

INSURANCE PREMIUM FUNDING (IPF) AGREEMENT

Application Date:

Broker Name:

Broker Ref:

>>> **IMPORTANT:** Any default under this agreement may result in the cancellation of your associated insurance policies and the protection offered by those policies.

Nova Business Finance Pty Ltd

ABN 51 105 869 494

PO Box 1482, Toowong

Brisbane Queensland 4066

Facsimile: 1300 13 8 187

Need Help? 1300 NOVA 71

1. Borrower(s) details

Legal Name:	ABN/ACN
Trading name	Email
Business Address	
Postal Address	
Contact name	Position
Phone	Fax

2. Loan and Payment Details

<u>Premium Loan</u>
Premium Total:
Less Deposit:
Premium Loan:
Total Interest Charges:
Total Repayable:
Flat Interest Fee:

<u>Instalments</u>
Initial Payment:
Subsequent Instalments:
First Instalment Date:
Last Instalment Date:
Number of Instalments:

<u>Fees and Charges</u>
Application Fee:
Cancellation Fee:
Stamp Duty:
Dishonour Fee:

3. Details of Funded Insurance

	<u>Type of Cover</u>	<u>Policy Number</u>	<u>Insurer</u>	<u>Inception Date</u>	<u>Expiry Date</u>	<u>Premium Amount</u>
1.						
2.						
3.						
4.						
5.						

4 Borrowers Execution and Acknowledgments (including Direct Debit/Credit Card Payment Request)

By executing below, the Borrower:

- offers to borrow from Nova Business Finance (NBF) the Insurance Premium Funding (IPF) Loan to fund the payment of premiums due under the Funded Policies and agrees that on NBF's acceptance of the offer (evidenced by accepting the Initial Instalment for the Initial IPF Loan), this IPF Agreement comes into effect;
- Offers to assign to NBF, by way of mortgage, the Borrower's interest in the Funded Policies and Refund Proceeds to secure repayment of the IPF Loans;
- Hereby certifies that on the date this IPF Agreement is executed, it is able to pay its debts as and when they fall due from its own moneys;
- Declares that all information it has provided to NBF and the IPF Details are correct and not misleading, and authorises NBF to verify that information with other sources;
- Acknowledges for itself (and also agrees to ensure that each individual about whom it has given information to NBF is made aware) that NBF needs to collect and verify personal information about all such individuals to enable NBF to enter into the IPF Agreement, and without that information, NBF may not be able to provide an IPF Loan.
- Declares having read and understood all parts of the IPF Agreement, and having been given the opportunity to obtain independent legal and financial advice before executing below;
- If acting as the trustee of a trust, acknowledges that this IPF Agreement binds it personally and in its capacity as trustee, that it enters into this IPF Agreement for a proper trust purpose, this it has power and authority under the trust to enter this IPF Agreement and it has the right to be fully indemnified from trust property before the trust's beneficiaries for all liabilities it incurs, and;
- If a natural person or strata corporation, declares that the credit to be provided to the Borrower by NBF is to be applied wholly or predominantly for business or investment purposes, other than investment in residential property.

The Borrower repeats each of the above declarations each time it accepts a New IPF Offer.

IMPORTANT: You should not sign this declaration unless this loan is wholly or predominantly for business or investment purposes (other than investment in residential property). By signing this declaration you may lose your protection under the Consumer Credit Code.

Please date and sign below

Capacity of Signatory (Circle): Individual / Partner / Trustee / Director / Sole Director Name of Signatory: Signature X : Name of Witness: Witness Signature:	Capacity of Signatory (Circle): Individual / Partner / Trustee / Director / Sole Director Name of Signatory: Signature X : Name of Witness: Witness Signature:
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Rollover Authorisation

On expiry of this or any future funding agreement, the above Insurance Intermediary is authorised to apply on behalf of the Borrower(s) to Nova Business Finance for funding of future policy premiums.

Signature X

Print Name:

Date:

5 Payment method

The Borrower requests that moneys due in terms of the repayment arrangement between them and Nova Business Finance (User ID 12345), and any other amount due under the Application Terms and Conditions, are drawn from the account detailed below. The Borrower understands and acknowledges that this Direct Debit/Credit Card arrangement operates under the terms of the Direct Debit Request and Credit Card Authority Agreement, which is available on Nova Business Finance's website www.nbf.com.au or from your Intermediary upon request.

Direct Debit

IMPORTANT NOTE: Please DO NOT send any payments (by cheque or otherwise) to Nova Business Finance – we will debit your account as per your instructions below. Bank dishonour fees of \$30.00 will be charged in the event of default. Overdue interest of a minimum of \$10.00 or 20% per annum on the outstanding instalment amount will be charged on the 8th day onwards until paid.

Bank	Branch	
Acc.Name	BSB	Acc. No

OR

Credit Card

An equivalent merchant fee, to that charged by credit card providers, will be applied to instalment payments made by credit card to recoup the "Merchant fees" levied by credit card providers. The fee percentage is indicated next to each card option. Cards accepted:

Card Type	Card Holder Name
Card Number	Card Expiry Date /

Definitions:

Words and expressions which have been given meaning in the Agreement Form shall bear that meaning throughout this Agreement.

- i. "Account" means the Borrower's account associated with the running account credit Facility;
- ii. "Default Interest Rate" means the interest rate that is 2 per cent per month or part thereof of the Policy amount;
- iii. "Drawdown Request" means any request by the borrower or the insurance intermediary for a subsequent advance on the Account under this Facility;
- iv. "Drawdown" means any advance to the Borrower on the account under this Facility;
- v. "Insurance Intermediary" means the Borrower's insurance intermediary;
- vi. "Facility" means the running account credit facility for which the Borrower is applying;
- vii. "First Instalment Date" means the date upon which the Borrower is required to make the Initial Instalment Payment;
- viii. "Insurer" means the provider of the Insurance Policy/s;
- ix. "Insurance Policy/s" means all insurance policy/s from time to time the premiums to which are funded by sums drawn on the Account;
- x. "Monthly Instalment Amount" means the monthly instalment payable by the Borrower to NBF as set out in this Application and as varied following any subsequent drawdown;
- xi. "Privacy Act" means the Privacy Act 1988 (Cth); and
- xii. "Total amount Payable" means the total amount payable by the Borrower to NBF as set out in this Application and as varied following any subsequent Drawdown;

Repayment:

- i. The Borrower will make the Initial Instalment Payment to NBF on the First Instalment Date; and
- ii. On the same day in each consecutive month thereafter, the Borrower will pay the Monthly Instalment Amount to NBF until the Total amount to be Repaid has been repaid in full.
- iii. The Monthly Instalment Amount stated in the Agreement shows what the Monthly Instalment Amount would be payable if the Total Premium were the only Premium on the Account. The Total Amount to be Repaid is shown in order to enable this Monthly Instalment Amount to be calculated. If a Drawdown request is made by the Borrower or the Insurance Intermediary, NBF will notify the Borrower of its receipt of the request and notify the Borrower of the revised Monthly Instalment Amount which will be payable should the Drawdown Request be accepted. NBF may accept any Drawdown Request by advancing the sum requested to the Insurance Intermediary or the Insurer, as the case may be.

Security

As security for the payment of all monies payable by the Borrower under this Facility and any other arrangement with NBF for the provision of financial accommodation, the Borrower hereby assigns to NBF the whole of its right title and interest in the Insurance Policy, and funded by NBF, and further assigns its right title and interest in or to all sums payable (including by way of refund of premium) under the Insurance Policy and also the benefits of all powers and remedies for cancelling and/or enforcing the Insurance Policies.

Power of Attorney:

The Borrower irrevocably appoints NBF as its true and lawful attorney in event of default to cancel the Insurance Policy, to receive any refunds of premiums and to receive any sums payable to the Borrower in satisfaction of a claim under the Insurance Policy. The Borrower irrevocably instructs the Insurer to make any such payments direct to NBF if NBF requests. The Borrower agrees to apply all such payments received by it in satisfaction or partial satisfaction (as the case may be) of the Borrower's obligations under this offer to Total Amount to be Repaid is unpaid, or whilst moneys under any other agreement to which NBF and the borrower are parties remain outstanding to NBF, the Borrower:

- i. Will not do or allow to be done, anything which might prejudice any security granted in connection with the Facility;
- ii. Will promptly give to NBF full particulars of any notice issued in relation to the Insurance Policy/s which comes into the Borrower's possession or which the Borrower is entitled to receive; and
- iii. The Insurance Policy/s will remain free from any charges or security interests of any kind other than those created in favour of NBF.

Insurance Intermediary:

- i. The Insurance Intermediary acts as agent for the Borrower, and is authorised to complete and lodge drawdown requests on behalf of the Borrower.
- ii. The Insurance Intermediary does not act as agent for NBF and may not bind NBF.

iii. NBF has no responsibility or liability whatsoever to the Borrower for the conduct of the Insurance Intermediary in relation to any matter whatsoever.

- iv. NBF may, upon accepting a Drawdown Request, make the advance to the Insurance Intermediary, or to the Insurer as the case may be.
- v. The Insurance Intermediary may receive all notices and documents on behalf of the Borrower and must immediately forward those notices on to the Borrower unless otherwise directed.
- vi. If for any reason an Insurance Policy is cancelled or terminated, the Insurance Intermediary must remit to NBF any refund of premiums or any sums payable to the Borrower in satisfaction of a claim under the Insurance Policy.
- vii. The Borrower hereby irrevocably requests and authorises an Insurance Intermediary Insurance Policy funded or partly funded by NBF under this facility until all moneys payable by the Borrower under this facility have been paid in full:-
 - a. to cancel the Insurance Policy if requested by NBF;
 - b. to remit to NBF any part of the premium which may be refunded to it if the Insurance Policy is cancelled or terminated;
 - c. to conduct all negotiations with the Insurer in respect of claims under the Insurance Policy and if so requested by NBF to notify NBF of any claim that has been made or is to be made under the Insurance Policy, and to keep NBF informed of the progress and outcome of any such claim; and
 - d. to remit to NBF any moneys payable to the Borrower under the Insurance Policy.
- viii. The Insurance Intermediary may receive a fee or other remuneration from NBF in respect of his services in arranging the premium funding.

Jurisdiction:

This Agreement is governed by and will be construed in accordance with the law of Queensland.

Miscellaneous:

In the interpretation of this Agreement words importing any gender include the other gender, words importing the singular include the plural and vice versa, words importing persons include corporations, terms which are capitalized in these terms and condition but not defined in the Agreement refer to amounts stated on the Agreement and or Drawdown Request (as the case may be) and any covenant or agreement on the part of one or more persons shall bind them jointly and severally. Where no time is specified for payment of any amount payable in connection with the Facility, that amount shall be payable on demand.

Privacy, Credit Reports and Information:

The Borrower authorises NBF to make enquiries concerning the Borrower to enable NBF to assess the Application and authorises any person holding commercial credit related information concerning the Borrower to divulge the same to NBF. This authority includes allowing NBF to disclose information as set in s.18E of the Privacy Act to a credit reporting agency and to obtain a credit report from a credit reporting agency to assess the Application and to assist in collecting overdue payments which may become due under this Agreement. For the avoidance of all doubt, this authority extends to enquiries and disclosures about any individual who is signing the Application for and on behalf of the Borrower. The Borrower authorises NBF to provide to any Intermediary involved in arranging any Policy funded in this Application access from time to time to any report or information relating to the Borrower's account with NBF. If the Borrower is or includes an individual, the Borrower must ensure that each individual:

- i. is aware that if the individual's personal information is not provided to NBF, NBF may not be able to accept this Application, and that the information is provided to NBF for the purpose of the Borrower obtaining insurance premium funding and for verifying that information, and that subject to the Privacy Act 1988 they can request access to personal information about them held by NBF by contacting NBF on 1300 13 81 86, EST 9am – 5pm Mon-Fri; and
- ii. Gives NBF privacy authorisation in the form required by NBF.

Electronic Transactions:

The Borrower may apply for this Facility by electronic means to NBF, and any such application is as valid and binding as if it had been made by other than electronic means, and any agreement which follows that application and the respective conduct of the parties shall be governed by and construed in accordance with the Electronic Transaction Act (VIC) 2000. The Borrower acknowledges that anything it does in connection with any agreement between it and NBF (including the submission of written information, the provision of signatures and the making of offers), whether before or after the agreement is formed, is valid and enforceable if done electronically. NBF consents to the borrower giving any information and providing any signatures in electronic form. The Borrower consents to being given information in electronic form.

Certificate:

A statement in writing signed by a director, secretary or officer of NBF stating the Total Amount to be Repaid, or the amount due or owing by the Borrower to NBF or any other act, matter or thing arising in connection with the Facility as at any date or dates set out in that statement will be conclusive evidence of the facts so stated.

Default Interest:

Where a sum which is payable by the Borrower to NBF is not paid to, or as directed by NBF by First Instalment Date or the Monthly Instalment Date, the Borrower will pay interest at the Default Interest Rate and such interest will:

- i. accrue on the Total amount to be Repaid which is then due and owing on the Account up to and including the date of payment thereof; and
- ii. be computed on a daily basis for actual days elapsed and compounded on the last day of each month.

Stamp Duty and Costs:

The Borrower will indemnify NBF against all costs and expenses incurred by NBF:

- i. either directly or indirectly in connection with any failure by the Borrower to pay any amount due to NBF Business under this facility; and/or
- ii. in the enforcement of any security granted under this Facility.

Privacy:

NBF is subject to the National Privacy Principles under the Privacy Act.

Consequences of Default

If any of the events of default occur then:

- i. the Total Amount to be Repaid, together with all Interest charges accrued and not then paid and all other amounts payable in respect of the Facility and unpaid, will, notwithstanding any delay or previous waiver of the right to exercise that option, immediately become due and payable without the necessity for any demand or notice to the Borrower; and
- ii. NBF shall be entitled, without notice to the Borrower, to terminate the Facility and to exercise all of its rights and remedies against the Borrower under these terms and conditions and under any securities, including the institution of proceedings against the Borrower.

Events of Default:

- i. the Borrower fails to pay any Monthly Instalment Amount within five (5) days of the due date or fails to pay any other amount owing by the Borrower to NBF at any time on any account;
- ii. the insurance Policy/s is cancelled, surrendered or varied for any reason without notice to NBF;
- iii. an order is made for the winding up of the Borrower or the Borrower passes or proposed to pass a resolution to effect its winding up or
- iv. an administrator of the Borrower is appointed or any step preliminary to the appointment of a Receiver is taken, or where the Borrower is a natural person, he commits an act of bankruptcy.
- v. a receiver is appointed or in the opinion of NBF there is a likelihood of a receiver being appointed in respect of any part of the property of the Borrower;
- vi. a warrant of distress is issued or levied against the Borrower or any of its property;
- vii. there is a claim for a total or substantial loss of the property the subject of the Insurance Policy's.

Premium Loan:

- i. NBF may in its absolute discretion vary, in writing, the terms on the Application from time to time.
- ii. NBF may accept the Borrower's application by advancing any part of the Total Premium and/or related costs and expense associated with Insurance Policy's to the Insurance Intermediary or the Insurer as the case may be.
- iii. The Borrower may request NBF to make drawdown(s) on the Account by procuring delivery by the Insurance Intermediary to NBF of a Drawdown Request. NBF may in its sole, absolute discretion decline to allow the Application or any Drawdown Request.

Notice of Assignment of Policy:

The Borrower assigns to NBF its right title and interest in the Insurance Policy to the extent allowed by law to cancel the Insurance Policy, to receive refunds of premium under the Insurance Policy and to receive sums payable to the Borrower in satisfaction of a claim under the Insurance Policy.

Running Account:

- i. The Borrower applies to NBF for a running account credit facility to finance the Total Premium and related costs and expenses associated with Insurance Policy/s.
- ii. All drawdown(s) on the Account shall be subject to these terms and conditions.