



Wairarapa Building Society – General Instructions for Solicitors

1. Please act for Wairarapa Building Society (WBS, us, we)

Please act for us in the relevant lending and security transaction.

Please follow our instruction letter and these general instructions. When giving us a solicitor's certificate, you will need to confirm that you have met the requirements in our instruction letter and these general instructions for that transaction.

Please note that capitalised terms in these general instructions have the meaning defined in the Loan Terms and Conditions.

2. Please check these statements before you act for us

Please check all the statements below are true. If anything is not true, or you cannot act for any reason, tell us immediately as we may instruct someone else.

You are either:

- a law firm or lawyer in sole practice,
- a conveyancer or conveyancing firm to act in a mortgage discharge, or
- Public Trust, Perpetual Guardian, or Trustees Executors.

And:

- you have a trust account
- you have professional indemnity insurance with a reputable insurer and cover that is reasonable for the transaction
- you will not void your insurance or affect any claim we could make against you by acting for us, and
- you do not have a personal interest in the transaction. (You are not personally interested if you are only acting as lawyer or adviser, or as a trust's professional or independent trustee.)

The Borrower or Guarantor (if applicable) named in our instruction letter will need to pay all legal costs, including any you charge for acting for us, even if the transaction does not go ahead.

3. You can email us the documents

You can email the loan and security documents we have asked for in our letter of instructions to the contact in our instruction letter. Please note that we are relying on you holding complete versions of the original documents when you email us. We do not need you to keep originals of any documents once you have emailed them to us, unless we specifically note otherwise in the 'Documents we need by the settlement date' section of our instruction letter.

4. You must keep our letter of instruction and emails as evidence of your authority to act

If you are registering transactions using e-Dealings, you will need to keep copies of our letter of instruction or other emails as evidence of your authority to act for us. We confirm you have authority where we provide you with our letter of instruction.

5. Check that the details of the Borrower(s) and/or Guarantor(s) are correct

Please ensure that the details of the Borrower(s) and any Guarantor(s) are correct on all the documents and that the description of any mortgage (or security) to be taken by WBS is correct and consistent. Please check other details too, including loan amounts and interest rates. If you are aware that anything is wrong or needs changing, tell us immediately so we can send new documents or other instructions.

Our documents, including the solicitor's certificate, are not to be altered in any way without our prior written approval.

6. You must give legal advice about each document's meaning and effect

When we ask you to get the documents signed, we rely on you to give the Borrower(s) and/or Guarantor(s) legal advice. It is important that the Borrower(s) and/or Guarantor(s) understand the documents, including any obligations and risks. In certain circumstances, we may waive this requirement.

7. Some steps to take when giving advice

Please make sure the Borrower(s) and/or Guarantor(s) understand the documents and willingly agrees to them. You will need to take extra care in the following circumstances:

- where someone doesn't speak English fluently;
- where anyone is elderly or related to another party to the transaction; or
- where a party could be inappropriately influenced into agreeing to the transaction or receives no benefit from it.

In the above circumstances, you should consider:

- whether you need to speak with them separately to check they understand the nature and effect of the document (including the risks involved with entering into the document); and
- whether you should require that person to obtain independent advice.

Let us know immediately if you believe anyone:

- doesn't appear to have understood your legal advice
- may be under undue influence or duress, or
- may not have capacity to make an informed decision or enter a contract, or may be 'vulnerable' for another reason, including if they require information about the agreement in another language.

While we cannot give legal or financial advice, we will assist to ensure that the Borrower(s) or Guarantor(s) have the necessary information to help them understand the relevant documents. We may have extra requirements you will need to meet before the transaction can go ahead.

For the purposes of the CCCFA, we are satisfied that the Loan, Guarantee, or insurance we have arranged is suitable or affordable. However, please contact us or encourage the Borrower(s) or Guarantor(s) to do so if you have reason to believe a Loan, Guarantee or insurance may not be suitable or affordable. It is important to us that Borrower(s) have the right product and can meet their obligations to us.

8. You must explain key features of any Loans

You must explain the key features of the Loan to all Borrower(s) and/or Guarantor(s), including:

- the loan amount, term, interest and default rates, repayments, fees, and any security;
- whether interest rates can change over the loan's term (which changes the repayment amount), and
- that we may charge a fee if the Borrower(s) repays early or changes the payment terms of the Loan during a fixed rate period (if applicable)

We've set these requirements to help us meet our lender responsibilities under the CCCFA, Consumer Regulations, Responsible Lending Code, and common law (as applicable). We rely on your solicitor's certificate as confirmation you've given the Borrower(s) and/or Guarantor(s) this information and you are comfortable that the Borrower(s) and/or Guarantor(s) understand the obligations they are entering into.

9. You must explain key features of any Guarantees

For any Guarantee in our letter of instructions, we also need you to:

- disclose the terms of all Loan Contract(s) covered by the Guarantee and the Guarantee itself to the Guarantor(s);
- explain the meaning and effect of the Loan Contract(s) and Guarantee to the Guarantor(s), including:
 - that by signing the Guarantee, the Guarantor(s) will become personally liable for all amounts which are payable by the Borrower(s), whether under the Loan Contract or otherwise;
 - that the amounts owing to us may increase over time without notice to the Guarantor(s) or without the Guarantor's consent, which are payable by the Borrower(s) alone or together with any other person;
 - that the liability of a Guarantor is joint and several with any other Guarantor(s), and that the Guarantor's liability is either unlimited or limited to the amounts specified in the Guarantee; and
 - that we may also claim from the Guarantor(s), in addition to the Borrower's debt to WBS, any interest that has accrued on that debt owing and any costs incurred by us in recovering payment under the Guarantee.

Take care where a Guarantor does not speak English fluently.

Explain that we strongly recommend Guarantor(s) to get independent advice about the Guarantee and the risks to them. We may require a Guarantor to get their own independent advice. You should also consider whether, acting to the standard of a prudent and competent solicitor, you should require that the Guarantor(s) obtain independent advice.

If any Guarantor, having been advised to obtain independent legal advice, declines to take independent legal advice, the Guarantor must sign a waiver of independent advice. You must explain to each Guarantor that signs a waiver of independent advice the purpose and contents of the waiver.

We've set these requirements to help us meet our lender responsibilities under the CCCFA, Consumer Regulations, Responsible Lending Code, and common law (as applicable). We rely on your solicitor's certificate as confirmation you've given the Guarantor this information and you are comfortable that the Guarantor understands the obligations they are entering into.

10. You must give advice on security agreements

Where we have registered a financing statement on the Personal Properties Securities Register in respect of the security interest created under the Borrower's or Guarantor's security agreement, a copy of each financing statement will be enclosed with the letter of instructions.

You will need to give legal advice about the nature and effect of giving security under the security agreement. You must check that:

- the name and other details of the debtor as set out in each security agreement and financing statement are correct; and
- where the secured property (as defined in the relevant security agreement) includes motor vehicles, the details set out in the financing statement are correct

The security interest created under the security agreement is to be a first charge over the secured property.

11. You must provide Borrower(s) and Guarantor(s) with a signed copy of our Loan Contract and other documents (if applicable)

Our Loan Contract is made up of two documents:

- **Disclosure Document** that explains the Borrower's loan details, including the loan amount, interest rate, repayments, security, and more. The Borrower(s) will need to sign this document to accept the Loan we're giving them. Any Guarantor(s) will also need to sign this document.
- **Loan Terms and Conditions** that includes all the terms and conditions applying to the Loan. This document does not need to be signed.

Please make sure you give the Borrower(s) and/or Guarantor(s) a copy of the Disclosure Document (which they have signed) and the Loan Terms and Conditions, so they have a complete copy of their Loan Contract with us. We will only need a copy of the signed Disclosure Document back — we do not need the Loan Terms and Conditions to be signed.

Any security providers and/or Guarantor(s) will also need to be provided with a copy of the signed security agreement and/or Guarantee (as applicable).

12. You must advise on anything affecting our mortgage

If we ask you to register a new mortgage for us, please obtain a guaranteed search of the record of title. We'll need legal advice on any instrument, charge, easement, or other restriction affecting that record of title that:

- may prejudice our mortgage, affect our ability to enforce our rights as mortgagee, or increase our obligations as mortgagee, or
- may materially prejudice our interests in any other way.

Please ensure that on or immediately following settlement, there will be no rates arrears or penalties owing in respect of any mortgaged property.

You will need to provide us with the following documents before drawdown if you are registering a mortgage over a stratum estate under the Unit Titles Act 2010:

- a pre-settlement disclosure statement under section 147 of the Unit Titles Act 2010; and
- a copy of the Body Corporate Rules; and

Please let us know immediately if any information contained in the above documents may affect our security.

You must also notify us immediately if you are registering a mortgage over:

- Maori land or Maori reserve (as defined in section 4 of the Te Ture Whenua Maori Act 1993);
- leasehold estate (other than cross-lease); and
- an estate or interest in land other than a fee simple, cross lease or stratum estate.

If a mortgage is to be registered against a new title in the course of issuing, funds will not be advanced until the new title has issued, a search copy of the title is available and a copy of the title has been forwarded to us.

13. You must advise on building compliance for some properties

Unless you have notified us otherwise, we are assuming (and will rely upon the fact) that you are not aware of any breach of any relevant building and local authority consent or compliance certificate that may be required under the Resource Management Act 1991 and/or the Building Act 2004.

Please note:

- If you become aware of any unremedied non compliance with those Acts you must immediately notify us; and
- We may require that the non-compliance be remedied before drawdown can proceed.

14. You must comply with our requirements when registering eDealings

Please ensure that you hold an original correctly completed and executed Authority and Instruction Form in a form approved by the New Zealand Law Society and Registrar General of Land in relation to each mortgage. You need to provide a copy of the Authority and Instruction Form to us with your solicitor's certificate.

We agree you can delegate authority to register to someone else. But if delegating this authority, make sure your delegate follows our instructions and complies with relevant laws and codes of practice too – we rely on your undertakings that our instructions were met.

15. You must confirm compliance with the Overseas Investment Act

You acknowledge that, as a conveyancer (under the Overseas Investment Act 2005 (OIA)), you must comply with section 51C of the OIA in relation to the acquisition of any interest in residential land. By giving us your solicitor's certificate, you acknowledge and agree that we are relying on your solicitor's certificate as confirmation that:

- if required, you have already complied, or will (prior to lodgement of the relevant transfer instrument) comply, in all respects with section 51C of the OIA;
- the section 51A statement obtained from the Borrower or purchaser provides that if the Borrower/purchaser requires OIA consent, that OIA consent has been granted; and
- for these purposes, you are not acting as our agent and will not hold yourself out as acting as our agent.

16. You must confirm insurance policies

Personal Property

All material assets of a debtor that are secured property under any security agreement must be insured in the name of the debtor against loss or damage with an insurance company approved by us to full replacement value (or in such amount as is acceptable to us). Our interest as first ranking mortgagee must be noted on the policy

Land

Please ensure that all buildings on the mortgaged property are insured from the settlement date with an insurance company approved by us to full replacement value (or in such amount as is acceptable to us) in the name of the relevant Borrower(s) with no exclusions or stand down period for natural disasters. Our interest as first ranking mortgagee must be noted on the policy.

If the lending, or any part of it, is to be used to assist the Borrower(s) to build, construct or alter any buildings on any mortgaged property, please ensure that builder's risk insurance is in place with an insurance company approved by us in an amount acceptable to us before any progress payment is made. Our interest as first ranking mortgagee must be noted on the policy.

If the mortgaged property is a stratum estate under the Unit Titles Act 2010, please ensure that our interest as first ranking mortgagee is noted on the Body Corporate's principal insurance policy.

Please ensure that our full legal name, "Wairarapa Building Society", is noted on any insurance policy.

17. You must confirm identity

We check identity to meet our duties under laws, like the Anti-Money Laundering and Countering of Terrorism Financing Act. We rely on you checking the identity of all parties to the transaction too, following any relevant laws or codes of practice applying to you.

18. Everyone must get copies of the documents they sign

Make sure the Borrower(s) and/or Guarantor(s) receive a copy of the documents they sign, including any Loan Contract(s), security agreement(s), and/or Guarantee(s).

