

**Moana Blue provides Trade Finance to Dealers in New Zealand who ship through us. Check out the eligibility criteria and FAQ to see if this would suit you!**

### **Frequently Asked Questions**

We aim to make the process as simple as possible. Below are some common questions that we get asked to help you understand our service. You can also talk to your Moana Blue sales representative or email any questions to [moanafinance@moana-blue.com](mailto:moanafinance@moana-blue.com).

#### **You are eligible to apply for Moana Finance if:**

- you are a NZ registered dealer on the Motor Vehicle Traders Register (MVTR)
- have had at least two years in business within the Motor Vehicle industry
- have a secure retail yard
- have a reasonable credit history
- have stock insurance

#### **Who is Moana Blue and what is Moana Finance?**

Moana Blue are specialists in supplying fixed price door to door motor vehicle shipping and logistics from Japan to New Zealand.

By using Moana Finance, your vehicles FOB value is funded from arrival into New Zealand until they are sold (or the end of the maximum loan term – whichever is first).

The FOB value will be converted to NZD on the date we pay your FOB invoice to your Exporter. We will notify you of the finalized NZD loan balance once payment is made.

#### **What security is required?**

Each vehicle acts as security for the funding. Moana Blue will control the MR2A until the vehicle is sold (or the loan repaid). The security will be registered on the Personal Property Securities Register (PPSR). When you notify us of a sale, we will release the MR2A and PPSR.

#### **What Exporters do you provide funding for?**

We are an independent shipping and logistics company. Providing you ship with Moana Blue, in most cases we will be able to provide FOB funding.

**How does it work:**

Once your facility is approved, and the lending documentation is in place, Moana Blue will fund the FOB value of the vehicle from the day before arrival in NZ until the vehicle is sold (or up to the maximum loan term).

Moana Blue requires the Freight, Import GST and a 10% deposit of the FOB value to be paid before Moana Blue pays the Exporter the FOB value.

If an Exporter requires an up-front deposit for the vehicle, this won't be covered by Moana Finance. Moana Finance covers the payment due on arrival of the vessel into the NZ port where the vehicle is disembarking from.

**What is the maximum loan term?**

We offer an initial loan term of 90 days or until you sell the vehicle (if shorter).

If you need to extend this for a further 90 days, we will require a principal reduction of 10% of the loan balance. This isn't an extra cost, just a partial repayment of your outstanding balance.

**How much does it cost?**

We want to keep it simple - there are two costs of funding:

1. Interest charged on the outstanding loan balance, and
2. A vehicle administration fee of \$150 to cover our fixed costs of providing the funding.

The interest rate is based on the current economic environment and is fixed for the term of each loan. Interest rates are subject to review every 90 days.

Interest is required to be paid by direct deposit on the 20<sup>th</sup> of the following month.

The vehicle administration fee will be added to the balance of the loan upon creation.

## Frequently asked questions on the Application process

### How can I apply?

Complete in the application forms and supporting documents and send them to [moanafinance@moana-blue.com](mailto:moanafinance@moana-blue.com). There are no application or establishment fees!

You will need to provide:

- Signed Credit Application Form
- Signed Individual Authorisation Form for all Director/s and Shareholder/s
- Copy of your Drivers License or Passport for all Director/s and Shareholder/s. If we aren't able to visit your Dealership, this will need to be a certified copy.
- Proof of Address (e.g. utility bill), if not included on your Drivers Licence
- Financial Accounts for the last financial year – if it has been more than 3 months since the last financial year, Management Accounts or GST returns for the intervening period is requested.
- Proof of stock insurance

The Credit Application and Individual Authorisation form will allow us to do a credit check on the business, and its directors and shareholders.

### How long will the application process take?

It usually takes up to a week for your loan to be approved. If there are questions on the information provided, this could take a little longer but we will be in touch throughout the process. Our aim is to understand your business and work with you to meet your financial requirements.

### What lending documents are required?

We will need you to sign a Dealer Agreement for us to pay your FOB invoice on your behalf. This will also set out the terms of your facility. You will also need to return a completed Direct Debit Authority for us to debit your monthly interest invoice.

Your Compliance Centre will need to sign an MR2A Agreement, which means they will hold the MR2A certificate on our behalf until we authorize its release.

Your Exporter will need to confirm it agrees to send us the Invoices and Export Certificates for the funded vehicles.

We already have a number of Compliance Centres and Exporters on board, so yours may already have agreements in place. This is a quick and simple process to set up.

### When is the facility available?

Once we get confirmation from your Exporter that Export Certificates will be sent to Moana Blue, and agreement from your Compliance Centre to hold the MR2A on our behalf, we are able to start the funding.

Vehicles are generally not eligible for funding if you have applied for Moana Finance while the vehicle is in transit.

## Examples

### Example 1

The FOB price is JPY 500,000. The vehicle is sold, and the dealer repays the loan on day 70. The total funding cost is only \$233.07 (processing fee + interest).

FOB (JPY)	¥500,000.00
Exchange rate	80.00
FOB (NZD)	\$6,250.00
10% Deposit	\$625.00
Balance to be funded	\$5,625.00
Finance processing fee	\$150.00
Loan amount	\$5,775.00
Annual Interest Rate	7.5%
Interest	\$83.07
<b>Total funding cost</b>	<b>\$233.07</b>

### Example 2

The FOB price is JPY 800,000. The vehicle is not sold in 90 days, and the dealer pays 10% of principal reduction to extend the loan term to 180 days. And then repays the loan on day 135. The total funding cost is \$395.36 (Processing fee + Interest).

FOB (JPY)	¥800,000.00
Exchange rate	80.00
FOB (NZD)	\$10,000.00
10% Deposit	\$1,000.00
Balance to be funded	\$9,000.00
Finance processing fee	\$150.00
Loan balance until day 90	\$9,150.00
Annual Interest Rate	7.5%
Interest until day 90	\$169.21
10% Principal reduction	\$915.00
Extension fee	\$0.00
Loan balance from day 91 (NZD)	\$8,235.00
Interest from day 91 to 135 (NZD)	\$76.15
<b>Total funding cost</b>	<b>\$395.36</b>