Abcom FINANCE

Contract No:

LOAN AND SECURITY DEED OF AGREEMENT AND DISCLOSURE OF TERMS

This deed is made on the day and year shown before the signatures below between ABCOM FINANCE LIMITED (together with its successors and assigns called "the creditor", "the lender", "we") AND the borrowers (also referred to as "you") (together with their executors and administrators) described in the schedule below. This deed is made up of the disclosure statement, the major terms and conditions and the other terms and conditions.

BACKGROUND

1 We have agreed to grant the borrowers the initial unpaid balance as shown in the disclosure statement.
2 The borrowers, shown as the owner/s of the personal property security, have agreed to grant a security interest in that property to us
3 The borrowers, shown as the owner/s of the land to be mortgaged, have agreed to grant a mortgage over that land to us

OBLIGATION

The borrowers (jointly and severally if more than one) acknowledge their indebtedness to the lender for the initial unpaid balance set out in the disclosure statement and promise to pay that amount and any other amounts due under this deed in the manner set out in the disclosure statement and any variations of it and otherwise promise to comply with the terms and conditions of this contract.

DISCLOSURE STATEMENT FOR CONSUMER CREDIT CONTRACTS (other than revolving credit contracts)

Date of Deed :

IMPORTANT: The creditor is required to provide you with this disclosure statement under Section 17 of the Credit Contracts and Consumers Finance Act 2003. This document sets out the key information about your consumer credit contract. You should read it thoroughly.

If you do not understand anything in this document you should seek independent advice.

You should keep this disclosure statement and a copy of your credit contract in a safe place.

The law gives you a limited right to cancel the consumer credit contract (see below for further details). **Note that strict time limits apply**.

No Regulated Financial Advice Provided
You are protected by responsible lending laws. Because of these protections, the recommendations given to you about this loan agreement are not regulated financial advice.
This means that duties and requirements imposed on people who give financial advice do not apply to these recommendations. This includes a duty to comply with a code of conduct and a requirement to be licensed.

You acknowledge by entering into this Deed that, prior to entering this Deed, we have ensured that you understand that our recommendations are not regulated financial advice.

Borrowers Initials _____

FULL NAME AND ADDRESS OF CREDITOR-
This is the person providing you the credit

You may send notices to the lender by: Writing to the lender at its postal address; or Sending an email to the address specified.	**ABCOM FINANCE LIMITED** C/- Bentleys Chartered Accountants Level 8, AIG Building 41 Shortland Street Auckland 1143 PO Box 34584 Birkenhead Telephone: 09 480.6398 Email: sean@abcomfinance.co.nz Email: ben@abcomfinance.co.nz www: abcomfinance.co.nz

FULL NAME AND ADDRESS OF BORROWERS

Names:	Address
Ph	

CREDIT DETAILS

Initial Unpaid Balance
This is the amount that you will owe at the end of the day on which the loan is advanced and represents the Total Advances made to you:

$ made up of:

Loan Amount	**$**	
Establishment Fee	**$**	*(This is a credit fee to compensate us for some of our reasonable costs relating to the establishment of this loan)*
Call to property	**$**	*(This is a fee for an optional service that you have chosen)*
LINZ Registration	**$**	*(This is for the costs we incur when our agent completes registration at LINZ in relation to our security in this loan)*
LINZ search(es)	**$**	*(This is for the costs we incur when we complete searches at LINZ in relation to our security in this loan)*
Equifax search	**$**	*(This is for the costs we incur when we obtain a credit report)*
PPSR charges	**$**	*(This is for the costs we incur in searching the PPSR and/or registering an interest on the PPSR)*
Brokerage	**$**	*(This is a third-party charge due to your broker)*
Legal Fees	**$**	*(This is for our solicitor's costs in relation to the documentation and settlement of this loan)*

Each of the credit fees or charges above will be deducted from the loan when it is advanced.

Borrowers Initials _____

PAYMENTS

You are required to make each payment of the amount specified and by the time specified

Timing of payments Frequency First Payment Last Payment	Number of Payments	Amount of each Payment **$**	Total amount of Payments **$**

INTEREST

Annual Interest Rate **%** per annum fixed for the whole term of the contract being	Total interest charges This is the amount of the interest charges payable under the contract. **$**

Method of charging interest

Interest charges are calculated by multiplying the unpaid balance at the end of the day by a daily interest rate.

The daily interest rate is calculated by dividing the Annual Interest Rate by 365.

Interest is charged to your account monthly on the 22nd day of the month.

CREDIT FEES AND CHARGES

The following credit fee(s) and charge(s) (which are not included in the initial unpaid balance) are, or may become, payable under, or in connection with the contract.

- Mortgage discharge fee of $30.00. This is the cost of preparing an authority to discharge a mortgage and is charged to your account when an authority to discharge the mortgage is requested by your solicitor. When the balance of the loan is paid in full we will on request provide your solicitor with an authority to discharge the mortgage by e-dealing. If you request that we instruct our solicitor to complete registration of the discharge of mortgage we may charge the sum of $300.00, which includes our solicitor's fees for registering the discharge."

  Administration costs and fees payable on full prepayment are disclosed under the full prepayment heading.

CONTINUING DISCLOSURE

We will send you continuing disclosure statements every 6 months.

Borrowers Initials _____

WHAT WOULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS

Security Interest

This is secured credit. We take an interest in the property listed below to secure performance of your obligations under the contract and the payment of money due under the contract.

If you fail to meet your commitments under this contract, then to the extent of the security interest we may be entitled to repossess and sell this property and if the net proceeds that we receive from a sale of the property are insufficient to repay the total amount owing to us then you will remain indebted to us for the remaining balance owing after the application of the net proceeds to the loan.

You are required to ask us for our consent before you give a security interest in the personal or real property listed below to anyone else. If you give a security interest to someone else without obtaining our consent, you will breach this contract and we may require you to repay the total amount owing to us. If you don't pay us when we demand it we may exercise our rights to repossess and/ or sell the property subject to our security interest.

Personal Property – Collateral

You grant a security interest as defined in section 16 of the Personal Property Securities Act 1999 to us (securing payment of all the money secured and performance of all your obligations under this contract) in:

Real Property – Land to be Mortgaged

You grant an all obligations mortgage to us on the terms set out in the Mortgage Memorandum (securing payment of all the money secured and performance of all your obligations under this contract) over:

Address:

Certificate of Title:

Legal Description:

Registered Proprietor/s:

Section 92 Priority Sum:

Mortgage Memorandum:

Borrowers Initials _____

Default Interest Charges and Default Fees

In the event of a default in payment and while the default continues you must pay the default interest charges. In the event of a breach of the contract or on the enforcement of the contract, the following default fees are payable:

- A home visit fee of $30.00 may be charged if we deem it necessary to visit you in person at your home or place of work in relation to a missed payment(s) or to any other default you commit under this agreement. This will be charged at the time of the home or work visit.
- In the case of enforcement, including Court or Disputes Tribunal proceedings and seizure and sale, we will charge to your account all actual court and tribunal costs and actual solicitors fees and disbursements (assessed on a solicitor client basis) and actual debt collection agency fees and disbursements and the actual costs and disbursements of valuers, auctioneers, process servers and any agents of the lender in effecting such enforcement plus any other necessary disbursements as those costs are ascertained. These will be charged to your account in the month they are incurred by us.

Default interest is charged from the time you fail to make a due payment until the arrears are paid. Default interest charges are calculated by multiplying the amount of arrears at the end of the day by the daily default interest rate.

The daily default interest rate is calculated by dividing the annual default interest rate by 365.

Default interest is charged to your account on the 22nd day of the month.

Annual Default Interest rate is **39.00%**

FULL PREPAYMENT

If you pay the unpaid balance in full before the final payment is due (full prepayment) the Lender reserves the right to charge you an early repayment fee to compensate the Lender for any loss resulting from full prepayment, in accordance with section 43 of the Credit Contracts and Consumer Finance Act 2003 ("the Act").

The early repayment fee is calculated as 30 days interest at the Annual Interest Rate less 9.0% (being the Lender's savings for its funding costs) on the outstanding principal balance of the loan at the date of repayment. This procedure can be expressed as the following formula:

$$ERF = \frac{PB}{1} \times \frac{(AIR - 9.0)}{100} \times \frac{30}{365}$$

Where:

ERF means early repayment fee

PB equals the principal balance of the loan at the date of repayment.

AIR means the Annual Interest Rate which is a fixed rate set out in this agreement

In the event that the period remaining on the contract is less than 30 days then number of days in the formula (currently expressed as 30 days) will be adjusted accordingly.

In addition, you will be required to pay to the Lender a "Prepayment Administration Fee" of $30.00, which represents the Lender's average administrative costs arising from full prepayment in accordance with section 51(1)(b) of the Act.

We do not use the procedure specified regulation 9 or 11 of the Credit Contracts and Consumer Finance Regulations 2004 to calculate our loss on early repayment.

Borrowers Initials _____

RIGHT TO CANCEL

You are entitled to cancel the consumer credit contract by giving notice to the creditor.

Time limits for cancellation

If the disclosure documents are handed to you directly you must give notice that you intend to cancel within 5 working days after you receive the documents.

If the disclosure documents are sent to you by electronic means (for example, email) you must give notice that you intend to cancel within 7 working days after the electronic communication is sent.

If the documents are mailed to you, you must give the notice within 9 working days after they were posted.

Saturdays, Sundays, and national public holidays are not counted as working days.

How to cancel

To cancel, you must give the creditor written notice that you intend to cancel the contract by-

- giving notice to the creditor or an employee or agent of the creditor;
- posting the notice to the creditor or an agent of the creditor; or
- emailing the notice to the creditor's email address as specified on the front of this disclosure statement.

You must also return to the lender any advance and any other property received by you under the contract.

What you may have to pay if you cancel

If you cancel the contract the creditor can charge you:

(a) the amount of any reasonable expenses the lender had to pay in connection with the contract and its cancellation (including legal fees and fees for credit reports, etc); and

(b) interest from the period from the day you received the advance until the day you repay the advance.

Borrowers Initials _____

What to do if you suffer an unforeseen hardship

If you are unable reasonably to keep up your payments or other obligations because of illness, injury or loss of employment, the end of a relationship, or other reasonable cause, you may be able to apply to us for a hardship variation.

To apply for a hardship variation, you need to:

a) make an application in writing; and
b) explain your reason(s) for the application; and
c) request one of the following:
   - an extension of the term of the contract (which will reduce the amount of each payment due under the contract); or
   - a postponement of the dates on which the payments are due under the contract (specify the period for which you want this to apply); or
   - both of the above; and
d) give the application to us.

Do this as soon as possible. If you leave it too long, we may not have to consider your application.

DISPUTE RESOLUTION

If you have a problem, concern, or complaint about any part of the creditor's service, please tell the creditor using contact details set out in the beginning of this disclosure statement. When the creditor receives your complaint we will attempt to resolve it promptly using the process outlined in our dispute resolution/complaints policy document as updated from time to time and available on request. If the creditor cannot reach agreement on your complaint you may refer your complaint to the creditor's external dispute resolution scheme, by contacting:

Name of dispute resolution scheme: Financial Dispute Resolution

It is free to make a complaint to this independent dispute resolution scheme. This scheme can help you to resolve any disagreements you have with the creditor.

Contact details of dispute resolution scheme:

Phone:	0508 337 337
Website:	http://www.fdr.org.nz
Business Address:	Level 9, 109 Featherston Street, Wellington 6011
Postal Address:	Freepost 231075, PO Box 2272, Wellington 6145

REGISTRATION ON FINANCIAL SERVICE PROVIDER REGISTER

Creditor registration name: **Abcom Finance Limited**	Registration number: **FSP35621**

Borrowers Initials _____

MAJOR TERMS AND CONDITIONS

Grant of security interest in chattels or other personal property ("Collateral")

1. In exchange for our lending you the initial unpaid balance you grant to us a security interest over the collateral you own as set out in the section of this agreement titled "What would happen if you fail to meet your commitments". The security interest is to secure payment to us of the money secured and also to secure your performance of all other terms of this agreement. You promise us that there is no security interest in the collateral other than that granted by this agreement or agreed to by us.

Agreement to mortgage land

2 In exchange for our lending you the initial unpaid balance you or such of you who own the land to be mortgaged shall execute in our favour and at your cost a registerable mortgage over that land on the terms set out in the Mortgage Memorandum and with the Section 92 Priority Sum specified in the section headed "What would happen if you fail to meet your commitments".

3 The mortgage will secure payment of the money secured and the performance of all other terms of this agreement and the borrowers who own the land to be mortgaged, charge that land accordingly.

Date of Deed / Advance:

Signed by the Borrowers: .....

.....

.....

.....

.....

In the presence of .....

Signature .....

Address .....

Occupation .....

Borrowers Initials _____

OTHER TERMS AND CONDITIONS

YOU THE BORROWERS ACKNOWLEDGE THE DEBT TO THE LENDER OF THE INITIAL UNPAID BALANCE AND AGREE

Meaning of Words

The expression "borrowers" or "you" includes their/your executors, administrators and successors in title.

"collateral" means the goods and/or other personal property described in the disclosure statement in the box headed WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS Security Interest and includes an interest in such goods or other personal property.

"default" under this agreement means that the borrower does something he is required not to do or fails to do something he is required to do.

"default fees" are listed under that heading in the disclosure statement.

"default interest" is interest calculated using the method set out in the "**Default Interest Charges and Default Fees"** section of the Disclosure Statement and is charged in the amount in default from the time that you fall into financial default until you are no longer in financial default. Financial default means that you have failed to pay and have still failed to pay an instalment or other payment when due or demanded as the case may be.

"land to be mortgaged" means the land shown in the disclosure statement in the box headed WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS Security Interest Real Property- Land to be Mortgaged".

"the money secured" means all money, including the initial unpaid balance and default or other interest, and default and other fees and charges, and disbursements and other money, which you must pay to the lender under this agreement or under any collateral or subsequent loan agreement.

"own" includes "having an interest in" and "owner" is interpreted accordingly.

"person" includes an organisation as defined in the PPSA.

"PPSA" means the Personal Property Securities Act 1999.

"working day" means any day but a Saturday, Sunday or a national public holiday.

Each gender shall include other genders. All obligations on your part are joint and several. The law applicable to this agreement shall be the law of New Zealand.

Any expression not described or defined in this agreement shall have the meaning ascribed to it in the Personal Property Securities Act 1999 unless the context requires otherwise. Unless the context prevents it, the singular shall include the plural and the plural include the singular.

Borrowers Initials _____

Power of Attorney

1. In consideration for the lender advancing the amount of credit and to enable the lender more effectively to obtain the benefits under this agreement, each borrower jointly and severally irrevocably appoints the lender and any one director of the lender severally to be the attorney of each borrowers to do anything which the borrowers agree to do and to do anything and to sign any document which the attorney thinks desirable to ensure the lender is paid the money secured and otherwise to protect the interests of the lender under this agreement.

2. Without in any way limiting the generality of the power, the attorney may execute any document for the purposes of registration of any interest under the Land Transfer Act 2017.

3. This power shall remain until the money secured has been paid to the lender in full. The borrowers ratify anything done by an attorney under this clause and further indemnify any person acting in reliance upon the power.

4. If the lender assigns the benefit of this agreement the assignee shall have the same rights and powers under this clause as does the lender and each of named as borrower irrevocably appoints the assignee his attorney accordingly.

Payments and Fees

5. You must make all payments as shown in the PAYMENTS sections of the Disclosure Statement when due without any deduction or set-off or counter claim and in such manner as the lender requires.

6. If you make a payment other than in accordance with the schedule of payments in the “PAYMENT’ section of the Disclosure Statement the lender may decide how to apply the payment to the loan. The lender may also decline to accept any part prepayment.

7. You must pay to the lender when due or otherwise immediately upon demand:

    a) the lender’s credit fees shown in the “CREDIT FEES AND CHARGES” section of the Disclosure Statement, and

    b) the lenders default fees and default interest shown in the “WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS – default interest charges and default fees” section of the Disclosure Statement; and

    c) all third party costs, expenses and any other liabilities not now known to the lender (which include legal expenses on a solicitor and own client and on a full indemnity basis) which may be incurred or suffered by the lender in connection with:

        i. The preparation, signing, registration, administration, variation and release of any security given in this agreement or any financing statement in relation to a security interest and the negotiation and grant of any consent or waiver.

Borrowers Initials _____

ii. The exercise of enforcement or protection or the attempted exercise of enforcement or protection of any right including the conduct of any Court proceedings.

iii. Any dispute negotiation or communication with any other secured party or party claiming to be a secured party with respect to the collateral or land to be mortgaged and or the priority of the security interest granted by this agreement.

iv. The transfer of the security interest of any other secured party to the lender or the security interest of the lender to that secured party.

v. Any dispute, negotiation or communication with any of you or with any guarantor in default.

vi. The lender doing anything you should have done but which you have not done.

And you agree that such amounts are deemed to be contractual damages and in any event if not paid shall incur default interest until paid in full.

8. If you fail to pay one or more instalments in full the lender may, at its absolute discretion, add the unpaid amount to the loan thus extending the term and varying the final payment or payments. The lender may but is not bound to do this and may do this more than once.

Default Interest

9. If you fail to pay any instalment due on the due date you shall pay to the lender default interest on the amount of the default from the due date of such instalment until actual payment of the instalments owing.

10. If you fail to do anything which you must do or do anything you must not do, the lender may do or pay anything to remedy the default and may add that sum to the unpaid balance and if you do not pay the cost of such remedy on demand the lender may charge you default interest.

Prepayments

11. You may repay the outstanding balance of you loan in full before it is due. However, you must also pay the lender the Prepayment Administration Fee and the lender may also charge you a fee representing a reasonable estimate of its loss arising from the full prepayment. The lender's method of calculating its loss is set out in the FULL PREPAYMENT section of the Disclosure Statement.

Notice and Communication

12. Subject to any other clause of this agreement and to the requirements of any law any notice, demand, letter or document for service on you shall be deemed to be properly served, in any court proceeding or otherwise, if served in accordance with the wording of section 83ZQ of the Credit Contracts and Consumer Finance Act 2003. This applies although that Act may not apply to the collateral and although the notice or demand is not one required or authorised under that Act.

Borrowers Initials _____

13. In addition to clause 12, service on you or any of you shall be deemed to have been effected if such notice, demand, letter or document is:

    a) handed to any person in apparent occupation of the address of any of you; or

    b) handed to any person in at the property shown in this agreement as being the land to be mortgaged; or

    c) by attaching the document to an external door at such address.

14. If your address is a flat or apartment or room in a building and if the lender or its agents are unable to obtain access to such flat, apartment or room by virtue to the security system of the building or for some other reason, then service will be deemed to have been effected on you if the document is posted at the letterbox corresponding to such flat, apartment or room. If there is no such letterbox, service will be deemed to have been effected on you if the document is affixed to what appears to be the principal external entry to the building for the purposes of obtaining access to the address provided by you or if the document is given to any building manager or receptionist for the building and directed to be given to you.

15. You must maintain a landline telephone connection. You consent to the lender leaving the name of the lender with any person who answers that telephone number or any number provided by you and with any person shown as a contact person for you.

16. You must not change your name, address, the place where collateral is stored or your landline telephone number without first giving the lender three working days' notice of your intention to do so.

Disclosure of Information

17. You irrevocably authorise any person to provide the lender with such information as the lender may request as part of its administration and enforcement of the loan secured under this agreement and further irrevocably authorise the lender to provide to any third party details of the loan or any associated loan application or any financial dealings that the lender may have with the borrowers.

18. You further promise that all information provided by you or on your behalf to enable the lender to decide whether or not to lend to you is true and correct and if is not true and correct, the lender may demand payment of the then outstanding balance of the loan and you will pay forthwith on such demand.

Changes we can make

19. We may vary any term of this agreement for one or more of the following reasons (without seeking your consent):

    a) to comply with any change or anticipated change in any relevant law, code of practice, guidance or general banking practice;

    b) to reflect any decision of a court, ombudsman or regulator;

    c) to reflect a change in our systems or procedures, including for security reasons;

    d) to make them clearer.

    We must notify you of any variation no later than 5 days after it takes effect.

Borrowers Initials _____

Security

20. You must store any collateral which is goods at the address shown as that of its owner in the Disclosure Statement and you must not allow any collateral to be taken out of New Zealand.

21. You must care for and maintain collateral and comply with any laws relating to its ownership and use and you must not use it in any dangerous or illegal activity or for any purpose for which it was not intended.

22. You may not use any collateral motor vehicle for motor sport activity such as (without limitation) racing, rallying, speed or time trials.

23. You must not obtain any personalised registration plate on any motor vehicle which is collateral nor otherwise alter or remove any serial number unless you first and in writing provide the lender with three working days' notice.

24. The lender may inspect any collateral on giving 24 hours written notice and you shall make such collateral available for inspection at the address that you have provided as the place where the owner lives. The lender need not give notice if the collateral is at risk and it may enter any place where it believes the goods may be to look for and inspect them.

25. You must not do anything or allow anything to happen which may impair or undermine any borrower's ownership of collateral or the lender's security interest in collateral.

26. You must not grant any other security interest over collateral nor allow any lien to be created over it nor dispose of nor allow the disposal of collateral by sale or gift or lease or in any other way nor cause nor allow collateral to be taken out of the possession of the borrower who owns it, nor destroyed, damaged, endangered, disassembled, removed from the place where you are required to keep it or concealed from the lender.

27. Any accessions (including replacements and accessories) which are attached to collateral which is goods shall become part of the collateral.

28. If you are borrowing money from the lender in order to purchase the land to be mortgaged or any other property to be used as security for your debt to the lender, you must apply that money to the purchase and the lender may pay the loan money directly to the seller of the property.

29. You authorise and request the lender to pay or apply any advance to you to the person named or for the purposes set out in this agreement or any separate writing provided to the lender by you. The lender may impose such conditions on the payment or on the application of the money as it sees necessary to protect any security interest it may have.

30. You waive your right to receive a verification statement following registration of any security interest.

31. The Consumer Guarantees Act 1993 shall not apply if the collateral is acquired for business purposes.

Borrowers Initials _____

Insurance

32. You must insure or procure the insurance of the collateral which is goods and any buildings or improvements on the land to be mortgaged (in the case of such buildings or improvements for an sum insured amount that is acceptable to the lender and which is adjusted annually to account for building cost inflation or the full replacement value if possible) and keep them insured against fire, accident, theft and all other risks as the lender may require both in the names of the lender and in your names for the lender's and your respective interests. All payments in the event of a claim are to be made to the lender.

33. You must not do or allow any act or omission which causes the insurance be invalidated or cancelled. You must provide receipts and an insurance company certificate of the insurance if required by the lender.

Repossession and Default

34. Subject to the terms of the Credit Contracts and Consumer Finance Act 2003 if you default under this agreement the lender may accelerate repayment of the loan and demand that you pay the unpaid balance to the lender immediately. In the event of default the lender may call up that money even although the time for payment has not yet been reached.

35. If you default under this agreement the lender may, without notice subject to the requirements of the Credit Contracts and Consumer Finance Act 2003 (if applicable), seize the collateral and for such purposes you irrevocably give to the lender the right and licence for its agents to enter any premises and if necessary to break into any building where the collateral may be situated or where you are for the purpose of searching for and seizing the collateral.

36. The lender shall not be liable in any way to you or to any third party for any damage or loss which occurs in the process of entry into any premises or during or as a result of the seizure and subsequent sale of the collateral and you will indemnify the lender against such damage or loss. On seizure, the lender may sell the collateral by auction or otherwise in any manner and in all respects (including, without restricting the generality of the power, the right to buy in, give credit and allow payment over time) as if the lender were the unencumbered owner subject to any applicable obligations under the Personal Property Securities Act 1999 and under the Credit Contracts and Consumer Finance Act 2003. On such sale the receipt of the lender or its agent will be sufficient discharge to the purchaser for the purchase money and no purchaser shall be bound to investigate the propriety or regularity of any such sale or be affected by any notice express or constructive that such sale is improper or irregular.

37. In the event that another security interest has priority over that of the lender with respect to the collateral or the land to be mortgaged, and if the lender takes a transfer of that security interest to itself then any money owing under this agreement shall be deemed to be owing under the security agreement providing for the security interest with priority and default under this agreement shall be deemed to be default under the other security agreement

38. The lender may appropriate any payment received from you or money which is proceeds of the sale of collateral or of any land to be mortgaged against any debt owed by you in any manner that the lender may decide, notwithstanding any appropriation you claim to have made or the fact that the time for payment of the amount has not arrived.

Borrowers Initials _____

Assignment

39. The lender may assign its right, title and interest in the collateral or in the land to be mortgaged or its right, title and interest in this agreement or any of them at any time.

40. The borrower cannot assign its right, title and interest in this agreement to anyone.

General Terms

41. You must not commit any act of bankruptcy.

42. The lender may exercise all or any right, power or remedy at any time and failure to do or delay in doing so shall not constitute a waiver unless the lender grants it in writing.

43. You indemnify the lender and will keep it indemnified against any claim from any person relating to the collateral or the land to be mortgaged or the use thereof. If the lender incurs any loss, liability or expense in respect of the collateral or the land to be mortgaged or this agreement as a result of any act or omission of yours then the amount of such loss, liability or expense plus goods and services tax if any shall be payable by you to the lender and shall become part of the money secured and the lender may charge default interest thereon.

44. The lender shall not be obliged to marshal in your favour or in favour of any other person

45. If the lender does not at any time have priority over all other secured parties in relation to any collateral then pursuant to section 107(1) of the PPSA, for the purposes of dealing with that collateral you and the lender contract out of section 108 to the extent that the words “with priority over all other secured parties” in section 108 shall not apply so as to restrict the lender’s ability to seize and to sell the collateral. In addition you irrevocably authorise the lender to pay any secured party over whom the lender does not have priority.

46. This agreement secures future advances. This will apply even although any sum has been paid from time to time to the lender or any account between the borrowers and the lender may be or have been in credit or settled.

47. To the extent allowed by law, the lender may from time to time without notice set off against any claim or demand which you may have any debt owed by you or claim or demand which the lender may have against you.

48. If the lender accepts any payment or banks any cheque, which you have made or forwarded in purported full satisfaction or in terms connoting accord and satisfaction, the lender will not be deemed by such acceptance or banking to have accepted the terms upon which the payment is made or the cheque is forwarded unless the lender has, before it receives the payment or cheque, agreed in writing.

Borrowers Initials _____