

Contact : Anthony Ryan
Phone : 07 4132 8900
Email : arian@pbllaw.com
Our Ref : JOH016-15134-APR
Your Ref :

16 November 2015

Mr & Mrs C F & B L Johnson
10a Northcote Avenue
PAXTON NSW 2325

By post and by email – colinjohnson1950@icloud.com

Dear Mr and Mrs Johnson,

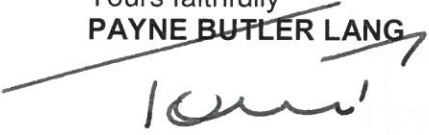
**Re: Colin Frederick Johnson and Barbara Lynn Johnson Loan to Lirrabin Pty Ltd ACN 208 255 572 and Guarantee from Steven Martin Johnson
Amount of Loan - \$100,000.00
Term of Loan – Five (5) years
Type of Loan – Interest Only
Security – First Registered Mortgage and Mortgagee noted on Insurance**

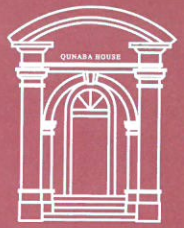
We confirm that we have forwarded the documents to Mr Johnson's solicitor and **enclose:**

- (i) a copy of the letter to Baker O'Brien & Toll;
- (ii) a copy of the Loan Agreement in which you will note that the Borrower is now shown as his company but he gives a personal guarantee; and
- (iii) mortgage documents, including the covenant referred to in the mortgage document which is registered in the Titles Office.

As soon as we have the documents signed, we will be in touch with you including forwarding the loan documents for you to countersign. We can sign the mortgage on your behalf which might be required to facilitate settlement on the 23rd November 2015.

Yours faithfully
PAYNE BUTLER LANG


Anthony P Ryan
Partner
Im
Encl.



ESTABLISHED 1887

**PAYNE
BUTLER
LANG**

SOLICITORS &
NOTARY PUBLIC

Partners

Anthony Ryan
Notary Public
Bruce Dalton
Glen Krebs
Geoffrey Cunningham
Jason Greig

Consultants

Edward Donegan
John Grose

Senior Associates

Korin Jensen

QUNABA HOUSE
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Bundaberg Q 4670

PO Box 649
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Telephone
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(07) 4152 2383
info@pbllaw.com
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Your Legal Partner

Contact : Anthony Ryan
Phone : 07 4132 8900
Email : arian@pbllaw.com
Our Ref : JOH016-15134-APR
Your Ref : Mr Glen Toll

16 November 2015

Baker O'Brien & Toll
Solicitors
7 Maryborough Street
BUNDABERG QLD 4670

Dear Colleagues,

Re: Colin Frederick Johnson and Barbara Lynn Johnson Loan to Lirrabin Pty Ltd ACN 208 255 572 and Guarantee from Steven Martin Johnson
Amount of Loan - \$100,000.00
Term of Loan - Five (5) years
Type of Loan - Interest Only
Security - First Registered Mortgage and Mortgagee noted on Insurance

Thank you for your response to our letter of 29th October 2015.

Please find **enclosed**:

- (i) Loan Agreement in triplicate (one copy is for you or your client to retain and two copies are to be returned signed); and
- (ii) Mortgage in triplicate (one copy is for you or your client to retain and two copies are to be returned signed) together with a copy of Document 701689118.

We draw your attention to the specific requirements of the Loan Agreement including the preconditions in clause 2. Our client requires your client to make that payment of \$3,512.00 in advance of the loan and it is not to be deducted from the loan of \$100,000.00.

We reiterate our client's requirements which were set out in our letter of 29th October 2015 and note that our instructions are that the advance is not to be made until all of those preconditions have been satisfied, not only the preconditions set out in the Loan Agreement.

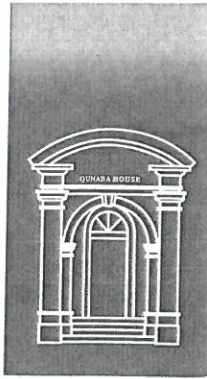
Before settlement would you be good enough to provide us with the directions in relation to bank cheques, at least a day in advance of settlement and provide us with the details of settlement so that we can finalise the amount your client must pay to cover our costs and outlays, including the cost of bank cheques.

Yours faithfully
PAYNE BUTLER LANG

Anthony P Ryan
Partner
lm

cc: Mr & Mrs C F & B L Johnson
10a Northcote Avenue
PAXTON NSW 2325

By post and by email – colinjohnson1950@icloud.com



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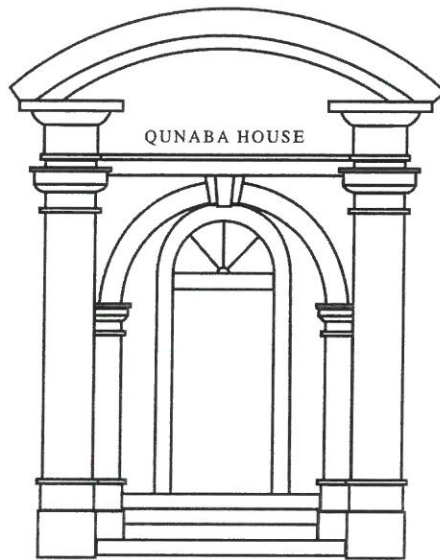
Senior Associates

Korin Jensen

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(07) 4132 8900
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(07) 4152 2383
info@pbllaw.com
www.pbllaw.com



COPY

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PAYNE BUTLER LANG

SOLICITORS

LOAN AGREEMENT

Between

COLIN FREDERICK JOHNSON AND BARBARA LYNN JOHNSON
("LENDER")

AND

LIRRABIN PTY LTD ACN 608 255 572 AS TRUSTEE
("BORROWER")

AND

STEVEN MARTIN JOHNSON
("GUARANTOR")

Qunaba House
2 Targo Street
Bundaberg
Queensland 4670

Telephone (07) 4132 2900
Facsimile (07) 4152 2383
www.pbllaw.com

LOAN AGREEMENT

PARTICULARS

- Item 1 **Lender**
Colin Frederick Johnson and Barbara Lynn Johnson
- Item 2 **Address of Lender**
10a Northcote Avenue, Paxton, NSW 2305
- Item 3 **Borrower**
Lirrabin Pty Ltd ACN 608 255 572 as Trustee
- Item 4 **Address of Borrower**
91 Eton Street, Smithfield, NSW 2164
- Item 5 **Loan**
One Hundred Thousand Dollars (\$100,000.00)
- Item 6 **Commencement Date**
23rd November 2015
- Item 7 **Expiry Date**
The fifth (5th) anniversary of the Commencement Date
- Item 8 **Interest Payment**
Eight Hundred and Seventy-eight Dollars (\$878.00) per month
- Item 9 **Rate of Interest**
10.54% per annum provided Interest Payments are made within seven (7) days of the due date but if not then 12.54% per annum.
- Item 10 **Collateral Security**
First (1st) registered mortgage over title to the property at 4 Campbell Street, Gin Gin, Queensland and the Lender being noted as an interested party on the Certificate of Currency for the Household Insurance Policy with a reputable insurer for not less than the price paid for that property.

Item 11 **Guarantor**

Steven Martin Johnson

Item 12 **Guarantor's address**

91 Eton Street, Smithfield, NSW 2164

IT IS AGREED

1. Definitions and Interpretation

1.1 Definitions

Unless the context otherwise requires:

- (1) terms in bold type in the Particulars have the meaning shown underneath them;
- (2) "**Business Day**" means a day that is not a Saturday, Sunday or any other day which is a public holiday or a bank holiday in the place where an act is to be performed or a payment is to be made;
- (3) "**Event of Default**" means any event or occurrence mentioned in clause 9.2;
- (4) "**Exit Fee**" means Eight Hundred and Seventy-Eight Dollars (\$878.00) which is one month's Interest Payment;
- (5) "**Particulars**" means the particulars set out at the beginning of this agreement; and
- (6) "**Secured Money**" includes the Loan and all other money which the Borrower agrees to pay under any provision of this agreement including interest.

1.2 Interpretation

- (1) Reference to:
 - (a) one gender includes each other gender;
 - (b) the singular includes the plural and the plural includes the singular;
 - (c) a person includes a body corporate;
 - (d) a party includes the party's executors, administrators, successors and permitted assigns;
 - (e) a statute, regulation or provision of a statute or regulation ("**Statutory Provision**") includes:
 - (i) that Statutory Provision as amended or re-enacted from time to time; and

-
- (ii) a statute, regulation or provision enacted in replacement of that Statutory Provision;
 - (f) any document or agreement (including this agreement) includes the document or agreement as amended, novated, supplemented or replaced from time to time; and
 - (g) "month" means a calendar month.
- (2) All monetary amounts are in Australian dollars, unless otherwise stated.
 - (3) If a party consists of more than one person, this agreement binds them jointly and each of them severally.
 - (4) Headings are for convenience only and do not form part of this agreement or affect its interpretation.
 - (5) A party which is a trustee is bound both personally and in its capacity as a trustee.
 - (6) "Including" and similar expressions are not words of limitation.
 - (7) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
 - (8) If an act must be done on a specified day which is not a Business Day, the act must be done instead on the next Business Day.
 - (9) A "corporation" or a "related body corporate" has the meaning given to it in the *Corporations Law*.
 - (10) No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this agreement.

2. Provision of the Loan

2.1 Condition Precedent

The conditions precedent to the making of the Loan are that the Lender has:

- (1) been provided with the Collateral Security (if any) in the form required by the Lender; and
- (2) paid to the Lender the amount of Three Thousand Five Hundred and Twelve Dollars (\$3,512.00) being four (4) Interest Payments in advance.

2.2 When Loan to be Provided

So long as an Event of Default has not occurred, and subject to the provisions of this agreement, the Lender will provide the Loan on the date, on or after the Commencement Date, requested in writing by the Borrower. If the parties agree, the Loan may be provided in 2 or more instalments.

3. Interest

3.1 Interest to be Paid Monthly

The Borrower must pay interest on the Loan at the Rate of Interest on the last Business Day one (1) month after the Loan or the first instalment of the Loan is provided by the Lender, and then on the last Business Day of every following month, except that if the Borrower has made the payment of four (4) Interest Payments under clause 2.1(2) and otherwise is not in default, the last Interest Payment will be payable four (4) months before the Expiry Date.

3.2 Period for which Interest to be Paid on Loan

The interest must be paid on the Loan or sums forming part of the Loan from the dates they are provided until the Expiry Date or until earlier repayment under clause 4.2 (but if the Borrower makes default in repaying the Loan on the Expiry Date, then until repayment).

3.3 Period for which Interest to be Paid on Balance of Secured Money

The interest must be paid on sums which are part of the Secured Money but are not part of the Loan from the dates they become payable until they are paid.

3.4 Unpaid Interest to Bear Interest

If any interest is not paid within 7 days after it becomes due for payment, the interest is added to the Secured Money from the date it became due and bears interest from that date, but without prejudice to the Lender's right immediately to sue for that interest, or the other rights of the Lender on default.

3.5 Rate of Interest Payable on Judgment

If the Borrower's liability to pay or repay the Secured Money becomes merged in any judgment, order, deed or other thing, the Borrower must pay interest on the amount owing from time to time under that judgment, order, deed or other thing at the higher of the rates:

- (1) payable under this agreement; or
- (2) fixed by or payable under that judgment, order, deed or other thing.

4. Repayment

4.1 Of Loan on Expiry Date

The Borrower must repay the Loan on the Expiry Date.

4.2 Early Repayment of Loan

The Borrower may, on 1 month's written notice to the Lender, and with the consent of the Lender, repay the Loan in full before the Expiry Date, but the repayment will only be

consented to by the Lender if, in consideration for the Lender giving the consent, the Borrower:

- (1) makes the payment on the last Business Day of a month; and
- (2) pays to the Lender at the same time a sum equal to one (1) Interest Payment..

4.3 Effect on Later Repayment Instalments

A repayment earlier or larger than provided by this agreement does not affect the obligation of the Borrower to pay subsequent Interest Payment of the amount and at the times provided by this agreement but only accelerates the date by which the full amount of the Loan is repaid.

4.4 Of Other Secured Money

The Borrower must pay all Secured Money other than the Loan on demand or if demand is not made on the Expiry Date.

5. No Deductions

- 5.1 All money payable by the Borrower must be paid in full without any deduction on account of any income or other taxes or charges present or future. If the Borrower is compelled by law to deduct any taxes or charges the Borrower must pay to the Lender such further sum as will result in the receipt by the Lender of the full amount payable.

6. General Covenants by Borrower in Relation to Loan

6.1 Borrower to Provide Financial Information

The Borrower must deliver to the Lender all financial and other information which the Lender requires from time to time.

6.2 Borrower to Reimburse the Lender

The Borrower must pay to the Lender on demand any money which the Lender may see fit to pay to remedy any default of the Borrower.

7. Application of Money

- 7.1 Money received by the Lender from the Borrower may be applied towards interest or other Secured Money at the Lender's discretion.

8. Warranties

8.1 The Borrower warrants that:

- (1) it has fully disclosed in writing to the Lender all facts relating to the Borrower, its related bodies corporate, and anything in connection with them that are material to the assessment of the nature and amount of the risk undertaken by the Lender in entering into this agreement;
- (2) no action, proceeding or arbitration is pending or threatened against the Borrower before any Court, administrative tribunal or arbitrator which could or might result in any material adverse change in the business assets or credit of the Borrower; and
- (3) all financial statements and information furnished by the Borrower to the Lender are complete and correct and there are no other material facts or considerations the omission of which would render any of the information misleading.

9. Default

9.1 Lender's Rights on Default

If an Event of Default occurs or is deemed to have occurred, then at the Lender's option, without any demand or notice:

- (1) all of the Secured Money immediately becomes payable; and
- (2) the Lender may decline to provide any part of the Loan which has not already been provided.

9.2 Events of Default

The following are Events of Default:

- (1) the Borrower fails to request the Lender in writing for the full amount of the Loan, or to provide the Collateral Security, within fourteen (14) days after the Commencement Date;
- (2) the Borrower fails to pay any of the Secured Money when due;
- (3) the Borrower breaches a term of:
 - (a) this agreement;
 - (b) any Collateral Security; or
 - (c) any other agreement, instrument or document between the Borrower and the Lender;
- (4) any warranty or representation made or deemed to have been made under this agreement, any Collateral Security or any other written agreement between the Lender and the Borrower proves to have been untrue or misleading when made or deemed to have been made;

-
- (5) this agreement becomes wholly or partly void, voidable or unenforceable;
 - (6) an order for payment is made or a judgment is entered against the Borrower, any related body corporate of the Borrower or any guarantor of the Secured Money or any part of it and is not satisfied within 7 days;
 - (7) any creditor of the Borrower levies, or attempts to levy, any distress or execution against any property of the Borrower;
 - (8) the Borrower or any guarantor, being a body corporate, becomes an externally-administered body corporate under the *Corporations Law*;
 - (9) steps are taken by any person towards making the Borrower or any guarantor an externally-administered body corporate;
 - (10) the Borrower is taken to have failed to comply with a statutory demand within the meaning of section 459F of the *Corporations Law*;
 - (11) a person holding a security interest in assets of the Borrower enters into possession of or takes control of any of those assets or takes any steps to enter into possession of or take control of any of those assets; or
 - (12) the Borrower dies or becomes lunatic or insane or a protected person within the meaning of any relevant legislation in that behalf.

10. Trust Provisions

- 10.1 Where a Borrower has executed this agreement in its capacity as trustee of a trust ("**Trust**"), whether or not the fact that the Borrower is a trustee is disclosed to the Lender, the Borrower acknowledges that this agreement is binding on the Borrower personally and in its capacity as trustee of the Trust and that the Lender's right of recourse extends to both the assets of the Borrower personally and the assets of the Trust.

11. Consumer Credit Legislation

Deleted intentionally as National Consumer Credit Protection Act 2009 does not apply.

12. Miscellaneous Provisions

12.1 No Obligation to Resort to Collateral Security

The Lender is not obliged to resort to any Collateral Security for payment of the Secured Money before it resorts to this agreement.

12.2 Inconsistencies

So far as is possible, this agreement must be read together with any Collateral Security and all other agreements or documents entered into in connection with this agreement and, in the event of inconsistency, the provision most favourable to or which confers the greatest benefit on the Lender prevails.

12.3 Certificates

A certificate purporting to be signed by the Lender or an officer of or agent for the Lender stating:

- (1) the amount owing or contingently owing by the Borrower at a certain date under this agreement;
- (2) the rate or rates of interest which are applicable to the Secured Money or any part of it;
- (3) that a particular Event of Default has occurred; or
- (4) any other act matter or thing arising under this agreement;

is for all purposes prima facie evidence of the facts stated in the certificate.

12.4 Lender's Power to Assign

The Lender may assign the benefit of this agreement.

12.5 Time of the Essence

Time is of the essence of the Borrower's obligations under this agreement unless otherwise agreed in writing by the Lender.

12.6 Further Assurance

The Borrower must promptly at the Borrower's own cost do all things (including executing all documents) necessary or desirable to give full effect to this agreement.

12.7 Severability

If anything in this agreement is unenforceable, illegal or void then it is severed and the rest of this agreement remains in force.

12.8 Entire Agreement

This agreement and the Collateral Securities represent the entire agreement between the parties and all prior or contemporaneous representations, statements and agreements (if any) made by the Lender or the Lender's representatives are merged in this agreement.

12.9 Variation

An amendment or variation to this agreement is not effective unless it is in writing and signed by the parties.

12.10 Waiver Excluded

- (1) A party's failure or delay to exercise a power or right does not operate as a waiver of that power or right.

-
- (2) The exercise of a power or right does not preclude either its exercise in the future or the exercise of any other power or right.
 - (3) A waiver is not effective unless it is in writing.
 - (4) Waiver of a power or right is effective only in respect of the specific instance to which it relates and for the specific purpose for which it is given.

12.11 Costs and Expenses

The Borrower must pay or reimburse the Lender on demand for:

- (1) the costs, charges and expenses of the Lender in connection with the negotiation, preparation, execution, stamping and completion of this agreement and of any forms required by any statute or regulation to be lodged with any registry;
- (2) the costs, charges and expenses of the Lender or any attorney of the Lender in connection with:
 - (a) any consent, exercise or non-exercise of any rights, waiver, variation, release or discharge in connection with or of this agreement; and
 - (b) the contemplated or actual enforcement or preservation of any rights under this agreement including, without limitation, any expenses incurred in retaining any independent consultant or other person to evaluate any matter of concern and in the case of the Lender its administration costs in connection with those events; and
- (3) stamp duty and other taxes payable in connection with this agreement or in connection with any payment, receipt or other transaction contemplated by this agreement;

including, in each case without limitation, legal costs and expenses on a full indemnity basis or on a solicitor and client basis whichever is the greater.

12.12 Notices

- (1) A notice or other communication connected with this agreement ("**Notice**") has no legal effect unless it is in writing and:
 - (a) delivered; or
 - (b) sent by post, postage prepaid;to the address of the addressee set out in this agreement or subsequently notified from time to time.
- (2) A Notice is deemed given and received:
 - (a) if delivered, upon delivery; or
 - (b) if mailed, on the expiration of 2 Business Days (at the address to which it is mailed) after mailing.

-
- (3) A Notice by the Lender may be given by any officer or agent of the Lender.

13. Guarantee and Indemnity

13.1 In this Clause unless the context otherwise requires:

- (1) "Agreement" means this agreement;
- (2) "Guarantor" means the person or persons named in the Schedule;
- (3) "Guarantor's Obligations" means the obligations of the Guarantor set out in subclause 13.2 or in any other provision of this agreement to which subclause 13.2 relates;
- (4) "Borrower's Obligations" means the due and punctual observance and performance by the Borrower of all liabilities, obligations and agreements (whether contingent, prospective or actual) to the Borrower under or in connection with this agreement;
- (5) "Insolvency" includes administration, bankruptcy, compromise, arrangement, amalgamation, receivership, reconstruction, winding up, liquidation, dissolution and assignment for or compromise with creditors and "Insolvent" will be construed accordingly; and
- (6) "Security" means any mortgage, pledge, lien, charge or other Security, whether consensual or arising by operation of law, and any guarantee, suretyship or other obligation whereby a responsibility is assumed for any obligation or indebtedness or the Insolvency or financial condition of any other person.

13.2 In consideration of the Lender, at the request of the Guarantor, entering into this agreement, the Guarantor unconditionally (and jointly and severally where there is more than one Guarantor):

- (1) guarantees the Borrower's Obligations; and
- (2) indemnifies the Lender against any loss or liability the Borrower incurs arising from or connected with the Borrower's Obligations.

13.3 Each of the Guarantor's Obligations:

- (1) is a principal obligation and will not be treated as ancillary or collateral to any other right or obligation however created or arising;
- (2) may be enforced against the Guarantor without the Lender first being required to exhaust any remedy it may have against the Borrower or to enforce any Security it may hold with respect to the Borrower's Obligations;
- (3) is a continuing guarantee and indemnity for the whole of the Borrower's Obligations and will be irrevocable and will remain in full force and effect until discharged; and

-
- (4) will not be considered as wholly or partially discharged by the performance at any time of any of the Borrower's Obligations or by any settlement of account or by any other matter or thing whatever and will apply to the present and future scope of the Borrower's Obligations.

13.4 The liability of the Guarantor is absolute and will not be affected by any act, omission, matter or thing which but for this provision might operate to release or otherwise exonerate the Guarantor from the Guarantor's Obligations in whole or in part including without limiting the generality of the foregoing:

- (1) the grant to the Borrower or any other person of any time, waiver or other indulgence or concession, or the discharge or release of any other Security held by the Borrower in respect of the Borrower's Obligations;
- (2) any transaction or arrangement that may take place between the Borrower and the Guarantor or any other person;
- (3) the Insolvency of the Borrower;
- (4) the exercising or refraining from exercising any other Security or any of the rights, powers or remedies conferred on it by law or by this agreement or any other agreement with any person, or taking or failing to take any other Security;
- (5) the variation (including a variation which increases the Borrower's Obligations), extinguishment, unenforceability, failure, loss, release, discharge, abandonment or transfer either in whole or in part of this agreement, or any Security now or in the future held by the Borrower from the, the Guarantor or any other person;
- (6) the Borrower's Obligations or any part of them being or becoming wholly or partially illegal, void, voidable or unenforceable;
- (7) the failure by the Lender to give notice to the Guarantor of any default by the Borrower under this agreement;
- (8) any legal limitation, disability, incapacity or other circumstances related to the Borrower; or
- (9) the failure of any Guarantor to execute this Guarantee or the granting of this Guarantee by any Guarantor being or becoming void or voidable.

13.5 This Guarantee extends to cover this agreement as amended, varied or replaced, either with or without the consent of the Guarantor.

13.6 If the Borrower becomes Insolvent, the Guarantor authorises the Lender to prove for all moneys which the Borrower or any other person will have paid under this agreement and to retain and to carry into a suspense account and to appropriate at the discretion of the any dividends received in the Insolvency of the and all other moneys received in respect of the 's Obligations until the has been paid in full in respect of the Borrower's Obligations.

14. Governing Law and Jurisdiction

14.1 This agreement is governed by the laws of Queensland.

14.2 The parties submit to the non-exclusive jurisdiction of the courts of Queensland and the Federal Court of Australia.

EXECUTED as an agreement.

DATED 2015

SIGNED by **Colin Frederick Johnson**]
in the presence of:]

.....
Qualified witness
(eg Justice of the Peace/Commissioner for
Declarations)

SIGNED by **Barbara Lynn Johnson**]
in the presence of:]

.....
Qualified witness
(eg Justice of the Peace/Commissioner for
Declarations)

EXECUTED by Lirrabin Pty Ltd ACN 608 255]
572 in accordance with section 127 of *the*]
Corporations Law.]
]

.....
Sole Director/Secretary

STEVEN MARTIN JOHNSON
Name of Director
(BLOCK LETTERS)

SIGNED sealed and delivered by **Steven**]
Martin Johnson]
in the presence of:]

.....
Qualified witness
(eg Justice of the Peace/Commissioner for
Declarations)

TABLE OF CONTENTS

1.	Definitions and Interpretation	2
2.	Provision of the Loan.....	3
3.	Interest.....	4
4.	Repayment	4
5.	No Deductions	5
6.	General Covenants by Borrower in Relation to Loan	5
7.	Application of Money	5
8.	Warranties	6
9.	Default.....	6
10.	Trust Provisions	7
11.	Consumer Credit Legislation	7
12.	Miscellaneous Provisions	7
13.	Governing Law and Jurisdiction	12

Dealing Number

Duty Imprint



OFFICE USE ONLY

Privacy Statement

Collection of this information is authorised by the Land Title Act 1994 the Land Act 1994 and the Water Act 2000 and is used to maintain the publicly searchable registers in the land registry and the water register. For more information about privacy in NR&W see the department's website.

COPY

1. **Interest being mortgaged** (if share show fraction)
FEE SIMPLE

Lodger (Name, address, E-mail & phone number)
PAYNE BUTLER LANG
SOLICITORS, 2 TARGO STREET,
BUNDABERG QLD 4670
07 4132 8900 / aryan@pbllaw.com

Lodger Code
BG920

2. Lot on Plan Description	County	Parish	Title Reference
LOT 2 ON RP 184986	BOWEN	GIN GIN	16345202

3. **Mortgagor**
LIRRABIN PTY LTD ACN 608 2155 572 AS TRUSTEE

4. Mortgagee	Given names	Surname/Company name and Number	(include tenancy if more than one)
COLIN FREDERICK		JOHNSON	AS JOINT TENANTS
BARBARA LYNN		JOHNSON	

5. **Description of debt or liability secured**

See the terms of document no. 701689118 filed in the Department and the attached schedule which the Mortgagor and the Mortgagee agree are incorporated in this mortgage in respect of the money owing as defined in document no. 701689118.

6. **Covenant/Execution.** The Mortgagor covenants with the Mortgagee in terms of the attached schedule and document no. 701689118 and charges the estate or interest in the land with the repayment/payment to the Mortgagee of all sums of money referred to in item 5

NOTE: Witnessing officer must be aware of their obligations under section 162 of the Land Title Act 1994.

Separate executions are required for each mortgagor and mortgagee. Signatories are to provide to the witness, evidence that they are the person entitled to sign the instrument (including proof of identity).

LIRRABIN PTY LTD
ACN 608 2155 572

Witnessing Officer (signature, full name & qualification)

Execution Date

Steven Martin Johnson
Sole Director
Mortgagor's Signature

Witnessing Officer (signature, full name & qualification)

Execution Date

Mortgagee's or Solicitor's Signature

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

*Note: A Solicitor is required to print full name if signing on behalf of the Mortgagee and no witness is required in this instance

Title Reference

This is the schedule referred to in items 5 and 6 of Mortgage dated 2015.

You, the Mortgagor, acknowledge:

1. that the reference to "Lot" in item 2 and to "land" in item 6 of the Form 2 includes a reference to any fixture, structure or improvement on it or affixed to it;
2. that a reference to "this mortgage" in the Form 2, any enlarged panel, this schedule, any Form 20 related to the Form 2 or the document referred to in items 5 and 6 of the Form 2 is a reference to the mortgage constituted by that Form 2, any enlarged panel, this schedule, each of those Forms 20 and that document;
3. having received and read a copy of this mortgage before signing it;
4. the Principal Sum is the "the Loan" defined in the Loan Agreement dated the date of this mortgage between the Mortgagee as Lender and the Mortgagor as Borrower;
5. the address for notices and other communications:

You (Mortgagor)

Address:

Fax no. (if any:)

91 Eton Street, Smithfield, NSW 2164

n/a

Us (Mortgagee)

Address:

Fax no.

10a Northcote Avenue, Paxton, NSW 2306 n/a

6. if a provision of this schedule conflicts with a provision of the document, this schedule prevails.

COPY

RESIDENTIAL MORTGAGE

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LIST OF PROVISIONS

Meanings of Words	See page 2 & 3
Your Obligations Under this Mortgage	2
Money Secured by this Mortgage	3
Your Warranties	4
You Must Pay Money Owed and Comply with Obligations	5
Your Obligations to Look After the Property	6
Your Insurance Obligations	7
You Must Comply with all Other Mortgages over the Property	8
The Mortgagee is Entitled to Hold all Title Documents	9
You Must Not Sell or Lease the Property	10
Caveats	11
Compensation	12
When Are You in Default and What Happens Then?	13
What a Receiver Can Do?	14
Does the Mortgagee Have to Sell by Auction?	15
Indemnities and Costs	16
Authority to Complete	17
Registration and Other Administrative Matters	18
The Mortgagee May Assign Rights	19
When Are You Released From Your Obligations?	20
Acquiescence, Waiver and Variation	21
Limitations on Mortgagee's Liability	22
Rural Land	23
Strata Title	24
Strata Lease	25

1. MEANINGS OF WORDS

- 1.1 In this mortgage certain words have a special meaning. That meaning is set out in the left hand column on pages 2 & 3.

2. YOUR OBLIGATIONS UNDER THIS MORTGAGE

- 2.1 By giving this mortgage you make yourself liable to the Mortgagee for all obligations described in this mortgage. Each of you is liable separately (this means we can take action against any one of you) and any 2 or more of you jointly (this means we can take action against any one or more of you).

3. MONEY SECURED BY THIS MORTGAGE

- 3.1 The money secured by this mortgage is all money which you (or any one of you) owes to the Mortgagee under an Agreement secured by this mortgage and all money that becomes owing to the Mortgagee by virtue of a term of this mortgage. This money is referred to in this mortgage as the "**Money Owed**".

4. YOUR WARRANTIES

- 4.1 You warrant that:

- (1) you own or will own the Property at the time this mortgage is intended to take effect;
- (2) you have never been bankrupt;
- (3) you have not borrowed any money on the security of the Property;
- (4) you do not hold the Property as trustee for another person;
- (5) you are not aware of anything which you have not disclosed to the Mortgagee which would reduce the value of the Property;
- (6) you are not aware of any dispute in respect of the Property;
- (7) there are no arrears of rates, water rates or land tax owing in respect of the Property;
- (8) your right to mortgage the Property is not restricted by anything;
- (9) the Property is not and has not been subject to flooding; and
- (10) all the information you have given to the Mortgagee is true and not misleading.

- 4.2 You are aware that the Mortgagee is relying on these warranties in deciding to accept this mortgage.

- 4.3 You must tell the Mortgagee immediately if any of the warranties become untrue.

Leasehold Land (Not a State Lease)	26
If You Are a Trustee	27
General Matters	28
Power of Attorney	29
How the Mortgagee is to Deal with Money	30
Consumer Credit Legislation	31
Applicable Law and Service of Documents	32

DEFINED WORDS AND EXPRESSIONS

[Refer to clause 1]

"Agreement secured by this mortgage" means any agreement (including a guarantee and/or indemnity) between you or any one or more of you, and the Mortgagee which each of you acknowledges in writing to be an Agreement secured by this mortgage and any agreement which varies that agreement;

"Collateral Security" means any other security which you or another person has given to the Mortgagee to secure the Money Owning;

"Improvements" means buildings, fences, fixtures, structures and other improvements on the Land;

"Land" means the land described in this mortgage;

"Money Owning" means all money that you (or any one of you) owes to the Mortgagee under an Agreement secured by this mortgage and all money that becomes owing to the Mortgagee by virtue of a term of this mortgage;

"Mortgagee" means the person named in this mortgage as the mortgagee;

"Property" means, as applicable:

- the Land;
- the Improvements; and
- any estate or interest you hold in the Land;

"Strata Scheme" means any scheme or plan regulated by any *Strata Title Act*;

5. YOU MUST PAY MONEY OWING AND COMPLY WITH OBLIGATIONS

- 5.1 You must pay the Money Owning and you must comply with all your other obligations under this mortgage and any Agreement secured by this mortgage at the time and in the manner specified. If you do not, then you are in default under this mortgage.
- 5.2 If you default under this mortgage, the Mortgagee is entitled to exercise the rights set out in clause 13.3 and any other rights that are available to the Mortgagee.

6. YOUR OBLIGATIONS TO LOOK AFTER THE PROPERTY

- 6.1 You must pay all rates, taxes, levies and other outgoings payable in respect of the Property on time.
- 6.2 You must comply with all requirements, notices and orders of any statutory or other authority affecting the Property.
- 6.3 You must give the Mortgagee a copy of all requirements, notices and orders issued by any statutory or other authority as soon as possible after they are issued.
- 6.4 You must maintain the Property properly and must make repairs as soon as they become reasonably necessary.
- 6.5 You must tell the Mortgagee if the Property is substantially damaged.
- 6.6 You must not make any structural alterations to the Property without first obtaining the Mortgagee's written consent.

7. YOUR INSURANCE OBLIGATIONS

- 7.1 You must keep the Improvements insured on a replacement basis for their full insurable value against fire, flood and all other usual risks. The insurance must be effected with an insurer approved by the Mortgagee.
- 7.2 The insurance policy must note the Mortgagee's interest as mortgagee and must otherwise be satisfactory to the Mortgagee.
- 7.3 If the Property is a lot in a building units plan regulated by a *Strata Title Act*:
 - (1) the insurance must be for the full amount of the Money Owning; and
 - (2) you must do everything you can to ensure that the body corporate maintains all necessary and usual insurances.
- 7.4 You must maintain public risk and any other type of insurance the Mortgagee requires.
- 7.5 You must not do anything that might prejudice any insurance policy.
- 7.6 If the Mortgagee requires you to do so, you must immediately produce evidence that you have complied with your insurance obligations.

8. YOU MUST COMPLY WITH ALL OTHER MORTGAGES OVER THE PROPERTY

- 8.1 You must not mortgage or otherwise charge the Property without the Mortgagee's consent.

"Strata Title Acts" means the *Building Units and Group Titles Act*, the *Mixed Use Development Act*, the *Integrated Resort Development Act 1987* and all other statutes of a similar nature; and

"you" means the person or persons named in this mortgage as mortgagor. If more than one person is named as mortgagor then "you" means each of them separately and any two or more jointly.

A reference to:

- one gender includes each other gender;
- the singular includes the plural;
- a party includes the party's executors, administrators and assigns;
- a statute, regulation or provision of a statute or regulation includes:
 - (a) any amendment or re-enactment; and
 - (b) any substitute statute, regulation or provision; and
- anything includes the whole or any part of it.

Headings are for convenience only and do not affect the interpretation of this mortgage.

Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.

If the Mortgagee's approval, consent or acceptance is required for anything, the Mortgagee may grant or refuse that approval, consent or acceptance in its discretion and without giving any reasons.

If something must be done on a day on which trading banks are not open in the place where it is to be done, then it must be done on the next day on which trading banks are open in that place.

- 8.2 You must comply with your obligations under every other mortgage over the Property on time.
- 8.3 You authorise every other person who holds a mortgage over the Property to give the Mortgagee all information the Mortgagee requires in relation to that other mortgage and any money or account secured by it.

9. THE MORTGAGEE IS ENTITLED TO HOLD ALL TITLE DOCUMENTS

- 9.1 You must give the Mortgagee all documents of title (including leases and tenancy agreements) relating to the Property.

10. YOU MUST NOT SELL OR LEASE THE PROPERTY

- 10.1 You must not, without the Mortgagee's prior written consent:
 - (1) sell the Property or grant an option to purchase the Property; or
 - (2) lease, license or sublet the Property or otherwise give possession of the Property to anyone else.
- 10.2 You must provide the Mortgagee promptly with all information and documents the Mortgagee requires in connection with any lease of the Property and you must not agree to vary or assign a lease without first obtaining the Mortgagee's written consent.
- 10.3 You indemnify the Mortgagee against any liability under any lease or other agreement entered into in respect of the Property and any claim made by any person who enters the Property in connection with a lease or other agreement giving possession of the Property.

11. CAVEATS

- 11.1 You must not lodge a caveat against the Property.
- 11.2 If anyone else lodges a caveat against the Property you must, as soon as you are notified of that, do everything you can and everything the Mortgagee requires, to remove the caveat.
- 11.3 The Mortgagee may do anything the Mortgagee considers appropriate to modify, vary or remove any caveat lodged against the Property. In doing this, the Mortgagee may use your name, the Mortgagee's name or both names and you must:
 - (1) pay the Mortgagee, immediately the Mortgagee requests payment, for any expenses incurred by the Mortgagee in taking any action in this regard; and
 - (2) indemnify the Mortgagee against any liability incurred in relation to anything done by the Mortgagee in connection with any caveat.

12. COMPENSATION

- 12.1 You must notify the Mortgagee as soon as you become aware that you are entitled to be paid any money by way of insurance, compensation or otherwise in respect of the Property or your ownership of the Property.
- 12.2 If the Mortgagee requires you to do so, you must claim payment of the money and pay it to the Mortgagee.

12.3 If the Mortgagee notifies you that it wishes to take over your right to claim payment of any of the money then the Mortgagee is entitled to do so, and you must do everything the Mortgagee asks to assist the Mortgagee to obtain payment. Once the Mortgagee takes over your right to claim payment of the money the Mortgagee may use your name to demand, sue for, recover or receive and give a discharge for the money.

12.4 If any of the money is paid to you, then you must immediately pay it to the Mortgagee. Until you do so, you hold the money on trust for the Mortgagee.

13. WHEN ARE YOU IN DEFAULT AND WHAT HAPPENS THEN?

13.1 You are in default:

- (1) if you do not pay any of the Money Owning on time;
- (2) if you do not do something which you are required to do under or in connection with this mortgage, an Agreement secured by this mortgage or a Collateral Security;
- (3) if you do something that is prohibited by this mortgage, an Agreement secured by this mortgage or a Collateral Security;
- (4) if another person does not do something that they are required to do under or in connection with a Collateral Security;
- (5) if another person does something that is prohibited by a Collateral Security;
- (6) if you or another person do not comply on time with any undertaking given to the Mortgagee or to the Mortgagee's solicitors;
- (7) if you or another person has given incorrect, misleading or untrue information in connection with this mortgage;
- (8) if a term of this mortgage is unenforceable;
- (9) if a statutory or other authority issues a requisition which is not satisfied within what the Mortgagee considers to be a reasonable time in relation to:
 - (a) a transfer of the Property to you;
 - (b) this mortgage; or
 - (c) a mortgage or other encumbrance ranking in priority to this mortgage;
- (10) if you are an individual and you die or become incapable of managing your own affairs;
- (11) if a receiver or a receiver and manager is appointed to you or your assets; or
- (12) if you are a company and:
 - (a) there is a change in the ownership or control of you or a company of which you are a subsidiary;

- (b) proceedings are commenced for your winding up;
- (c) an administrator, controller, provisional liquidator or liquidator is appointed to you or your assets; or
- (d) action is taken to strike your name off the register of companies.

13.2 If you are in default, the Mortgagee can do any of the things specified in clause 13.3. It is not necessary for the Mortgagee to do any of these things immediately the Mortgagee becomes aware of the default. The Mortgagee may do any of them at any time after default occurs.

13.3 After default occurs the Mortgagee may, if it so chooses:

- (1) demand the immediate payment of the Money Owning;
- (2) go into possession of the Property (and go out of possession and re-enter);
- (3) eject you from the Property;
- (4) direct tenants to pay rent to the Mortgagee;
- (5) remove any of your belongings from the Property and store them at your cost;
- (6) remedy the default even if that means paying money to another person;
- (7) appoint a person to be an agent, receiver or receiver and manager of the Property or the income of the Property on terms and fees approved by the Mortgagee;
- (8) do anything the law allows a mortgagee to do; and
- (9) do anything that a person who is the owner of the Property could do, including entering into contracts of sale, selling and conveying the legal estate, granting an option, subdividing, freeholding, mortgaging, leasing or making repairs and improvements.

13.4 Before the Mortgagee may sell the Property it must give you a notice that it intends to exercise its power of sale and must give you 30 days to remedy the default.

14. WHAT A RECEIVER CAN DO?

14.1 A receiver or receiver and manager appointed under clause 13.3(7) has all the powers conferred on the Mortgagee by this mortgage. If the Mortgagee appoints two or more persons to be receivers or receivers and managers under this mortgage then they can exercise their powers jointly and separately unless the Mortgagee specifies to the contrary in their appointment.

15. DOES THE MORTGAGEE HAVE TO SELL BY AUCTION?

15.1 Unless a statutory provision requires otherwise it is not necessary for the Mortgagee to first offer the

Property for sale by public auction before selling by private contract.

- (2) notify the Mortgagee promptly if default occurs under this mortgage or a Collateral Security.

16. INDEMNITIES AND COSTS

16.1 You indemnify the Mortgagee against, and you must pay to the Mortgagee when the Mortgagee requires:

- (1) all reasonable costs incurred by the Mortgagee in relation to this mortgage, an Agreement secured by this mortgage or a Collateral Security, including the costs of preparation, execution, stamping, registration, release and variation; and
- (2) all reasonable expenses and losses caused to the Mortgagee or any receiver or receiver and manager appointed under this mortgage:
 - (a) in investigating, perfecting or defending the title to the Property;
 - (b) exercising or attempting to exercise any power or remedy conferred on the Mortgagee or a receiver or receiver and manager appointed under this mortgage;
 - (c) because of default under this mortgage or a Collateral Security; and
 - (d) in relation to the Property or works carried out on the Property.

16.2 You must pay interest on the money payable under clause 16.1 from the date it should have been paid until the date it is actually paid. That interest is calculated at the rate specified in the relevant Agreement secured by this mortgage.

17. AUTHORITY TO COMPLETE

17.1 You authorise the Mortgagee and its solicitors:

- (1) to date this mortgage and to correct the date of this mortgage;
- (2) to fill in any blanks in this mortgage; and
- (3) to correct any clerical errors in this mortgage.

18. REGISTRATION AND OTHER ADMINISTRATIVE MATTERS

18.1 You agree to:

- (1) provide the Mortgagee promptly with all information and documents the Mortgagee requires at any time in relation to:
 - (a) the Property and any works the Mortgagee has approved in relation to the Property;
 - (b) any Strata Scheme; and
 - (c) your business, assets or financial affairs; and

19. THE MORTGAGEE MAY ASSIGN RIGHTS

19.1 The Mortgagee may assign the Mortgagee's rights under this mortgage to any person at any time without obtaining your consent. When assigning, the Mortgagee may disclose any information it considers necessary in relation to this mortgage, the Money Owed, the Property or your financial affairs.

20. WHEN ARE YOU RELEASED FROM YOUR OBLIGATIONS?

20.1 You are only released from your personal obligations under this mortgage when the Mortgagee has received all of the Money Owed. This is so even if the Mortgagee has signed a release of this mortgage.

21. ACQUIESCENCE, WAIVER AND VARIATION

- 21.1 Nothing the Mortgagee does or fails to do is to be regarded as acquiescence by the Mortgagee or as impairing any of its rights under this mortgage.
- 21.2 Only waivers and variations that are in writing and signed by the Mortgagee are effective in respect of this mortgage.

22. LIMITATIONS ON MORTGAGEE'S LIABILITY

22.1 The Mortgagee is not liable for anything done or not done by the Mortgagee in connection with the exercise of any of its rights and powers.

23. RURAL LAND

23.1 If the Property is used or is suitable for grazing, farming or agricultural purposes you must:

- (1) farm, cultivate and manage it properly and in accordance with all applicable laws;
- (2) not cut or destroy any standing timber or allow any timber to be carried away where that action might interfere with or lessen the value or utility of the Property for grazing, farming or agricultural purposes;
- (3) at the request of the Mortgagee, execute in favour of the Mortgagee a first ranking lien in a form and containing terms required by the Mortgagee over all agricultural or horticultural crops, and all stock and their progeny (and if the stock includes sheep, their wool), on the Property;
- (4) not give anyone else a lien or other security over any crop, stock or wool without the prior written consent of the Mortgagee; and
- (5) punctually do everything the Mortgagee requires in connection with the Property.

24. STRATA TITLE

- 24.1 If the Property is regulated by a *Strata Title Act* you must:
- (1) comply with the *Strata Title Acts* and all regulations, by-laws and rules that affect the Property or apply to you as the owner of the Property;
 - (2) do everything you can to ensure that any body corporate or other similar body complies with its obligations; and
 - (3) do everything you can to ensure that your rights under the Strata Scheme are not varied.

25. STRATA LEASE

- 25.1 If the Property is a State Lease then the provisions set out in clause 25.2 and clause 25.3 apply.
- 25.2 You must:
- (1) pay the rent and all other money on time;
 - (2) exercise all rights of renewal or priority of selection in respect of the State Lease;
 - (3) not do anything to prejudice the State Lease; and
 - (4) if the Mortgagee requires, purchase the freehold of the State Lease or convert the State Lease into freehold or into any other form of tenure allowed.
- 25.3 The Mortgagee may do anything in connection with the State Lease that you can do.

26. LEASEHOLD LAND (NOT A STATE LEASE)

- 26.1 If the Property is or includes a lease (other than a State Lease) then the provisions set out in clause 26.2 and clause 26.3 apply.
- 26.2 You must:
- (1) pay the rent and all other money on time;
 - (2) exercise any option to renew the lease;
 - (3) not do anything to prejudice the lease; and
 - (4) execute in favour of the Mortgagee a mortgage (prepared at your cost by the Mortgagee's solicitors) similar in form and content to this mortgage over any lease entered into in substitution for the lease.
- 26.3 The Mortgagee may do anything in connection with the lease that you can do.

27. IF YOU ARE A TRUSTEE

- 27.1 If you hold the Property as trustee of a trust ("Trust") clauses 27.2, 27.3 and 27.4 apply.
- 27.2 This mortgage extends to all rights that you have as trustee of the Trust to be indemnified out of the

property of the Trust in respect of the Money Owed.

- 27.3 You warrant that:

- (1) you are the only trustee of the Trust;
- (2) you have disclosed to the Mortgagee all the terms of the Trust and you have complied with all those terms in granting this mortgage;
- (3) you have authority under the Trust to give this mortgage;
- (4) you will do all you can to ensure that any person who is your successor as trustee of the Trust executes any document required by the Mortgagee to ensure that this mortgage is binding on them;
- (5) this mortgage is given for the benefit of the beneficiaries of the Trust; and
- (6) there is no claim against the Property or any other property of the Trust ranking in priority to or equally with this mortgage.

- 27.4 While this mortgage remains in effect, you must not:

- (1) allow a new or additional trustee to be appointed to the Trust;
- (2) retire or allow yourself to be removed as trustee;
- (3) allow the terms of the Trust to be altered;
- (4) allow the Trust to be revoked;
- (5) distribute any part of the capital of the Trust;
- (6) allow the property of the Trust to be resettled;
- (7) give any person other than the Mortgagee a mortgage or charge over any property of the Trust;
- (8) allow the creation of any right or interest which might rank in priority to or equally with the rights of the Mortgagee; or
- (9) do anything that might harm or impair the security of this mortgage or any Collateral Security or lessen their value.

28. GENERAL MATTERS

- 28.1 The Mortgagee's rights against you are not adversely affected by:
- (1) any release or dealing with this mortgage or any Collateral Security;
 - (2) the bankruptcy of another person or the death of another person;
 - (3) any indulgence given to, or any compromise or arrangement entered into with, another person;

- (4) any Collateral Security being void, defective or unenforceable; or
 - (5) anything else that might discharge you from your obligations to the Mortgagee.
- 28.2 You must (at your cost) do everything the Mortgagee requires to ensure that the Mortgagee has adequate and effective security for the Money Owning.
- 28.3 If the Mortgagee is obliged under a Collateral Security to advance or spend money then that obligation is likewise imposed by this mortgage.
- 28.4 You must regard as properly executed all certificates, notices and other documents issued by the Mortgagee which are signed by the Mortgagee. If the Mortgagee gives you a certificate about the amount secured by this mortgage or anything else relevant to this mortgage then that certificate is sufficient evidence of the amount or the thing unless it is proved to be incorrect.
- 28.5 A receipt issued by the Mortgagee is a sufficient discharge to any person paying money to the Mortgagee. That person need not be concerned with the application of that money.
- 28.6 Any power conferred on the Mortgagee by this Mortgage may be exercised by any of the Mortgagee's officers or the Mortgagee's solicitors and any of the Mortgagee's officers or the Mortgagee's solicitors may sign any document, notice or demand on behalf of the Mortgagee.
- 28.7 This mortgage has no adverse effect on and is not adversely effected by:
- (1) any other mortgage, security, right or remedy to which the Mortgagee is entitled; or
 - (2) any judgment the Mortgagee obtains against you in respect of the Money Owning.

29. POWER OF ATTORNEY

- 29.1 You appoint the Mortgagee, each of the Mortgagee's officers and any receiver or receiver and manager appointed under this mortgage separately as your attorney. The attorney:
- (1) may do everything (including executing contracts of sale and other documents) that you are obliged to do by this mortgage or that the Mortgagee thinks necessary to give effect to any right conferred on the Mortgagee or the receiver or receiver and manager;
 - (2) may do anything you can do as the owner of the Property, including granting an option to purchase, entering into contracts of sale, selling and conveying the legal estate, surrendering, leasing, freeholding, subdividing, selling or surrendering any lease, lodging or withdrawing caveats and taking, conducting and defending legal proceedings;

- (3) may exercise the attorney's powers even if the attorney has a personal interest in doing so and even if there is a conflict of interest; and
- (4) may delegate the attorney's powers (including this Power) and revoke a delegation.

- 29.2 You must ratify anything the attorney does in good faith in purported exercise of the attorney's powers under clause 29.1.
- 29.3 The appointment of attorney under clause 29.1 is not able to be revoked.

30. HOW THE MORTGAGEE IS TO DEAL WITH MONEY

- 30.1 If the Money Owning is not due for payment but the Mortgagee receives money on your account, the Mortgagee may retain that money (up to an amount equal to the Money Owning). The Mortgagee must deposit that money into an interest bearing account and must use it and all interest earned on it to pay the Money Owning when it is due.
- 30.2 The Mortgagee may use any money received under this mortgage in paying any part of the Money Owning it chooses, including paying a later instalment before an earlier instalment and principal before interest.
- 30.3 If any money remains after the Money Owning has been fully paid, the Mortgagee must pay that money to you or to any other person entitled to it such as a person who holds a mortgage or charge over the Property.
- 30.4 If the Mortgagee receives money which represents the proceeds of an insurance claim in respect of the Property the Mortgagee may use that money, at its discretion, to reduce the Money Owning or to reinstate or repair the Property.
- 30.5 The Mortgagee need not credit you with payments before the date money is actually received in cash by the Mortgagee.

31. CONSUMER CREDIT LEGISLATION

- 31.1 If any consumer credit legislation applies to this mortgage (but only to the extent that it does):
- (1) any terms that do not comply with the legislation have no effect and this mortgage only imposes obligations authorised by the legislation; and
 - (2) the Money Owning does not include any amount that is not permitted by that legislation to be secured under this mortgage.

32. APPLICABLE LAW AND SERVICE OF DOCUMENTS

- 32.1 This mortgage is governed by the law of the state or territory where the Property is situated. The parties submit to the non-exclusive jurisdiction of the courts of that place.

32.2 The Mortgagee may serve any demand and any document in an action (including any writ of summons or other originating process or any third or other party notice) on you by delivering it to or

leaving it at the Property. This does not prevent any other mode of service.