



# Investor Newsflash

Finance Direct continues to stick to the knitting.....

August 2011



Over the past year, many investors have been asking how we have managed to navigate our way through and survive the financial storm that has engulfed New Zealand and other countries around the world. The short answer is that we have made a concerted effort to stick to our knitting. We know what we are good at and that is interest or principal loans with fixed repayment terms. Our clientele must demonstrate affordability and have security of property, vehicles, boats or a combination of both. Quite simply, we do our best to ensure we lend to people who can repay. Lending to everyday New Zealanders to assist them achieve their goals, enhance their business, consolidate debts or buy a car or boat is what Finance Direct is all about.

We can help, call us today!



AUTOMOTIVE

Another competitive advantage the company has over most competitors is that loans falling outside Finance Directs criteria are brokered to other finance companies and banks. This provides an alternate source of revenue for the company in the form of broker fees, insurance and mortgage brokering commissions. The business model has certainly helped the company enhance the returns it pays to investors over the past 12 years.



PROPERTY

The formation by the government of the FMA (Financial Markets Authority) is a very positive step for finance companies and investors alike. Without doubt, the new regulations centered around finance companies has created more compliance cost and reporting requirements, especially monthly reporting to our trustee and the Reserve Bank on New Zealand. Regardless of this we are confident the extra layers of compliance will show investors that the government is committed to building a robust financial system for the benefit of investors and financial institutions alike.



PERSONAL

In fact, over the past few months Finance Direct has seen the seeds of a new era in confidence start to emerge. Our reinvestment rates and level of new deposits has been steadily increasing. We continue to welcome back old investors who have stood on the side lines through the tough times, many have had enough of the bank rates and want to improve their returns. If you fall into this camp we have our latest deposit rates applicable to our first ranking secured debenture stock on the back of this newsletter and from now until the end of August 2011, loyalty rates will apply to any previous Finance Direct customer. If you would like an investment pack, including prospectus and investment statement in respect of the first ranking debenture stock, please feel free to contact us on 0800 399 666



INVESTMENTS

Sometimes the best form of communication is just the old fashioned way of picking up the telephone! If you are a new or existing investor and have a question, please feel free to call me directly or alternatively you can speak with Ian Whitehead or Jhoana Montarde our respective Wealth and Risk Investment and Administration Managers.

Yours Sincerely,

Wayne Croad  
Managing Director

0800 399 666

# INTEREST RATE CHART

## Secured First Ranking<sup>1</sup> Debenture Stock

### Investment Rates effective from 1<sup>st</sup> August 2011

#### SPECIAL OFFER RATES

Term	Standard Rates	Loyalty Rates
21 months	10.75% p.a.	10.75% p.a.

#### CURRENT RATES

Term	Standard Rates	Loyalty Rates
6 months	7.25% p.a.	7.25% p.a.
12 months	9.50% p.a.	9.75% p.a.
18 months	9.75% p.a.	10.00% p.a.
24 months	10.50% p.a.	10.75% p.a.
36 months	10.95% p.a.	11.00% p.a.
48 months	10.95% p.a.	11.00% p.a.
60 months	10.95% p.a.	11.00% p.a.

- Minimum Term Investment amount \$1,000 and thereafter multiples of \$500
- Interest is payable quarterly in arrears or may be compounded quarterly at the option of the investor
- Rates are subject to change<sup>2</sup>
- Finance Direct Limited is exempt under the Deposit Takers (Credit Ratings Minimum Threshold) Exemption Notice 2009 from the requirement of section 157I of the Reserve Bank of New Zealand Act 1989 to obtain a credit rating. The creditworthiness of Finance Direct Limited has therefore not been rated by a rating agency approved by the Reserve Bank of New Zealand under section 157I of the Reserve Bank of New Zealand Act 1989<sup>3</sup>

1. Subject to claims given priority by legislation
2. Rates are current at the time of this publication, however we regret that they are subject to change at any time. Where this occurs, we will contact any investor (that has requested renewal or sent in a new deposit) where the rate requested differs to the current rates. Investors can then decide whether they wish to:
  - (a) invest at the new rates or
  - (b) invest for a more favourable rate for a different term or
  - (c) have your investment repaid at maturity (or your cheque returned).
3. For more information on Exemptions from the Non Bank Deposit Takers Regime, go to:  
<http://www.rbnz.govt.nz/finstab/nbdt/regulation/3536918.html>

For further information and a copy of our Prospectus and Investment Statement please call our Investment Team on

**0800 399 666**

Finance Direct Limited | P.O. Box 17422, Greenlane, Auckland  
[www.finance-direct.co.nz](http://www.finance-direct.co.nz)