

FlexiStock Advance

Converting Progeny to Cashflow



Converting Progeny to Cashflow

PGG Wrightson FlexiStock Advance gives you the flexibility to release cashflow on new born calves or lambs.

FEATURES AND BENEFITS*

- Up to \$50 for lambs and \$250 for calves available for sale
- A floating rate of, initially, 8.75% p.a.
- Repayment at sale of stock or up to 180 days
- Interest calculated daily and added monthly to your loan balance
- Simple to set up your loan

PGG Wrightson is a leading provider to the agricultural sector offering a wide range of products, services and solutions to growers, farmers and processors in New Zealand and internationally

Talk to us today

Call us on
0800 246 65 463

email us at
flexistock@pggwrightson.co.nz

or visit
www.pggwrightson.co.nz

*A drawdown fee of 1% is charged on the Loan, which will be added to the principal amount of the Loan on the Drawdown Date. A trade fee of 2.5% pa. may be charged by PGG Wrightson Limited if its livestock agency services are not utilised for the selling of the financed livestock. Finance provided by Heartland Bank Limited. Lending criteria, fees and charges apply. Heartland Bank's Disclosure Statement can be obtained by calling 0800 85 20 20.

FlexiStock Advance Facility Application

Finance provided by Heartland Bank Limited.

1. GENERAL DETAILS

| | | |
|--|--|--|
| a) Is the loan less than \$500K? <input type="checkbox"/> Y <input type="checkbox"/> N | b) Do you own your own farm? <input type="checkbox"/> Y <input type="checkbox"/> N | c) How many years' farming experience do you have? |
| e) Purpose of loan | f) No. of stock | g) Value/Head |
| h) Requested loan amount \$ | i) Expected repayment date | / / |

2. BORROWER DETAILS

Type of organisation (tick one) Partnership Limited Partnership Sole Trader Company Trust Other _____

| | | |
|--|-----------------------------|--------|
| a) Full Legal Name | Trading Name (if different) | |
| b) Physical Address | Postcode | |
| c) Postal Address (if different to Physical Address above) | Postcode | |
| d) Phone No. (hm) | e) Phone No. (mob) | f) Fax |
| g) Email Address | h) GST No. | |

3. DETAILS OF YOUR FARMING OPERATION

| | | |
|---|--------------------|---------------------|
| a) Farm Type | | |
| b) Land where livestock will be located (address) | | |
| c) Physical Address (if different to above) | | |
| d) Name of land owning entity | e) Owned Area (ha) | f) Leased Area (ha) |

4. AUTHORISED PERSON DETAILS

PERSON 1

Director / Trustee / Professional Trustee / Partner / General Partner (please circle) Mr / Mrs / Miss / Ms / Other (please circle or specify)

| | | |
|---|------------------------|-------------------|
| First Name(s) in Full | Surname | Date of Birth / / |
| Physical Address (if different to Borrower) | Postcode | |
| Postal Address (if different to Borrower) | Postcode | |
| Email Address | | |
| Phone No. (hm) | Phone No. (wk) | Phone No. (mob) |
| Country of birth | Country of citizenship | Occupation |

PERSON 2

Director / Trustee / Professional Trustee / Partner / General Partner (please circle) Mr / Mrs / Miss / Ms / Other (please circle or specify)

| | | |
|---|------------------------|-------------------|
| First Name(s) in Full | Surname | Date of Birth / / |
| Physical Address (if different to Borrower) | Postcode | |
| Postal Address (if different to Borrower) | Postcode | |
| Email Address | | |
| Phone No. (hm) | Phone No. (wk) | Phone No. (mob) |
| Country of birth | Country of citizenship | Occupation |

This section must be completed, and page 4 signed, by each director of a company, each trustee of a trust, each partner of a partnership, or each general partner of a limited partnership. If insufficient space, please use additional application forms. Unless otherwise notified to the Lender, each authorised person above is authorised (acting alone) to take any action or give any notice or communication on behalf of the Borrower under or in relation to this Agreement or any other Relevant Document.

5. GUARANTOR DETAILS

a) Type of Guarantor (tick one) Individual Partnership Limited Partnership Sole Trader Company Trust Other _____

b) Full Legal Name _____ c) Trading Name (if different) _____

d) Physical Address _____ Postcode _____

e) Postal Address (if different to Physical Address above) _____ Postcode _____

f) Phone No. (hm) _____ g) Phone No. (mob) _____ h) Fax _____

i) Email Address _____ j) Date of Birth / / _____

k) Country of birth _____ l) Country of citizenship _____ m) Occupation _____

6. STATEMENT OF POSITION OF BORROWER(S)

Current Statement of Position of Borrower(s) as at ____ / ____ / ____
Date

| LIABILITIES | Current Value | ASSETS | Estimated Value |
|-----------------------------|---------------|--|-----------------|
| Mortgages | \$ | Farm Properties (including all leased or owned properties) | \$ |
| | \$ | Area (ha) | |
| | \$ | Area (ha) | |
| Bank Overdraft Limit (\$) | \$ | Other Property (Please state market values) | \$ |
| Stock Firm Limit (\$) | \$ | Plant & Motor Vehicles | \$ |
| | \$ | Cash Deposits | \$ |
| | \$ | Other | \$ |
| HP/Lease | \$ | HP/Lease | \$ |
| | \$ | | |
| | \$ | | |
| Sundry Creditors | \$ | | |
| | \$ | | |
| | \$ | | |
| Credit Cards | \$ | | |
| | \$ | | |
| | \$ | | |
| a) TOTAL LIABILITIES | \$ | b) TOTAL ASSETS | \$ |
| c) Equity % | \$ | | |
| Off Farm Income (p.a.) | \$ | Gross Farm Income (p.a.) | \$ |

| | No. of Stock | Description | \$ per Hd | Value | Totals |
|--------|--------------|-------------|-----------|-------|--------|
| Sheep | | | | | \$ |
| | | | | | |
| Cattle | | | | | \$ |
| | | | | | |
| Other | | | | | \$ |
| | | | | | |

| SALE LIVESTOCK CALCULATION | | | | | | | |
|----------------------------|--|----------------|--|-----------------|--|----------------|--|
| Capital Stock | | Progeny Number | | Number Retained | | Sale Livestock | |
| Cows | | Calves | | Calves | | Calves | |
| Ewes | | Lambs | | Lambs | | Lambs | |

Capital Stock is the number of cows/ewes owned by the Borrower

Progeny Number is the number of progeny expected to be produced by that Capital Stock

Number Retained is the number of the progeny expected to be retained by the Borrower as Capital Stock

Sale Livestock is the number of progeny expected to be sold.

CHECKLIST (INTERNAL USE ONLY)

- Acknowledgement of Guarantor letter signed, or
- Solicitor's Certificate of Independent Legal Advice for each Guarantor signed
- Application form has been filled out correctly
- Customer Due Diligence completed with copies of photo ID - Borrower(s)
- Customer Due Diligence completed with copies of photo ID - Guarantor(s)
- Address verification - Borrower(s)
- Address verification - Guarantor(s)
- PGW RM or PGW delegated authority verified address by farm visit
- PPSR registered - Y N - Date / /
- Credit check - Borrower(s)
- Credit check - Guarantor(s)

PGG Wrightson Regional Manager's Name _____

Signature _____

Referred from (Agent) _____

TBA number _____ Account number _____ Date opened _____

LOAN CONDITIONS

This application is subject to approval by Heartland Bank Limited (**Lender**). Important terms and conditions apply, including lending criteria and other restrictions. If this application is approved by the Lender, it will immediately constitute a binding loan agreement on the terms set out in this application and the Lender's FlexiStock Advance Standard Conditions and capitalised terms used in this application have the same meaning given to them in those standard terms and conditions.

Subject to approval of this application by the Lender, the Lender makes the following Loan available to you:

- The Borrower may drawdown the Loan by way of a single advance
- Interest is calculated daily and capitalises monthly in arrears
- A 1% drawdown fee is charged on the amount of the Loan and is automatically added to the principal amount of the Loan on the Drawdown Date
- The Amount Outstanding is repayable in full on the Repayment Date, which will be notified to the Borrower by the Lender
- The Borrower grants security to the Lender over its Secured Property
- Each Guarantor is personally liable to pay to the Lender all amounts due by the Borrower under this Agreement and each other Relevant Document.

A trade fee of 2.5% pa. may be charged by PGG Wrightson Limited if its livestock agency services are not utilised for the selling of the financed livestock

PRIVACY

Information about each person named in this application (**Relevant Person**) may be collected and held by the Lender, PGG Wrightson Limited and each of their related entities, successors, assigns, agents and associates (the **Provider Group**). That information may be used by the Provider Group to consider this application for products or services (and any future application involving the Relevant Person). If the information is not provided, the Lender may not be able to provide the products or services requested in this application. The information may also be used by the Provider Group to develop and run their businesses, including administering and monitoring products or services provided to the Relevant Person (or any related entity), and providing the Relevant Person with information about other products or services, including those of selected third parties. For the above purposes, the Provider Group may provide and obtain information about the Relevant Person to or from other organisations or people the Provider Group considers appropriate, including its service providers, other financial and insurance institutions, government departments, the Relevant Person's employer/accountant, stock agents and other Relevant Persons. The Lender may use the services of credit reporting agencies on an ongoing basis for purposes relating to the provision of credit to the Relevant Person (or any related entity), and may exchange information about the Relevant Person with those agencies, including default information. Those agencies may retain that information and provide that information to other customers who use their credit reporting services. Each Relevant Person may request the full details of every organisation or person to whom the Provider Group has disclosed information about the Relevant Person. Individuals have rights to access and request correction of their personal information under the Privacy Act 1993. Each Relevant Person confirms that each person named in this application has agreed to the terms above.

ACCEPTANCE

By signing this application, each Borrower and each Guarantor confirms that:

- All information provided to PGG Wrightson Limited and the Lender is correct, complete and not misleading.
- We have read and accepted the Lender's current FlexiStock Advance Standard Conditions, which are provided with this application and are also available on the Lender's website at www.heartland.co.nz.
- We understand that, if this application is approved by the Lender:
 - (i) this application will immediately constitute a binding loan agreement on the terms set out in this application and the Lender's FlexiStock Advance Standard Conditions.
 - (ii) a 1% drawdown fee will be charged on the amount of the Loan and will automatically be added to the principal amount of the Loan on the Drawdown Date.
 - (iii) the approved Available Amount, the Repayment Date and any special conditions that apply will be notified to us together with the Lender's approval
- We understand that a trade fee of 2.5% pa. may be charged by PGG Wrightson Limited if its livestock agency services are not utilised for the selling of the financed livestock

We agree to receive notices and other communications from the Lender by email to the address set out on page 2 of this application.

EXECUTION

BORROWER(S)

Please ensure that:

- If this is a joint application, it is signed by each Borrower.
- If this application is from a Company, Trust, Limited Partnership or Partnership, it is signed on behalf of the Borrower by each Director, Trustee, General Partner or Partner (as the case may be).
- If this application is signed by an attorney, please attach the power of attorney and a certificate of non-revocation.

Executed and delivered as a deed

| | | |
|-----------------|-----------------|--------------------------|
| Signature _____ | Signature _____ | Witness Signature _____ |
| Name _____ | Name _____ | Witness Name _____ |
| Signature _____ | Signature _____ | Witness Occupation _____ |
| Name _____ | Name _____ | Witness Address _____ |
| | | Date _____ |

GUARANTOR(S)

Please ensure that, if this application is from a Company, Trust, Limited Partnership or Partnership, it is guaranteed by each Director, Trustee, General Partner or Partner (as the case may be). By signing this application, each Guarantor confirms that he or she has read and understood all of the terms of this application and the Lender's FlexiStock Advance Standard Conditions (including the Terms of Guarantee set out in Part C) and understands that each Guarantor is personally liable to pay to the Lender all amounts due by the Borrower under this Agreement and each other Relevant Document.

Executed and delivered as a deed

| | | |
|-----------------|-----------------|--------------------------|
| Signature _____ | Signature _____ | Witness Signature _____ |
| Name _____ | Name _____ | Witness Name _____ |
| Signature _____ | Signature _____ | Witness Occupation _____ |
| Name _____ | Name _____ | Witness Address _____ |
| | | Date _____ |

Identification Requirements

The Anti-Money Laundering and Countering Financing of Terrorism Act 2009 requires the identity of all Applicants to be verified through a customer due diligence process. The following identification is required and Heartland Bank reserves the right to seek additional information.

STANDARD IDENTIFICATION REQUIREMENTS

Individual/Joint Applicant

- NZ Driver Licence (photocopy acceptable); **OR**
- An original or certified copy* of a NZ or Overseas Passport, NZ Firearms Licence, or NZ Certificate of Identity; **OR**
- An original or certified copy* of a Birth Certificate, NZ Certificate of Citizenship, **WITH** NZ Driver Licence, 18+ Card or valid and current international driving permit/licence;

Company/Partnership/Trust

- Certificate of Incorporation/Partnership Agreement/Trust Deed **AND**
- Personal identification for each director, each trustee, each partner, each shareholder with more than 25% holding and authorised person, as for individual Applicant **AND**
- In relation to Trusts, source of funds/wealth

ADDRESS IDENTIFICATION REQUIREMENTS

- Depositor(s) must provide Heartland a utility bill or bank statement showing address (not more than 12 months old).

Any other organisation: Please refer to Heartland's identity requirements for other organisations/entities at www.heartland.co.nz. If you do not have the identification documents described above, please contact Heartland on 0800 85 20 20 or refer to our website at www.heartland.co.nz for further identification requirements. Please note that we may have to request further information from you in accordance with applicable laws.

* An original document must be sighted by Heartland staff or a broker/adviser approved by Heartland for that purpose, OR a copy certified true and correct by a Justice of the Peace (JP), solicitor, Member of Parliament (MP), notary public or a registered medical doctor (provided that the certifying person is not a relation, spouse or partner, and does not live at the same address).

Acknowledgement of Guarantor

To **HEARTLAND BANK LIMITED (HEARTLAND) - LENDER**

Borrower(s)

Guarantor(s)

Acknowledgement of each Guarantor

1. I choose not to be independently advised by a solicitor regarding the FlexiStock Advance Application Form and the FlexiStock Advance Standard Conditions dated on or about the date of this acknowledgement (together forming the '**Loan Agreement**').
2. I confirm that my entry into the Loan Agreement is at my request, freely and voluntarily given with full knowledge and understanding of the contents of the Loan Agreement and of the circumstances under which the Loan Agreement has been entered into.
3. I accept full responsibility for my choice.
4. I acknowledge the expectation of the Lender that I should, prior to signing the Loan Agreement:
 - (a) fully inform myself as to the Borrower's financial position before giving the guarantee; and
 - (b) receive advice on this matter from a solicitor independently of the Borrower and each other Guarantor, but I have on my own volition elected not to do so.

Dated

Guarantor's signature

Guarantor's Name

Guarantor's signature

Guarantor's Name

Solicitor's Certificate for Independent Legal Advice

To **HEARTLAND BANK LIMITED (HEARTLAND) - LENDER**

Borrower(s)

Guarantor(s)

We certify and undertake to you as follows:

1. We have explained to each Guarantor the terms and effect of the guarantee granted by each Guarantor in favour of the Lender pursuant to the FlexiStock Advance Application Form and the FlexiStock Advance Standard Terms and Conditions dated on or about the date of this certificate (together forming the **'Loan Agreement'**) and the extent of each Guarantor's obligations under the Loan Agreement, and in particular that:
 - (a) each Guarantor is jointly and severally liable with any other Guarantor for all moneys at any time owing by the Borrower to the Lender under or relating to the Loan Agreement and each Guarantor's liability is not necessarily limited to this particular transaction;
 - (b) the Lender may have recourse against each Guarantor first without taking action against the Borrower or any other Guarantor;
 - (c) each Guarantor's liability is not prejudiced by any arrangements, compromise or other transaction entered into between the Lender and the Borrower; and
 - (d) the liability of each Guarantor is unlimited.
2. Each Guarantor has confirmed that the relevant Guarantor understands the nature of the transaction and the extent of the relevant Guarantor's liability pursuant to the Loan Agreement.

Firm Name

Signature

Print Full Name

Dated

Trade Fee Acknowledgement

To: **PGG Wrightson Limited**



1. I acknowledge and agree that if I sell the livestock referred to in this application form without exclusively utilising the livestock agency services provided by PGG Wrightson Limited for such transactions, in consideration for PGG Wrightson Limited referring this application to Heartland Bank Limited PGG Wrightson Limited may charge me and make demand for payment for a trade fee in an amount equal to 2.5%pa (calculated on a daily basis) on the amount of the loan for the period from the date of drawdown of the loan until: a) the date of repayment; or b) 180 days; whichever is the shorter period.
2. I agree to pay to PGG Wrightson Limited immediately upon demand any trade fee so charged by PGG Wrightson and acknowledges that such amount will attract an interest rate of 13.75% pa.
3. I agree that any Trade Fee charged by PGG Wrightson Limited under this arrangement outlined above will be collected by PGG Wrightson Limited directly.
4. I acknowledge that the Trade Fee is a reasonable approximation of PGG Wrightson Limited's actual costs and losses incurred as a result of involvement in this application but livestock financed not being sold exclusively through the livestock agency services provided by PGG Wrightson Limited.
5. I acknowledge that this form is required by PGG Wrightson Limited in respect of fees chargeable by, and payable to, PGG Wrightson Limited and is not for the benefit of Heartland Bank Limited. For the purposes of the Contracts (Privity) Act 1982, I acknowledge that this Trade Fee Acknowledgment is intended to be legally enforceable by PGG Wrightson Limited.

Name

Signed

Dated

