
RZ FINANCE LTD

rentzone.co.nz | Rent to Buy Finance

Responsible Lending Policy

Credit Contracts and Consumer Finance Act 2003 Compliance

Version	1.0
Effective Date	1 July 2025
Review Date	1 July 2026
Approved By	Board of Directors, RZ Finance Ltd
Regulator	Department of Internal Affairs (AML/CFT Supervisor)
Legislation	AML/CFT Act 2009 CCCFA 2003 Privacy Act 2020

1. Purpose and Overview

RZ Finance Ltd is committed to responsible lending in all its consumer finance activities. This policy sets out how the Company complies with the lender responsibility principles under the Credit Contracts and Consumer Finance Act 2003 (CCCFA) and the Responsible Lending Code (revised July 2024).

This policy applies to all rent-to-buy finance arrangements entered into by RZ Finance Ltd with customers.

2. Lender Responsibility Principles

RZ Finance Ltd will comply with all lender responsibility principles under the CCCFA, including:

- Acting with care, diligence, and skill of a responsible lender at all times
- Making reasonable inquiries before entering into any credit arrangement to be satisfied the loan is both suitable and affordable for the borrower
- Helping borrowers make informed decisions
- Treating borrowers and guarantors reasonably and in an ethical manner at all times
- Not inducing borrowers to enter into credit contracts through oppressive means
- Ensuring the terms of all credit contracts are expressed in plain language

3. Affordability Assessment

Before entering into any rent-to-buy finance arrangement, RZ Finance Ltd will make reasonable inquiries to be satisfied that the customer is likely to be able to make repayments without suffering substantial hardship.

Our affordability assessment process includes:

- Requesting information about the customer's income (employment, benefits, other income sources)
- Considering the customer's regular financial commitments and living expenses
- Assessing the customer's ability to meet repayment obligations over the full term of the agreement
- Taking into account the customer's likely future financial circumstances where reasonably foreseeable

The affordability assessment will be based on reasonable and verifiable information. We will not rely solely on a customer's self-declaration where we have reason to doubt its accuracy.

Our process reflects the updated guidance in the Responsible Lending Code (July 2024) which replaced the prescriptive affordability regulations from 31 July 2024. Lenders must still make reasonable inquiries and be satisfied a loan is affordable.

4. Suitability Assessment

RZ Finance Ltd will make reasonable inquiries to be satisfied that the rent-to-buy finance product is suitable for each customer, including:

- How much finance the customer requires
- What the finance will be used for (purchasing a residential cabin through rent-to-buy)
- The preferred repayment structure and term
- Whether the customer has any particular needs or vulnerabilities to consider

Where a customer's circumstances suggest the product may not be suitable, we will not proceed with the arrangement and will explain our decision to the customer.

5. Advertising and Marketing

All advertising and marketing of RZ Finance Ltd's products will:

- Be truthful, clear, and not misleading or deceptive
- Not create false impressions about the cost of credit or the nature of the product
- Include required disclosure information where mandated by the CCCFA
- Comply with the Fair Trading Act 1986

The Company will not engage in unsolicited approaches that could be considered high-pressure sales tactics.

6. Pre-Contract Disclosure

Before a customer enters into a rent-to-buy finance arrangement, RZ Finance Ltd will provide the customer with a disclosure statement that includes:

- The total amount of credit provided
- All fees and charges payable
- The interest rate (if applicable) and how interest is calculated
- The total amount repayable over the term of the agreement
- The repayment schedule (amounts and due dates)
- Security interests over any property (if applicable)
- The customer's right to cancel within five (5) working days
- How to apply for hardship assistance
- How to make a complaint
- Contact details for the Company's dispute resolution scheme

Disclosure statements will be provided in plain language and in a clear, concise, and intelligible manner.

7. Standard Terms — Publicly Available

In accordance with the CCCFA, RZ Finance Ltd will make its standard form contract terms and costs of borrowing publicly available on its website at www.rentzone.co.nz/finance and at its business premises.

This enables customers to compare the terms of our products before entering into any agreement.

8. Right to Cancel

Every customer has the right to cancel a credit contract within five (5) working days of receiving the disclosure statement. If a customer exercises this right, RZ Finance Ltd will:

- Accept the cancellation without penalty
- Ensure no fees or interest are charged during the cancellation period
- Provide a full refund of any amounts paid during the cancellation period

To cancel, a customer must notify RZ Finance Ltd in writing (including by email) within the cancellation period.

9. Ongoing Disclosure

RZ Finance Ltd will provide customers with ongoing disclosure at least every six (6) months, including:

- The outstanding balance under the agreement
 - A summary of all payments made during the period
 - Any fees or charges applied during the period
 - The remaining term of the agreement
-

10. Vulnerable Customers

RZ Finance Ltd recognises that some customers may be in vulnerable circumstances. Our staff are trained to identify potential vulnerability indicators and respond with appropriate care and sensitivity.

Where a customer may be vulnerable (for example, due to financial hardship, mental health challenges, family violence, or limited English proficiency), RZ Finance Ltd will:

- Offer additional time and support to ensure the customer understands the agreement
- Suggest the customer seek independent financial or legal advice
- Decline to proceed if we believe the customer does not have the capacity to make an informed decision
- Make appropriate referrals to financial mentoring services where relevant

11. Hardship Assistance

Customers experiencing financial hardship may apply to RZ Finance Ltd for a variation to their payment obligations. Customers can apply at any time by contacting us in writing.

When a hardship application is received, RZ Finance Ltd will:

- Acknowledge the application within five (5) working days
- Request any further information needed within ten (10) working days
- Make a decision within twenty (20) working days of receiving all required information

A customer may request one of the following:

- Extension of the contract term by reducing each payment amount
- A payment holiday (postponement of repayments for a specified period)
- A combination of reduced payments and an extended term

RZ Finance Ltd will treat all hardship applications with respect and in confidence.

12. Default and Repossession

In the event of customer default, RZ Finance Ltd will follow the processes required under the CCCFA and the Property Law Act 2007 before taking any enforcement action.

The Company will:

- Provide required statutory notices before taking enforcement steps
 - Allow reasonable opportunity for the customer to remedy a default
 - Consider hardship applications received before or during any enforcement process
 - Not act oppressively or unfairly in the exercise of its rights under the agreement
-

13. Records

RZ Finance Ltd will maintain records demonstrating how it has met its responsible lending obligations, including:

- Copies of all affordability and suitability assessments
- All disclosure statements provided to customers
- Copies of all executed contracts and variations
- Records of hardship applications and outcomes

Records will be retained for a minimum of seven (7) years and made available to the Commerce Commission (or FMA upon transfer of regulatory responsibility) upon request.

14. Annual Return

RZ Finance Ltd will submit an annual return to the Commerce Commission (or FMA upon transfer) as required under the CCCFA, containing information about loans entered into during the relevant year.

15. Dispute Resolution

RZ Finance Ltd is a member of an approved financial dispute resolution scheme. Details of our scheme are available on our website and in all disclosure statements.

Customers with a complaint should first contact us directly. If we cannot resolve the complaint to the customer's satisfaction, the customer may escalate to our approved dispute resolution scheme at no cost.