the Loan Application is available for subscription.

Loan means a loan to a Borrower from the Trustee on behalf of participating Investors and any rights under a guarantee (if any).

Loan Application means the Borrower's application for a Loan.

Loan Documents means a combination of the Loan Offer and the Loan and security documentation signed by a Borrower and/or Guarantor as detailed in the Loan Offer prior to the advancement of a Loan and granted in favour of the Trustee.

Loan Information Sheet means the document outlining details of the investment including Borrower and Guarantor information, Loan information, interest rates, security provided, listing period, valuation of the security property provided by us to the Investor and, if relevant, confirmation that the Loan is an Initially Funded Loan.

Loan Offer means the document issued by us to a Borrower outlining the terms and conditions of the Loan and required security.

Member means a Borrower or an Investor.

Nominated Account means the account with a bank in New Zealand which is nominated by you for payment of investment interest and principal if you are an Investor, or the account from which Loan payments are deducted if you are a Borrower.

NRWT means non-resident withholding tax imposed under the NRWT in the Income Tax Act 2007.

Offer means an offer by an Investor to participate in a Loan or Loans by providing an Investment Authority.

Privacy Policy means our privacy policy.

RWT means resident withholding tax imposed under the RWT rules in the Income Tax Act 2007.

RWT Exemption Certificate has the meaning in section YA 1 of the Income Tax Act 2007.

Service means the lending service provided by Endow.

Service Documents means the Borrower Documents and Investor Documents.

Terms and Conditions means the terms and conditions governing the use of the Service.

Trust Assets means the Loan and all other monies, property, asset, contracts and rights in respect of the Loan.

Trustee means Endow Nominees Limited, or any replacement trustee or trustees appointed by us.

Website means www.endow.co.nz

Working Day means a day on which banks are open for business in Auckland other than a Saturday, Sunday or public holiday.

3. In this document:

- a. words importing the singular shall include the plural and vice versa;
- b. headings are for convenience only and do not affect the interpretation of these terms;
- c. an expression importing a person includes any company, trust, partnership, joint venture, association or other body corporate and any Government Agency as well as an individual; and
- d. references to a document or agreement include that document or agreement as amended or replaced from time to time.

APPLICATION FOR MEMBERSHIP

4. To use the Service, you must apply for membership as an Investor or Borrower using the appropriate application forms.
5. To be accepted as a Member you must:
 - a. be 18 years of age or older (if you are a natural person);
 - b. be incorporated or constituted in New Zealand (if you are a company or trust);
 - c. have a New Zealand domiciled bank account;
 - d. not be bankrupt, insolvent or in liquidation;
 - e. have no previous convictions for fraud or dishonesty;
 - f. otherwise comply with the laws of New Zealand;
 - g. provide all the information as required on the application form or as otherwise requested by us at any time; and
 - h. pass our verification requirements in relation to your identity (and the identity of any directors, trustees and/or senior managers (if applicable)) and personal information to our sole satisfaction.
6. Borrowers and Investors (including any directors and/or trustees and senior managers (if and as applicable)) must satisfy our identity verification checks, which may take place at any time, and will be required to provide:
 - i. full legal name/s;
 - ii. date of birth (if applicable);
 - iii. residential address or registered address (whichever is applicable);
 - iv. proof of address if not resident in New Zealand;
 - v. copy of their passport or driver's licence;
 - vi. New Zealand IRD number and RWT rate applicable or NRWT rate (whichever is applicable);
 - vii. New Zealand bank account number; and
 - viii. if the Borrower or Investor is a trust, the trust deed and any ancillary retirements/appointments of trustees (if applicable).
7. Endow may, by providing written notice, impose further eligibility conditions at any time that must be fulfilled by Borrowers and Investors.
8. We can accept or decline your application at our sole discretion.
9. Once we accept your application for membership we will provide you with a reference number which is to be used on all future communications to us.
10. We may suspend or terminate your membership at any time upon providing written notice to you, including for, but not limited to, breaches of our Fair Dealing Policy. We retain the right to prohibit any person from using our Service, or to limit any person's use of our Service. Any Loan to which you are a Borrower or Investor at the time of the termination will continue to be governed by the terms and conditions as set out in the

Investor Documents and or Borrower Documents, until such time as the Loan Documents have been terminated or expired in accordance with their relevant terms.

INVESTORS

BECOMING AN INVESTOR

11. To register as an Investor of the Service, you must:
 - a. Provide us with a fully completed Investor application form and provide the information required to verify your identity (and any directors or trustees (if and as applicable)) as detailed on the Investor application form or as otherwise requested by us at any time.
 - b. Fully and completely provide all of the information in the Investor application form or as otherwise requested by us at any time, including making the required declarations.
 - c. Pass the following checks completed by us:
 - i. identity verification checks;
 - ii. Companies Office checks (if required);
 - iii. online checks; and
 - iv. any other checks we deem appropriate in our sole discretion.
 - d. Satisfy the minimum standards contained in our Fraud and Anti-Money Laundering Policy and Fair Dealing Policy as published on the Website;
 - e. Comply with the exclusion requirements of Schedule 1, clauses 3(2)(a)-(c) and 3(3)(a)-(b)(ii) inclusive of the Financial Markets Conducts Act 2013 (FMCA); and
 - f. Provide the required certification pursuant to paragraph 11(e) above.
 - g. Once you have been accepted as an Investor by us, you will receive confirmation of your acceptance which will include your client reference number. Once you have been accepted as an Investor, you will be subject to on-going checks of your identity which may take place at any time.
12. You may withdraw an application to become an Investor at any time by notifying us in writing at team@endow.co.nz
13. Once the application to become an Investor has been accepted by us, you may use the Service as detailed in the Investor Agreement to submit your Investment Authority, subject to the terms and conditions set out in the Investor Agreement and other Investor Documents. An Investment Authority can be withdrawn up until the Loan is recorded as 'subscribed'.
14. We will operate the Service at all times in compliance with our Fair Dealing Policy. A copy of the Fair Dealing Policy can be accessed on the Website.

ARRANGEMENTS FOR INVESTORS

15. The Trustee will act as bare trustee for each Investor in relation to each Investor's interest in each Loan in which the Investor is participating in accordance with the Investor Documents.
16. An Investor may not deal directly with any Borrower or any Guarantor and all correspondence and actions required in respect of the Borrower, any Guarantor and/or the Loan will be undertaken by the Trustee or on the Trustee's behalf as set out in the Investor Agreement and Declaration of Trust.
17. Where multiple Investors participate in a Loan, each Investor will have a separate interest in the principal and interest payable under the Loan Documents based on the proportion of the value of the Loan contributed by each Investor.

THE SERVICE FOR INVESTORS

18. Offers will be ranked on a 'first come, first served' basis, with Offers submitted earlier having priority over those submitted later.
19. Once the full value of the Loan has been met, the Loan will be recorded as 'subscribed' and the Borrower notified accordingly.

BORROWERS

BECOMING A BORROWER

20. To register as Borrower and apply for a Loan, you must:
 - a. Provide us with a fully completed the Borrower application form and provide the full details and information required to verify your identity and if the proposed Borrower is not a natural person, the identity of its directors, trustees and senior managers (as applicable)) as detailed on the Borrower application form or as otherwise requested by us at any time.
 - b. Fully and completely provide all of the information in the Borrower application form or as otherwise requested by us at any time, including making the required declarations.
 - c. Pass the following checks completed by us:
 - i. identity verification checks;
 - ii. Companies Office checks (if required);
 - iii. credit checks for each Borrower/s (including director/s and trustee/s) and Guarantor/s;
 - iv. online checks;
 - v. background checks; and

- vi. any other checks we deem appropriate in our sole discretion.
 - d. Satisfy the minimum standards contained in our Fraud and Anti-Money Laundering Policy and Fair Dealing Policy as published on the Website.
 - e. Once you have been accepted as a Borrower by us, you will receive a confirmation of your acceptance which will include your client reference number. Once you have been accepted as a Borrower, you will be subject to on-going checks of your identity (and the identity of any of your directors, trustees and senior managers (if applicable)) which may take place at any time.
21. You authorise us to undertake any credit, verification or other checks we deem necessary in relation to your application to become a Borrower, and at any other time as required by us under the Loan Documents.
22. You may withdraw an application to become a Borrower at any time before entering into Loan Documents by providing notification in writing to us at team@endow.co.nz.

ARRANGEMENTS FOR BORROWERS

23. Once an application to become a Borrower has been accepted by us, you will be provided with a Loan Offer specifying the terms and conditions of the Loan to be provided. We will request Offers from Investors to fund the Loan in accordance with the Borrower Documents and Fair Dealing Policy. The listing of the Loan may be withdrawn by the Borrower at any time by providing notification in writing to us by email to team@endow.co.nz.
24. The Borrower agrees to enter into the Loan Documents with the Trustee (on behalf of each participating Investor) in respect of the Loan as required by the Loan Documents and on the terms and conditions contained therein.
25. The interest rate payable by the Borrower in relation to a Loan is the aggregate of the interest rate paid to Investors and the Commission that we receive, both of which are set out in the Loan Offer.

THE SERVICE FOR BORROWERS

26. Once the full value of the Loan has been met, the Loan will be recorded as 'subscribed' and the Borrower notified accordingly.
27. Where a Loan is unable to be filled to the full value, the Borrower will be notified in writing.
28. In the event that:
 - a. a Loan is not fully subscribed at the end of a Listing Period and the Borrower chooses to withdraw the Loan Application, the Borrower will pay Endow an application fee equal to an amount of 1% of the funds subscribed to the Loan;
 - b. a Loan is fully subscribed, the Borrower will pay to Endow an application fee, calculated as a percentage of the Loan amount as set out in the Fee Schedule; and
 - c. a Loan is fully subscribed and drawn down, the Borrower will pay to Endow a Commission as set out in the Loan Offer.
29. Although we may permit Investors to fund a Loan at the time it is originated, Loans will generally be initially funded by Initial Funders.

HOW A LOAN IS ADVANCED

30. When a Loan is fully subscribed, Endow will advise the Trustee and the Trustee shall:
 - a. prepare and deliver to the Borrower's nominated solicitor the Loan Documents; and
 - b. upon receipt of confirmation the Loan Documents are to be signed, and all conditions have been satisfied:
 - i. execute the Loan Documents as required; and

- ii advance the Loan to the Borrower, less any fees payable as detailed in the Loan Offer.

SECURITY & GUARANTEES

- 31. Borrowers will be required to provide security in relation to the Loan, subject to the requirements notified by us from time to time. Any security provided will be held by the Trustee in accordance with the terms of the Borrower Agreement and Loan Documents.
- 32. Where we require a Guarantee in relation to a Loan, each Guarantor will be required to sign the Loan Documents and provide us with any and all information required in relation to the Loan and as detailed in the Loan Offer.

MONITORING DEFAULTS & REPAYMENTS

- 33. We have a system in place to keep track of Loan interest, repayments, and any arrears. This includes weekly reporting to the Managing Director.
- 34. We also provide detailed monthly reports to the Board of Directors which includes the following information:
 - a. number and volume of Loans;
 - b. amount of un-invested funds held by the Trustee;
 - c. number of applications awaiting approval; and
 - d. list of Loans due to expire within the following month.
- 35. In the event the Loan falls into default as defined in the Loan Documents, default proceedings (described below) will be issued and the debt listed on the Borrower's credit file. We will take into account any factors that we consider relevant including our assessment of the likelihood that the Borrower will start a repayment plan.

DEFAULT

- 36. Should a Borrower default on an interest payment, Endow will:
 - a. Immediately contact the Borrower to ascertain the reason for the default.
 - b. If the default is not remedied within 7 days, issue a letter of demand to the Borrower and default interest will apply to the default period.
 - c. If the default remains outstanding for a period of 60 days, manage the default in accordance with the Declaration of Trust, which includes:
 - i. continuing to manage the Loan default;
 - ii. reporting the default to a credit reporting agency;
 - iii. instructing the nominated solicitors to take steps to recover the Loan;and

- iv. appointing a receiver or liquidator to recover the Loan (if applicable).

GENERAL

WARRANTIES

37. By agreeing to these terms you warrant and represent that:
 - a. you meet the relevant eligibility criteria set out in these terms; and
 - b. all the information provided by you as part of the application process is complete and accurate and you have not omitted to provide any information which may affect our decision to approve you as an Investor or Borrower; and
 - c. you agree to notify us in writing in the event of any changes, or you become aware of any errors or omissions in respect to the information already provided to us.

INFORMATION ON WEBSITE

38. You are only permitted to access, view, copy, print or temporarily store material published by us on the Website for your personal use only. Any copyright notice on that information must be retained on the copy. You may not reproduce, adapt, distribute or incorporate in any other work, in whole or in part, anything from this Website without written permission from us. You may not create a link from any other Website to any part of this Website, other than the homepage, without our express consent.
39. While we endeavour to ensure all information contained on the Website is accurate and current, we do not accept liability for any error, misstatement or omission. We may change the material on the Website at any time without prior notice. In the unlikely event that an unauthorised person makes changes to the Website, we do not accept responsibility for those changes.
40. You agree that you are solely responsible for the actions you take in reliance on the content on the Website.

INTELLECTUAL PROPERTY RIGHTS

41. The copyright in all materials (including rights in text, graphics, arrangement and overall design of this Website) displayed or available on this Website belongs to us unless otherwise stated. If we are not the owner of any material published on this Website, then your rights in relation to that material will be as defined by the copyright owner of the material.

ACCESS TO OTHER WEBSITES

42. Our Website may contain links to third party websites. Those websites are not under our control. The links are provided for convenience and informational purposes only. Accordingly, the inclusion of any link does not imply an endorsement by us of that website. We are not responsible for the content, validity, accuracy, or the use, of any other website. You must check the terms and conditions applicable to any other websites you use or verify such information with the third parties directly.

ENDOW LIABILITY EXCLUDED

43. You agree that your use of the Seervice is at your own risk. Subject to any terms implied by law which cannot be excluded, Endow and the Trustee will not be responsible or liable in contract, tort (including negligence), equity or otherwise for any direct, indirect, incidental, consequential, special, or punitive damage, or for any loss of profit, income or savings, or any costs or expenses incurred or suffered by you or any other person, arising out of, or in connection with, your access to, or use of, this Service or any linked website other than claims arising under the Consumer Guarantees Act 1993 where applicable.
44. All warranties, whether expressed or implied, as to the accuracy, currency, completeness, fitness for purpose or usefulness of the information contained on the Website are excluded to the extent permitted by law.
45. It is up to you to take precautions to ensure that whatever information you select for your use is free of items such as spyware, viruses, worms, Trojan horses or other items of a destructive nature.

PRIVACY

46. We have a Privacy Policy governing collection, use and disclosure of your personal information by us. A copy of the policy is available on the Website.

MISCELLANEOUS

47. Unless otherwise defined within any of the Service Documents, the following provisions and the Glossary apply to, and are incorporated by reference in, each of the Service documents.
48. This document shall be governed by, and interpreted in accordance with the laws of New Zealand, and each party submits to the jurisdiction of the New Zealand courts.
49. You may not assign, transfer or otherwise deal with any of your rights or obligations under this document without our prior written consent. Such consent may be given or withheld at our own discretion.
50. We may provide you with a notice or other communication (including any disclosures) under, or in connection with, this document or in relation to the Service by mail or electronic means (including email). You agree that we may use the email address provided in your application (or such other email address provided by you from time to time) to provide notices, communications and/or any disclosures to you. Any electronic communication will be deemed to have been received by you when it is transmitted by us.
51. Any notice or communication provided by you must be provided by email to: team@endow.co.nz.
52. We may amend any Service Document by providing notice of the amendments on the Website or by mail or electronic means.
53. As Endow and the Trustee are registered financial service providers, we and the Trustee are each a member of Financial Dispute Resolution Scheme. Further details regarding the scheme can be found at www.fdr.org.nz.