

Loan to Unrelated Party

**FY2021 - LOAN SCHEDULE**

Date	Loan balance	Date	Days	Accrued Interest	Payment	Loan OS After Interest
30/06/2020	282,124.12	26/11/2020	149	5,205.62	-7000	280,329.74
		30/06/2021	216	7,498.40		287,828.13
		TOTAL		12,704.01		

LOAN BALANCE

2021 FY INTEREST

The Super Fund purchased a loan book from an unrelated party for \$70,000.  
The actual loan value is above.  
We are keeping track of the loan value in case the super fund can recover the full amount in the future.



The Cash Management Account is issued by  
Westpac Banking Corporation ABN 33 007 457 141  
AFSL and Australian credit licence 233714  
BT Portfolio Services Limited holds the CMA on trust for you

**D.W. Unwin Super Fund - SMSF**  
**BT Panorama Investments**  
BSB: 262-786  
Account No.: 120333273  
Statement period: 1 Jul 2020 - 31 Dec 2020

Date	Description	Credit	Debit	Balance
16 Nov 2020	Distribution 4,865.060000 Pandal Smaller Companies Fund (RFA0819AU) @ \$0.05	\$243.25		\$42,107.68
26 Nov 2020	BPAY payment to TAX OFFICE PAYMENTS IAS Receipt no. 111928643		\$195.00	\$41,912.68
26 Nov 2020	Direct Credit from TOBRUK SECURITY , Receipt no. 111989238 <b>Loan Interest Received</b>	\$7,000.00		\$48,912.68
30 Nov 2020	Interest payment for Cash Management Account	\$0.35		\$48,913.03
3 Dec 2020	Administration fee for the period 01/11/2020 to 30/11/2020		\$72.52	\$48,840.51
31 Dec 2020	Interest payment for Cash Management Account	\$0.41		\$48,840.92

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Closing balance as at 31 Dec 2020

\$48,840.92

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Westpac Banking Corporation ABN 33 007 457 141 AFSL and Australian credit licence 233714 is the issuer of the Cash Management Account.

Further information in relation to your account, including details of product benefits and applicable fees and charges, is available on request. That information is also contained in the Product Disclosure Statement (PDS) or other disclosure document for your account. For a copy of that document, or if you have any other enquiries, you can call Panorama Support on 1300 881 716 from Australia or +61 8 8377 9021 from overseas.

The above Closing Balance amount may not be the same as the balance payable to you on closure of your account (the 'termination value'). Details of the termination value can be obtained by calling Telephone Banking on the numbers quoted above. Further information on how to close accounts, including calculation of the termination value, is contained in the Product Disclosure Statement (PDS) booklet or other disclosure document for your account.

Due to the late timing of deposits or as a result of your account undergoing administrative amendments, the closing balance provided on the statement for this period may differ to the opening balance, which will be provided in the statement for the next period. To access the prevailing value of your account at any time, please log onto [Panorama.com.au](https://panorama.com.au).

We have an internal process for handling and resolving any problem you may have with, or complaints relating to, your account or this product. Information about this process can be found in the Product Disclosure Statement (PDS) or other disclosure document for your account, or you can contact us on 1300 881 716.

Please check all entries on this statement and promptly inform us of any possible error or unauthorised transactions.



# Australia 10-Year Bond Yield

Sydney

[Add to Portfolio](#)

[Create Alert](#)

1.136 -0.012 (-1.05%)

09:12:54 - Real-time Data. ( [Disclaimer](#) )

Prev. Close: 1.148

<https://au.investing.com/rates-bonds/australia-10-year-bond-yield-historical-data>

Day's Range: 1.122 - 1.138

Type: Bond Group: Government Market: [Australia](#)

[General](#) [Chart](#) [News & Analysis](#) [Technical](#) [Forum](#)

[Overview](#) [Historical Data](#)

## Australia 10-Year Bond Yield Historical Data

Time Frame:

Daily 

[Download Data](#)

28/12/2020 - 02/01/2021

Date	Price	Open	High	Low	Change %
Jan 02, 2021	0.973	0.973	0.973	0.973	0.00%
Jan 01, 2021	0.973	0.973	0.973	0.973	-0.51%
Dec 31, 2020	0.978	0.977	0.985	0.972	0.51%
Dec 30, 2020	0.973	0.971	0.978	0.956	0.62%
Dec 29, 2020	0.967	0.973	0.987	0.967	-0.67%
Dec 28, 2020	0.974	0.995	0.995	0.972	-2.21%
Highest: 0.995	Lowest: 0.956	Difference: 0.039	Average: 0.973	Change %: -2.260	

**Disclaimer:** Fusion Media would like to remind you that the data contained in this website is not necessarily real-time nor accurate. All CFDs (stocks, indexes, futures), cryptocurrencies, and Forex prices are not provided by exchanges but rather by market makers, and so prices may not be accurate and may differ from the actual market price, meaning prices are indicative and not appropriate for trading purposes. Therefore Fusion Media doesn't bear any responsibility for any trading losses you might incur as a result of using this data.  
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Close 

  
**Rachel Green-Luther**

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**From:** Duncan Unwin <dunwin@iinet.net.au>  
**Sent:** Tuesday, March 23, 2021 6:58 AM  
**To:** Rachel Green-Luther  
**Subject:** Re: D.W. Unwin Super Fund - 2019/2020 Info Request Unrelated Party

Hi Rachel

<div>FY2019 Loan Balance \$267,746.15</div> <div>+ FY2020 Interest <u>\$14,377.97</u> 5.37% Div 7a</div> <div>FY2020 Loan Balance \$282,124.12</div>
--

Talk to you Wednesday. Brief answers below

On 22 Mar 2021, at 5:03 pm, Rachel Green-Luther <[RachelG@virtusuper.com.au](mailto:RachelG@virtusuper.com.au)> wrote:

Hi Duncan,

I hope you are well.

Your super fund's 2019/2020 tax return is due in under 2 months.

When you are ready for your super fund's 2019/2020 tax return, could you please:

- For the Tobruk Security loan:
  - Provide update on the loan?
  - Are you still likely to recover the loan?

Yes.

- 
- We have the loan's market value at \$70,000, is this still reasonable?

Yes

- 
- Have you received any interest on the loan? You mentioned that part of the interest was being capitalised.

Yes, \$7000

- 
- Have you received any payments on the loan?

Yes, \$7000

- 
- Provide document for the \$19,289.99 deposit on 01/07/2019 into the BT cash account

I think that was just the final transfer of the BT Wrap to the SMSF.

I will give you a call on Wednesday.

If you have any questions, please feel free to contact us.



## Division 7A - benchmark interest rate

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- <https://www.ato.gov.au/Rates/Division-7A---benchmark-interest-rate/>
- Last modified: 06 Jul 2021
- QC 17928

## Division 7A – benchmark interest rate

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Under Division 7A of Part III of the *Income Tax Assessment Act 1936*, the 'benchmark interest rate' for an income year is the 'Indicator Lending Rates – Bank variable housing loans interest rate'. This is the 'Housing loans; Banks; Variable; Standard; Owner-occupier' rate last published by the [Reserve Bank of Australia](#)<sup>1</sup> before the start of the income year. The benchmark interest rate for an income year does not change if the Reserve Bank of Australia later revises its published rate after the start of the income year.

### Benchmark interest rates

These rates apply to private companies with an income year ending 30 June.

A private company that meets certain requirements may adopt an income year ending on a date other than 30 June – a [substituted accounting period](#). Those companies will need to determine the relevant rate.

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#### Benchmark interest rates

Income year ended 30 June	%	ATO reference
2022	4.52%	This is the 'Indicator Lending Rates - Bank variable housing loans interest rate' published by the Reserve Bank of Australia on 2 June 2021.
2021	4.52%	This is the 'Indicator Lending Rates - Bank variable housing loans interest rate' published by the Reserve Bank of Australia on 2 June 2020.

2020	5.37%	This is the 'Indicator Lending Rates - Bank variable housing loans interest rate' published by the Reserve Bank of Australia on 4 June 2019. Note: Annual Taxation Determinations for the benchmark interest rate are no longer published.
2019	5.20%	<a href="#">TD 2018/14</a>
2018	5.30%	<a href="#">TD 2017/17</a>
2017	5.40%	<a href="#">TD 2016/11</a>

## Substituted accounting period

If a private company has adopted a substituted accounting period, the applicable benchmark interest rate is the 'Housing loans; Banks; Variable; Standard; Owner-occupier' rate last published by the [Reserve Bank of Australia](#)<sup>CA</sup> before the start of the private company's substituted accounting period.

### Examples

Company ABC has a substituted accounting period starting on 1 November 2016. According to the RBA website, the last interest rate published before 1 November 2016 was for September 2016 and recorded to be 5.25%. The benchmark interest rate for Company ABC's income year commencing 1 November 2016 is 5.25%.

Company XYZ has a substituted accounting period starting on 1 May 2016. According to the RBA website, the last interest rate published before 1 May 2016 was for March 2016 and recorded to be 5.65%. The benchmark interest rate for Company XYZ's income year commencing 1 May 2016 is 5.65%.

Next step:

- [Division 7A calculator and decision tool](#)

See also:

- [Division 7A – Loans](#)
- [Substituted accounting periods](#)
- [Reserve Bank of Australia](#)<sup>CA</sup> for the indicator lending rates.

Our commitment to you

# Australia 10-Year Bond Yield

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[Overview](#) [Historical Data](#)

## Australia 10-Year Bond Yield Historical Data

Time Frame:

Daily 

[Download Data](#)

28/12/2019 - 02/01/2020

Date	Price	Open	High	Low	Change %
Jan 02, 2020	1.379	1.385	1.420	1.379	-1.78%
Jan 01, 2020	1.404	1.373 +1%	1.421	1.372	2.26%
Dec 31, 2019	1.373	1.366 = 2.373%	1.388	1.338	5.13%
Dec 30, 2019	1.306	1.312	1.340	1.288	0.00%
Dec 29, 2019	1.306	1.316	1.339	1.305	-0.76%
Dec 28, 2019	1.316	1.316	1.316	1.316	1.04%
Highest: 1.421	Lowest: 1.288	Difference: 0.133	Average: 1.347	Change %: 5.914	

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Close 

*Elizabeth Meiklejohn*

Duncan Unwin & Rachel Tew ATF  
D.W.Unwin Super Fund  
15 Winship Street  
Red Hill, 4059

The Directors  
Tobruk Security Pty Ltd  
Level 2, 143 Charlotte Street  
Brisbane, 4000

Nb - Tobruk Security is not a related entity to the SMSF -  
see ASic on page 32

09 July 2019

Dear Kim,

This letter is to give notice to Tobruk Security that the D.W.Unwin Super Fund has now  
acquired all debt owed by Tobruk Security to Cogility Pty Ltd.

The current amount owing and due for payment is:

INV-0259 Due 15 May 2019	\$12,810.17
INV-0258 Due 8 Nov 2018	\$15,701.38
TOTAL DUE	\$28,511.55

This amount should now be paid to:

D.W.Unwin Super Fund  
BSB 262-786 AC 120333273

Interest has not been received - see note at A2.

If you are unable to make this payment, please make time to discuss when you can. It is a  
statutory requirement that as trustees for the fund that we work in the best interest of the  
fund, and seek to recover any monies owed as soon as possible.

The Principal of the loan is \$226,000.

Yours sincerely,



Duncan Unwin MAICD  
Trustee

RGL spoke to Brad Hoffman on 31 March 2020 about this.

Brad spoke to Duncan at great lengths about this at the SOA/establishment stages. Duncan confirmed neither Kim or Duncan are in control of the company (Tobruk Security Pty Ltd). Nor, are they connected to each other (ie in partnership).

Brad advised that Cogility (Who the asset was purchased from) is not a related entity - confirmed by ASIC below.

## Pay Anyone Payment of \$50,000.00 **submitted**

**D.W. Unwin Super Fund**BSB ~~262-786~~

Account no. 120333273

= Market value of the loan at 30 June 2019.

**Cogility**

BSB 084-391

Account no. 156126435

**Date & Time  
of request**

27 Jun 2019 03:25 PM AEST

**Description**

Purch of TS Loan

**Receipt no.**

52034814

**Account ID**D.W. Unwin Super Fund  
SMSF • BT Panorama Investments • 120333273**Primary contact**Duncan Unwin  
+61 407 032 755  
15 Winship Street, Red Hill QLD 4059**Adviser**Panorama Support  
BT SMSF



ASIC

Australian Securities & Investments Commission

# Current Company Extract

Confirms SMSF purchased asset from unrelated entity.

**Name:** COGILITY PTY LTD

**ACN:** 162 766 403

Date/Time: 17 April 2020 AEST 10:39:24 AM

This extract contains information derived from the Australian Securities and Investments Commission's (ASIC) database under section 1274A of the Corporations Act 2001.

Please advise ASIC of any error or omission which you may identify.

EXTRACT

Organisation Details	Document Number
<b>Current Organisation Details</b>	
Name: COGILITY PTY LTD	1E9198285
ACN: 162 766 403	
ABN: 84162766403	
Registered in: Queensland	
Registration date: 11/03/2013	
Next review date: 11/03/2021	
Name start date: 14/03/2013	
Status: Registered	
Company type: Australian Proprietary Company	
Class: Limited By Shares	
Subclass: Proprietary Company	

Address Details	Document Number
<b>Current</b>	
Registered address: Level 2 Suite 4, 139-145 Charlotte Street, BRISBANE QLD 4000	7E7651595
Start date: 04/02/2016	
Principal Place Of Business address: Unit 10, 178 Bowen Terrace, NEW FARM QLD 4005	7EAV54231
Start date: 01/04/2020	

Contact Address
Section 146A of the Corporations Act 2001 states 'A contact address is the address to which communications and notices are sent from ASIC to the company'.
<b>Current</b>
Address: PO BOX 473, BEENLEIGH QLD 4207
Start date: 28/09/2015

Officeholders and Other Roles	Document Number
<b>Director</b>	
Name: GERARD JAMES RUDDY	7EAV54231
Address: Unit 1, 73 Parkyn Parade, MOOLOOLABA QLD 4557	
Born: 16/03/1961, BRISBANE, QLD	
Appointment date: 11/03/2013	

Share Information					
<b>Share Structure</b>					
Class	Description	Number issued	Total amount paid	Total amount unpaid	Document number
ORD	ORDINARY SHARES	180	180.00	0.00	7E7595868

**Members**

Note: For each class of shares issued by a proprietary company, ASIC records the details of the top twenty members of the class (based on shareholdings). The details of any other members holding the same number of shares as the twentieth ranked member will also be recorded by ASIC on the database. Where available, historical records show that a member has ceased to be ranked amongst the top twenty members. This may, but does not necessarily mean, that they have ceased to be a member of the company.

Name: GAMMEG PTY. LTD.  
 ACN: 009 792 536  
 Address: Unit 10, 178 Bowen Terrace, NEW FARM QLD 4005

Class	Number held	Beneficially held	Paid	Document number
ORD	180	no	FULLY	7EAA49969

**Documents**

Note: Where no Date Processed is shown, the document in question has not been processed. In these instances care should be taken in using information that may be updated by the document when it is processed. Where the Date Processed is shown but there is a zero under No Pages, the document has been processed but a copy is not yet available.

Date received	Form type	Date processed	Number of pages	Effective date	Document number
12/05/2017	370 Notification By Officeholder Of Resignation Or Retirement	15/05/2017	2	12/05/2017	7E9049983
31/05/2017	370 Notification By Officeholder Of Resignation Or Retirement	01/06/2017	2	31/05/2017	7E9104566
26/07/2017	370 Notification By Officeholder Of Resignation Or Retirement	27/07/2017	2	26/07/2017	7E9292639
03/08/2017	484N Change To Company Details Changes To (Members) Share Holdings	03/08/2017	4	03/08/2017	7E9319826
03/08/2017	370 Notification By Officeholder Of Resignation Or Retirement	04/08/2017	2	03/08/2017	7E9319850
03/08/2017	370 Notification By Officeholder Of Resignation Or Retirement	04/08/2017	2	03/08/2017	7E9319856
29/05/2018	484 Change To Company Details 484A1 Change Officeholder Name Or Address 484A2 Change Member Name Or Address	29/05/2018	2	29/05/2018	7EAA49969

11/04/2020	484 Change To Company Details 484B Change Of Registered Address 484C Change Of Principal Place Of Business (Address) 484A1 Change Officeholder Name Or Address	11/04/2020	2	11/04/2020	7EAV54231
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\*\*\*End of Extract of 3 Pages\*\*\*

# **Share Sales and Settlement Agreement**

# Share Sales and Settlement Agreement

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**This Agreement** is made the \_\_\_\_\_ day of \_\_\_\_\_ 2019  
**BETWEEN:**

1. **GERARD JAMES RUDDY** of 10/178 Bowen Terrace New Farm Brisbane, 4005  
(Gerard)  
And
2. **DUNCAN WADE UNWIN** of 15 Winship Street, Red Hill  
(Duncan)  
And
3. **KIM JOHN ELMS** of 54 St Andrews Cres, Carindale  
(Kim)

**Collectively “THE PEOPLE”**

4. **COGILITY PTY LTD ACN 162 766 403 of Level 2 139- 145 of** Level 2, 139-145 Charlotte St. Brisbane QLD 4001,  
(Cogility)  
And
5. **GAMMEG PTY LTD ACN 009 792 536 AS TRUSTEE FOR THE GAMMEG PROPERTY TRUST** of Level 2, 139-145 Charlotte St. Brisbane QLD 4001  
(Gammeg)  
And
6. **DUNCAN WADE UNWIN AS TRUSTEE OF THE D.W.UNWIN SUPER FUND**  
(Unwin SMSF)  
And
7. **LATENT VENTURES Pty LTD ACN 610 988 451 of** 54 St Andrews Cres, Carindale  
(Latent )  
And
8. **INFINITE SOLUTIONS PTY LTD ACN 010 478 369 of** 54 St Andrews Cres, Carindale  
(Infinite)  
And
9. **TOBRUK SECURITY PTY LTD ACN 608 684 000 of** Level 2, 143 Charlotte Street  
(Tobruk)  
And
10. **SECUROTY HOLDINGS PTY LTD ACN 622 473 689 of** Level 2, 143 Charlotte Street  
(Securoty Holdings)  
And
11. **SECUROTY PTY LTD ACN 622 474 159 of** Level 2, 143 Charlotte Street  
(Securoty)  
And
12. **Infinite Equity Pty Ltd ACN 125 415 198 of** Level 2, 143 Charlotte Street  
(Infinite Equity)

**Collectively “THE ENTITIES”**

**Collectively as a whole “THE PARTIES”**

# Share Sales and Settlement Agreement

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## RECITALS:

- A. In person and through the entities the People have conducted business amongst each other over the last several years
- B. In the interests of pursuing their own affairs independently, The Parties wish to clarify, change and where possible terminate their outstanding relationships.

## NOW THE PARTIES AGREE AS FOLLOWS

### 1 Acknowledgements

- 1.1 Tobruk owes Cogility for loan monies outstanding and accrued under a loan Facility between the two companies dated 16 September 2016 ("the Facility") (copy of which is annexed as Annexure 1 for which:
  - a) The balance owed at 30 June 2018 was \$254,511.55 (Schedule as per Annexures 2 and spreadsheet calculation per Annexure 2a)
  - b) Of which \$15,701.38 owing and due under a Creditors Statutory Demand for Payment of debt dated 12 December 2018 (annexed as per Annexure 3)
  - c) There are further accruals since 30 June 2018 of interest outstanding
- 1.2 In the past, both Latent and Infinite have contracted to Cogility as consulting sub-contractors for which Duncan and Kim were nominated Consultants, in respect of this work:
  - a) Latent has an outstanding claim for money against Cogility in the amount of \$19,800 per Latent invoice 2018-8-13 (annexed as Annexure 4)
  - b) Cogility has current potential claims in unspecified sums against Kim, Latent and/or Infinite for breach of contract relating to their dealings with Aegis Legal (contracts annexed as Annexures 5 and 6)
- 1.3 Securoty Holdings and Securoty conducted some limited business during which time Kim and Gerard were both director, Gerard has since resigned from those boards and Gammeg now wishes to exit its shareholding
- 1.4 The parties acknowledge and agree that as at the date of this Agreement as to the following facts regarding subject entities for which a change in shareholdings is to occur are:

Company: Tobruk Security Pty Ltd.

Sole Director: Duncan

# Share Sales and Settlement Agreement

Name of Shareholder	Number of Shares
TYSON GROUP PTY LTD	Twenty (20) ORD shares
BS MCLEARIE PTY LTD	Twenty (20) ORD shares
HC Family Pty Ltd	Twenty (20) ORD shares
Steven Wadeson Pty Ltd	Twenty (20) ORD shares
Duncan Wade Unwin	Twenty (20) ORD shares
Gammeg Pty Ltd	Twenty (20) ORD shares
Infinite Equity Pty Ltd	Twenty (20) ORD shares
Gilbert J Carter Pty Ltd	Twenty (20) ORD shares

Company : Securoty Holdings Pty Ltd

Sole Director: Kim

Name of Shareholder	Number of Shares
Gerard	Thirty (50) ORD shares
Kim	Thirty (50) ORD shares

## 2 Agreed Transactions

### 2.1 Cogility Tobruk Debt facility

- (a) Cogility agrees to sell all principal and interest including accruals of interest outstanding to the date of this agreement, and to assign all claims or rights which it holds in relation to the debt facility:
  - (i) to Unwin SMSF;
  - (ii) for \$50,000, to be paid on Settlement Date.
- (b) Unwin SMSF agrees to buy the debt facility from Cogility on those terms.
- (c) Unwin SMSF further agrees to be responsible for any transfer duty that may be payable on the debt transfer to the Queensland Office of State Revenue and to attend to the lodgement of any required paperwork
- (d) Both Gammeg and Unwin SMSF acknowledge and agree that the purchase price payable for the sale of the debt is fair market value. Cogility agrees that the purchase price payable to it is the full consideration that it is entitled to receive for the debt sold.

### 2.2 Tobruk Shares

# Share Sales and Settlement Agreement

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- (a) Gammeg agrees to sell and Duncan agrees to buy Gammeg's 20 share in Tobruk upon the following terms:
  - (i) Consideration of \$20 to be paid by Duncan to Gammeg on Settlement date
  - (ii) Duncan to provide to Gammeg and Gammeg to sign on settlement date a transfer of the shares capable of registration with ASIC
  - (iii) Duncan to be responsible for updating Tobruk's registered address with ASIC
  - (iv) Duncan to secure from all other shareholders in Tobruk a written acknowledgement that they agree to the Share Transfer and waive all rights of pre-emption with respect to the transfer of the Share Parcel that apply at law, under the Tobruk constitution or otherwise
  - (v) Duncan to hold the Gammeg share transfer in escrow following settlement and to lodge it with ASIC following receipt of the waivers from other shareholders
  - (vi) Duncan to be responsible for any transfer duty that may be payable on the share transfer to the Queensland Office of State Revenue and to attend to the lodgement of any required paperwork
- (b) Both Gammeg and Duncan acknowledge and agree that the purchase prices payable for the sale of the shares is fair market value. Gammeg agrees that the purchase price payable to it is the full consideration that it is entitled to receive for the shares sold.

## 2.3 Securoty Holdings Shares

- (a) Gammeg agrees to sell and Infinite Equity agrees to buy Gammeg's 50 shares in Securoty Holdings on the following terms:
  - (i) Consideration of \$50 to be paid on settlement date;
  - (ii) Infinite Equity to provide to Gammeg and Gammeg to sign on settlement date a transfer of the shares capable of registration with ASIC;
  - (iii) Kim and Infinite Equity to be responsible for lodgement of the share transfer documents with ASIC;
  - (iv) Infinite Equity to be responsible for any transfer duty that may be payable on the share transfer to the Queensland Office of State Revenue and to attend to the lodgement of any required paperwork;
  - (v) Securoty Holdings, Securoty and Kim to be responsible for updating ASIC with all registration details including registered address of both Securoty Holdings and Securoty.
- (b) Both Gammeg and Infinite acknowledge and agree that the purchase prices payable for the sale of shares is fair market value. Gammeg agrees that the purchase price payable to it is the full consideration that it is entitled to receive for the shares sold.

## 2.4 Latent invoice to Cogility

# Share Sales and Settlement Agreement

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- (a) Cogility agrees to payment on Settlement Date of Latent invoice no 2018-8-13 in the amount of \$19,800 in full and final satisfaction of any fees due in relation to consulting services provided by Latent, Infinite and Kim to Cogility.
- (b) Latent, Infinite and Kim agree to accept the payment on those terms.

## 3 Contract Terminations and releases

### 3.1 Termination of Cogility and Infinite MSA and Release from Non-Solicitation – Aejis Legal

- (a) Cogility and Infinite terminate their Master Services Agreement (MSA) entered into on 3<sup>rd</sup> August 2015.
- (b) Cogility, Kim and Infinite acknowledge that notwithstanding the termination of the MSA the rights and obligations of the parties under the clauses headed:
  - (i) Confidentiality
  - (ii) Ownership of work product
  - (iii) Subcontractors
  - (iv) Indemnification with respect to intellectual property
  - (v) Non-solicitation

will survive the termination and that they will be bound by those clauses.

- (c) Cogility expressly releases Infinite and Kim in relation to their non-solicitation obligations to Cogility under the MSA concerning Cogility's client, Aegis Legal, but not otherwise.

### 3.2 Termination of Cogility and Latent MSA and Release from Non-Solicitation – Aejis Legal

- (a) Cogility and Latent terminate their Master Services Agreement (MSA) entered into on 29<sup>th</sup> July 2016 on the terms set out in this clause 3.2
- (b) Cogility, Kim and Latent acknowledge that notwithstanding the termination of the MSA the rights and obligations of the parties under the clauses headed:
  - (i) Confidentiality
  - (ii) Ownership of work product
  - (iii) Subcontractors
  - (iv) Indemnification with respect to intellectual property
  - (v) Non-solicitation
  - (vi) Termination

will survive the termination and that they will continue to be bound by those clauses

- (c) Cogility expressly releases Latent and Kim in relation to their non-solicitation obligations to Cogility under the MSA concerning Cogility's client, Aegis Legal, but not otherwise.

# Share Sales and Settlement Agreement

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## **4 Confidentiality**

- 4.1 The Parties must keep the terms of this Agreement in strict confidence.

## **5 Further Action**

- 5.1 Each Party must use reasonable efforts to do all things necessary or desirable to give full effect to this Agreement.

## **6 Costs**

- 6.1 All Parties will bear their own costs associated with the preparation and execution of this Agreement.

## **7 Waiver**

### **7.1 No Waiver**

The failure of a Party at any time to require performance of any obligation under this Agreement is not a waiver of that Party's right:

- (a) to claim damages for breach of that obligation; and
- (b) at any other time to require performance of that or any other obligation under this Agreement,

unless written notice to that effect is given.

### **7.2 Waiver in Writing**

Waiver of any provision of or right under this Agreement:

- (a) must be in writing signed by the Party entitled to the benefit of that provision or right; and
- (b) is effective only to the extent set out in any written waiver.

## **8 Governing Law and Jurisdiction**

### **8.1 Governing Law**

This Agreement is governed by the law applicable in Queensland.

### **8.2 Jurisdiction**

Each Party submits to the non-exclusive jurisdiction of the courts of Queensland.

# Share Sales and Settlement Agreement

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## 9 Notice

### 9.1 Manner of Giving Notice

A Party giving notice or notifying under this Agreement must do so in writing directed to the recipient's address specified in this Agreement or as varied by a Party from time to time.

### 9.2 Receipt of Notice

A notice given in accordance with clause 9.1 is taken to be received:

- (a) if hand delivered, on delivery; and
- (b) if sent by prepaid post, three (3) days after the date of posting; and
- (c) if sent electronically, by acknowledgement.

### 9.3 Change of notice addresses

A Party may vary any or all of the addresses specified for them in this Agreement by giving written notice.

## 10 Severability

- 10.1 Part or all of any provision of this Agreement that is illegal or unenforceable may be severed from this Agreement and the remaining provisions of this Agreement continue in force.

## 11 Alteration

- 11.1 This Agreement may be altered only in writing signed by each Party.

## 12 Counterparts

- 12.1 This Agreement may be executed in original form and/or by facsimile transmission in any number of counterparts and all counterparts taken together will constitute one and the same instrument.

## 13 Trustee

If any Party has entered into this Agreement in the capacity of trustee ("the Trustee"), the Trustee:

- (a) enters this Agreement only as trustee and not in their personal capacity;
- (b) will take any procedures necessary to ensure the assets of the trust are available to compensate the other Parties for any breach of the terms of this Agreement by the Trustee;
- (c) will assign to the other Parties any right of indemnity the Trustee has against the assets of the trust to the extent of the liability of the Trustee under this Agreement.

# Share Sales and Settlement Agreement

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- (d) warrants that the Trustee has the power and authority under the terms of the trust to enter into this Agreement; and
- (e) entry into this Agreement by the Trustee is in the due administration of the trust.

## **14 Independent Legal Advice**

- 14.1** Each Party warrants and covenants in favour of the other Parties, that it has received, or has waived its right to receive, independent legal advice with respect to all matters contemplated by this Agreement.

## **15 Definitions and Interpretation**

- 15.1** **Settlement Date** means 28 June, 2019
- 15.2** Annexures referred to in this Agreement form part of the Agreement.

# Share Sales and Settlement Agreement

---

## Executed as an Agreement

Signed by **GERARD JAMES RUDDY** of 10/178 Bowen Terrace New Farm Brisbane, 4005

.....  
Signature of Witness

.....  
Signature

.....  
Name of Witness (please print)

Signed by **DUNCAN WADE UNWIN** of 15 Winship Street, Red Hill

.....  
Signature of Witness

.....  
Signature

.....  
Name of Witness (please print)

Signed by **KIM JOHN ELMS** of 54 St Andrews Cres, Carindale

.....  
Signature of Witness

.....  
Signature

.....  
Name of Witness (please print)

Signed by **COGILITY PTY LTD ACN 162 766 403** in accordance with its constitution and section 127 of the Act:

.....  
Signature of Director/Secretary (sole)

.....Gerard Ruddy.....  
Name of Director/Secretary (sole)  
(please print)

# Share Sales and Settlement Agreement

---

Signed by **GAMMEG PTY LTD ACN 009 792 536 AS TRUSTEE FOR THE GAMMEG PROPERTY TRUST** in accordance with its constitution and section 127 of the Act:

.....  
Signature of Director/Secretary (sole)

...Gerard Ruddy.....  
Name of Director/Secretary (sole)  
(please print)

Signed by **DUNCAN WADE UNWIN AS TRUSTEE OF THE D.W.UNWIN SUPER FUND**  
in the presence of:

.....  
Signature of Witness

.....  
Signature of Duncan Unwin

.....  
Name of Witness (please print)

Signed by **LATENT VENTURES Pty LTD ACN 610 988 451** in accordance with its constitution and section 127 of the Act:

.....  
Signature of Director/Secretary (sole)

.....  
Name of Director/Secretary (sole)  
(please print)

Signed by **INFINITE SOLUTIONS PTY LTD ACN 010 478 369** in accordance with its constitution and section 127 of the Act:

.....  
Signature of Director/Secretary (sole)

.....  
Name of Director/Secretary (sole)  
(please print)

# Share Sales and Settlement Agreement

---

Signed by **TOBRUK SECURITY PTY LTD ACN 608 684 000** in accordance with its constitution and section 127 of the Act:

.....  
Signature of Director/Secretary (sole)

.....  
Name of Director/Secretary (sole)  
(please print)

Signed by **SECURTY HOLDINGS PTY LTD ACN 622 473 689** in accordance with its constitution and section 127 of the Act:

.....  
Signature of Director/Secretary (sole)

.....  
Name of Director/Secretary (sole)  
(please print)

Signed by **SECURTY PTY LTD ACN 622 474 159** in accordance with its constitution and section 127 of the Act:

.....  
Signature of Director/Secretary (sole)

.....  
Name of Director/Secretary (sole)  
(please print)

Signed by **INFINITE EQUITY PTY LTD ACN 125 415 198** in accordance with its constitution and section 127 of the Act:

.....  
Signature of Director/Secretary

.....  
Signature of Director

.....  
Name of Director/Secretary  
(please print)

.....  
Name of Director  
(please print)



Loan History - Tobruk Security Pty Ltd Transactions  
Cogility Pty Ltd  
From 1 Jul 2014 to 30 June 2018

Total principal and interest to 30 June 2018 **\$254,511.55**

Principal					Interest					
Drawdown Date	Type	Transaction	Reference	Debit	Credit	Unpaid interest	2016	2017	2018	Total
							Days Interest FYE 2016	Days Interest FYE 2017	Days Interest FYE 2018	
30/06/2014		Opening Balance		\$0.00						
30/09/2015	INV	Duncan Unwin - Net registry for Tobruk Security	Amaysim Sep15	\$34.95			274 \$ 1.43	365 \$ 1.89	365 \$ 1.85	\$ 5.17
14/10/2015	MJ	Gerard's credit card used to purchase Tobruk Security company from ACIS - Gerard's credit card used to purchase Tobruk Security company from ACIS	#1329	\$771.00			260 \$ 29.93	365 \$ 41.63	365 \$ 40.86	\$ 112.43
26/10/2015	PAY	Nick Thiele - for Tobruk Security		\$2,362.33			248 \$ 87.48	365 \$ 127.57	365 \$ 125.20	\$ 340.25
9/11/2015	INV	Propriety Marketing Solutions Pty Ltd - Brand development - Tobruk Security	00000127	\$3,500.00			234 \$ 122.29	365 \$ 189.00	365 \$ 185.50	\$ 496.79
16/11/2015	PAY	Nick Thiele - Nick's wages for November		\$4,688.00			227 \$ 158.90	365 \$ 253.15	365 \$ 248.46	\$ 660.51
14/12/2015	PAY	Tobruk Security		\$74,230.00			199 \$ 2,205.65	365 \$ 4,008.42	365 \$ 3,934.19	\$ 10,148.26
14/12/2015	PAY	Nick Thiele		\$8,428.56			199 \$ 250.44	365 \$ 455.14	365 \$ 446.71	\$ 1,152.30
31/01/2016	INV	McLearie Pty Ltd - SecurityRoots Dradis P London	ReimbExpDec/Jan	\$5,160.75			151 \$ 116.36	365 \$ 278.68	365 \$ 273.52	\$ 668.56
12/02/2016	MJ	Tobruk security expense paid by Cog. Consulting credit card - IP Australia x 2 for \$120 each - Tobruk security expense paid by Cog. Consulting credit card	#2041	\$240.00			139 \$ 4.98	365 \$ 12.96	365 \$ 12.72	\$ 30.66
2/03/2016	PAY	The Insurance Centre - for laptop insurance claim			\$2,839.09		120 -\$ 50.87	365 -\$ 153.31	365 -\$ 150.47	-\$ 354.65
4/03/2016	MJ	Tobruk security expense paid by Cog. Consulting credit card - Tobruk security expense paid by Cog. Consulting credit card	#2040	\$150.00			118 \$ 2.64	365 \$ 8.10	365 \$ 7.95	\$ 18.69
15/04/2016	PAY	Tobruk		\$53,273.50			76 \$ 604.54	365 \$ 2,876.77	365 \$ 2,823.50	\$ 6,304.81
30/04/2016	MJ	expenses for tobruk security paid by cogility consulting credit card - DHL Express - 28/4/16	#2514	\$348.30			61 \$ 3.17	365 \$ 18.81	365 \$ 18.46	\$ 40.44
30/04/2016	MJ	expenses for tobruk security paid by cogility consulting credit card - CCIQ - 11/4/16	#2514	\$396.00			61 \$ 3.61	365 \$ 21.38	365 \$ 20.99	\$ 45.98
30/04/2016	MJ	expenses for tobruk security paid by cogility consulting credit card - AirBnB - 20/04/16	#2514	\$1,294.00			61 \$ 11.79	365 \$ 69.88	365 \$ 68.58	\$ 150.24
30/04/2016	MJ	expenses for tobruk security paid by cogility consulting credit card - DialogHub - 21/04/16	#2514	\$3,454.70			61 \$ 31.47	365 \$ 186.55	365 \$ 183.10	\$ 401.12
30/04/2016	MJ	expenses for tobruk security paid by cogility consulting credit card - DialogHub - 22/04/16	#2514	\$74.45			61 \$ 0.68	365 \$ 4.02	365 \$ 3.95	\$ 8.64
30/04/2016	MJ	expenses for tobruk security paid by cogility consulting credit card - DHL Express - 26/4/16	#2514	\$215.71			61 \$ 1.96	365 \$ 11.65	365 \$ 11.43	\$ 25.05
9/06/2016	MJ	tobruk expenses paid by cogility consulting credit card - tobruk expenses paid by cogility consulting credit card	#2941	\$126.81			21 \$ 0.40	365 \$ 6.85	365 \$ 6.72	\$ 13.97
14/06/2016	PAY	Tobruk Security		\$24,216.84			16 \$ 57.86	365 \$ 1,307.71	365 \$ 1,283.49	\$ 2,649.06
15/07/2016	MJ	top up of Tobruk security loan by Cogility Consulting - top up of Tobruk security loan by Cogility Consulting	#3435	\$19,873.19				350 \$ 1,029.05	365 \$ 1,053.28	\$ 2,082.33
16/09/2016	PAY	Tobruk Security Pty Ltd		\$26,000.00				287 \$ 1,103.97	365 \$ 1,378.00	\$ 2,481.97
						\$ 3,644.70		365 \$ 196.81	365 \$ 193.17	\$ 389.98
						\$ 12,056.68			365 \$ 639.00	\$ 639.00
Total				\$228,839.09	\$2,839.09					
30/06/2018		Closing Balance		\$226,000.00			\$ 3,644.70	\$ 12,056.68	\$ 12,810.17	\$ 28,511.55

Dates			
	30/6/15	30/6/16	30/6/17
	30/6/16	30/6/17	30/6/18
Rates			
Div 7A Benchmark	5.45	5.4	5.3
Bond yield + 1 %	3.77	3.76	3.67
Bond yield date	28/12/15	2/1/17	1/1/18
The higher	5.45	5.4	5.3

19 Fy \$254,511.55 x 5.2% Div 7a = \$13,234.60  
Add to total = \$267,746.15

11  
ANNEXURE B  
11

**Non Recourse  
FACILITY AGREEMENT**

**Cogility Pty Ltd - Lender**

**Tobruk Security Pty Ltd- Borrower**



# FACILITY AGREEMENT

## PARTIES

**Lender**                      **Cogility Pty Ltd, (ACN 162 766 403)**

**Borrower**                **Tobruk Security Pty Ltd (ACN 608 684 000)**

## AGREEMENTS

### 1. INTERPRETATION

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#### Definitions

1.1 The meanings of the terms used in this agreement are set out below.

Term	Meaning
<b>Bond based Interest Rate</b>	The rate equal to the 10 Year Australian Commonwealth Government Bond yield, determined as at the 31 <sup>st</sup> of December of the Calendar year preceding the end of the borrowers financial year , plus 1.0%.
<b>Div 7 Benchmark Interest Rate</b>	the same meaning as in section 109N(2) of the Tax Act
<b>Interest Rate</b>	The higher of the Bond based Interest Rate and the Division 7 Benchmark Interest Rate
<b>Drawdown Date</b>	in respect of a Loan, is the date on which a Loan is made to the Borrower
<b>Event of Default</b>	any of the events specified in clause 7.2
<b>Facility</b>	the provision of financial accommodation by the Lender to the Borrower in accordance with this agreement .
<b>Financial Year</b>	Each period of 12 months adopted as the Lender's year of income for tax purposes.
<b>Act of Insolvency</b>	Where a Corporation, takes any step that results or may result becoming an externally administered body corporate as defined in section 9 of the <i>Corporations Act 2001</i> (Cth)
<b>Loan</b>	an advance from the Lender to the Borrower under the Facility
<b>Lodgement Date</b>	the earlier of the lodgement date or due date for lodgement of the Lender's tax return for the Financial Year in which the Drawdown Date occurs

<b>Term</b>	<b>Meaning</b>
<b>Repayment Date</b>	in respect of a Loan, the date which is on or before the last day of the Term
<b>Tax Act</b>	the <i>Income Tax Assessment Act 1936</i> (Cth)
<b>Term</b>	the maximum term for an unsecured loan determined in accordance with section 109N(3)(b) of the Tax Act, calculated from the Drawdown Date

## **2. CONSTRUCTION**

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### **2.1 In this agreement:**

- (a) words in the singular include the plural and vice versa;
- (b) words indicating any gender indicate the appropriate gender;
- (c) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;
- (d) a reference to a person is to be construed as a reference to an individual, body corporate, unincorporated association, partnership, joint venture or government body;
- (e) references to any document (including this agreement) include references to the document as amended, consolidated, supplemented, novated or replaced;
- (f) a reference to a statute includes a reference to all enactments amending or consolidating the statute and to an enactment substituted for the statute and any subordinate legislation, including regulations; and
- (g) headings are included for convenience only and do not affect interpretation of this agreement.

## **3. FACILITY**

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- 3.1 The Borrower may request a Loan from the Lender at any time.
- 3.2 Notwithstanding clause 3.1, the Lender is not obliged to make any Loan
- 3.3 The Parties agree that all monies that have been paid by Cogility directly to Tobruk (or on behalf of Tobruk to third parties) and have not been repaid to Cogility to the date of this agreement are the subject of this facility.
- 3.4 It will not be necessary for the parties to agree in writing that any future individual Loans or drawdowns are subject to this agreement, but agreements that they are not must be in writing between the parties.

## **4. INTEREST**

---

- 4.1 Interest under this facility is to be calculated annually for each Financial Year at the Interest Rate and based on daily rests in respect of all Loans, for their period outstanding during the Financial Year.

- 4.2 The Lender will calculate the interest payable for each Financial Year as soon as practicable after the information required to determine the Interest Rate is available to it.
- 4.3 The Borrower must pay the interest in accordance with clause 5.

## **5. PAYMENT OF INTEREST**

---

- 5.1 **Interest on this facility** is payable annually, on or prior to due date of Lodgement of the Borrower's Tax return, for the preceding Financial Year in the amount calculated by the Lender, in accordance with Clause 4 above.

## **6. REPAYMENT OF CAPITAL**

---

- 6.1 Capital outstanding under this facility is to be repaid to the Lender as "soon as practicable", but subject to:
- the shareholder agreed strategy for the company
  - the "reasonable liquidity" and solvency of the company i.e. When the company is operationally profitable it is to be repaid in parts sufficient to ensure that the company's short-term cash resources are adequate at all times.
- 6.2 Capital outstanding under this facility is to be repaid prior to distributions to shareholders.
- 6.3 Capital outstanding under this facility is due upon and, subject to solvency, to be repaid in the event of a sale of the business of the Borrower.
- 6.4 In any Act of Insolvency, capital outstanding under this Facility is to rank below ordinary unsecured creditors and due and payable only in the amount of surplus assets available thereafter.

## **7. EVENTS OF DEFAULT**

---

- 7.1 If an Event of Default occurs, the Lender may declare by notice to the Borrower that the Facility and accrued interest is immediately due and payable.
- 7.2 An Event of Default occurs if:
- (a) the Borrower does not pay an amount when it becomes due and payable under this agreement;
  - (b) the Borrower becomes Insolvent; or
  - (c) any situation occurs that in the Lender's reasonable opinion causes or might cause a material and adverse change in the business or financial condition of the Borrower or affect the ability of the Borrower to perform its obligations under this agreement.

## **8. GENERAL**

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### **Governing law**

- 8.1 This agreement will be construed in accordance with the laws in force in Queensland and the parties submit to the jurisdiction of the courts of Queensland.

**Reference to a party**

- 8.2 Any reference to a party in this agreement includes, and any obligation or benefit under this agreement will bind or take effect for the benefit of, that party's executors, administrators, successors in title and assigns.

**Duty and legal fees**

- 8.3 Unless the parties agree otherwise, the Borrower will pay all legal and other costs and expenses relating to this agreement including any duty.

**Severability**

- 8.4 If any part of this agreement is invalid or unenforceable, that part will (if possible) be read down to the extent necessary to avoid the invalidity or unenforceability, or alternatively will be deemed deleted; and this agreement will remain otherwise in full force.

**Waiver**


- 8.5 The failure of a party to this agreement to enforce a provision or the granting of any time or indulgence will not be construed as a waiver of the provision nor of a waiver of the right of the party at a later time to enforce the provision.

**Counterparts**

- 8.6 This agreement may consist of a number of counterparts and if so the counterparts taken together constitute one and the same instrument.

**SIGNED AS AN AGREEMENT** on the date the last party signed this document.

**SIGNED by Tobruk Pty Ltd (ACN 608 684 000)** in )  
accordance with section 127(1) of the *Corporations* )  
*Act 2001* (Cth) by a director and a director/secretary )  
or by a sole director (if applicable): )



Director

DUNCAN UNWIN

Name

15 SEP 2016

Date



Director/Secretary

KIM ELMS

Name

15 SEPTEMBER 2016

Date

**SIGNED by Cogility PTY LTD 162 766 403** in )  
accordance with section 127(1) of the *Corporations* )  
*Act 2001* (Cth) by a director and a director/secretary )  
or by a sole director (if applicable): )



Director

LEIGH TYSON

Name

15 SEPTEMBER 2016

Date



Director/Secretary

GIL CARTER

Name

15 SEPTEMBER 2016

Date

1

## LETTER TENDERING RESIGNATION BY A COMPANY OFFICER

To the Directors of Tobruk Security Pty Ltd ACN 608 684 000

BY HAND

I, Christopher David Coleman, hereby resign as a Director of Tobruk Security Pty Ltd ACN 608 684 000 with **immediate effect**, noting that:

1. In so far as I am aware, the balance sheet attached is a true and complete representation of the financial affairs of the company as a going concern at this date.
2. On the basis that:
  - a. The terms of existing Loans by the Company from Cogility Pty Ltd (as per a Non-Recourse Loan agreement) and the respective Family Trusts of Duncan Unwin and Kim Elms are payable only to the extent of the company's solvency and subject to the company's liquidity.
  - b. further loan funding (that being \$26,000 from Cogility Pty Ltd and \$4,333 from Duncan Unwin and Kim Elms' Family Trusts each), having been provided to the company today on the same basis.

the company is solvent.

**DATED: 16 September 2016**



.....  
Christopher David Coleman

Balance Sheet Tobruk Security Pty Ltd						
	31 Aug 2016	31 Aug 2016 Liquidated Value	31 Aug 2016 Not Included	31 Aug 2016 Full Liquidated Position	At 15 Sep As Going Concern	Notes
<b>Assets</b>						
Bank						
Business Account	\$2,991.60	\$2,991.60		\$2,991.60		
<b>Total Bank</b>	<b>\$2,991.60</b>	<b>\$2,991.60</b>	<b>\$0.00</b>	<b>\$2,991.60</b>	<b>\$2,991.60</b>	
<b>Current Assets</b>						
Accounts Receivable	\$28,042.64	\$28,042.64		\$28,042.64		
Work in Progress Unbilled at 31/8			\$3,000.00	\$3,000.00		Nick advised VJ's WIP on Land Vic is 336hrs to date and not finished, but only budgeted 208 hours - fixed price - severe overrun!!
Invoices to be raised in September					\$17,415.45	Includes half of the invoice to D3/BA/Lands Vic - has the customer accepted this for payment?
September work @ 100%					\$5,000.00	TSA Software delivered in August Balance of Vic Lands - includes GST of \$1,583 which will be payable to the ATO
Cash on Hand	\$100.00	\$0.00		\$0.00		Emantra projects
<b>Total Current Assets</b>	<b>\$28,142.64</b>	<b>\$28,042.64</b>	<b>\$3,000.00</b>	<b>\$31,042.64</b>	<b>\$53,458.09</b>	
<b>Fixed Assets</b>						
Office Equipment	\$3,529.15	\$0.00		\$0.00		
<b>Total Fixed Assets</b>	<b>\$3,529.15</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>		
<b>Non-current Assets</b>						
Formation Costs	\$742.00	\$0.00		\$0.00		
<b>Total Non-current Assets</b>	<b>\$742.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>		
<b>Total Assets</b>	<b>\$35,405.39</b>	<b>\$31,034.24</b>	<b>\$3,000.00</b>	<b>\$34,034.24</b>	<b>\$56,449.69</b>	
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Accounts Payable	\$200.00	\$200.00		\$200.00		
BAS Payable (June BAS Overdue)	\$24,223.00	\$24,223.00		\$24,223.00		Overdue Component
GST (on raised invoices)	\$2,430.31	\$2,430.31		\$2,430.31		On invoices raised
PAYG Withholdings Payable (July-August)	\$14,590.00	\$14,590.00		\$14,590.00		
Superannuation Payable (July - August)	\$4,896.94	\$4,896.94		\$4,896.94		
<b>Additional Liabilities at 31/8</b>						
Net Wages (exc Withholding) incurred in August (payable 15/9)			\$10,790.00	\$10,790.00		Valdemar & Leo only - NET of PAYGW - based on timesheets to 29/08/16
Super Incurred in August (Payable 15/9)			\$1,499.10	\$1,499.10		
PAYGW August			\$5,230.00	\$5,230.00		PAYGW from Valdemar & Leo's wages
Mel's time for August			\$440.00	\$440.00		
Subcontractors on August WIP			\$0.00	\$0.00		All included in figures above for V & L
Accruals (leave owing etc at end of August)			\$9,479.95	\$9,479.95		Estimate of gross (inc super) holiday owing to Nick (assuming none already taken)
1 Month Notice for Nick (inc gross, super etc)			\$11,862.14	\$11,862.14	-\$11,862.14	Assuming 1 month notice given 31 August and covered in wages below.
<b>Additional Incurred in September</b>						
Net Wages (exc Withholding) incurred in September					\$7,609.33	Nick's wages only - this is net of PAYGW - his gross is \$10,833.33 per month (\$130K + super per annum)
Super Incurred in September					\$1,029.17	
Additional PAYGW in September					\$3,224.00	
Subcontractors used in September (Mc Lands)					\$0.00	Validmir to deliver on Vic Lands (\$120h + super) Project in overrun (336 hrs spent already) Billi rate is \$152
Subcontractors used in September (Other eg eMantra)					\$3,000.00	Cover cost on delivery of \$5000 of eMantra projects - any other cost not recognised? TSA already in August payables?
Additional Accruals (leave owing incurred in september)					\$0.00	
GST on Invoices Raised in September					\$1,583.00	
<b>Total Current Liabilities</b>	<b>\$46,340.25</b>	<b>\$46,340.25</b>	<b>\$39,301.19</b>	<b>\$85,641.44</b>	<b>\$90,224.80</b>	
<b>Non-Current Liabilities</b>						
Loan - Cogility	\$200,000.00	\$0.00	\$0.00	\$0.00		
<b>Total Non-Current Liabilities</b>	<b>\$200,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>		
<b>Total Liabilities</b>	<b>\$246,340.25</b>	<b>\$46,340.25</b>	<b>\$39,301.19</b>	<b>\$85,641.44</b>	<b>\$90,224.80</b>	
<b>Net Assets</b>	<b>-\$210,934.86</b>	<b>-\$15,306.01</b>	<b>-\$36,301.19</b>	<b>-\$51,607.20</b>	<b>-\$33,775.11</b>	**** primary difference is using 1 month notice on Nick and continuing to trade.
<b>Equity</b>						
Current Year Earnings	\$31,672.39	\$31,672.39				
Owner A Share Capital	\$100.00	\$100.00				
Retained Earnings	-\$179,362.47	-\$179,362.47				
<b>Total Equity</b>	<b>-\$147,590.08</b>	<b>-\$147,590.08</b>	<b>\$0.00</b>			
<b>Further Shareholder / Loan Funding Required</b>						
					- 4,221.89 (1/8)	
			Cogility Block		- 25,331.33	26,000
			Duncan		- 4,221.89	4,333
			Kim		- 4,221.89	4,333
<b>Total Funds Required</b>					<b>- 33,775.11</b>	<b>34,666.00</b>
						Proposed further loan funding as at 15 September 2016

## LETTER TENDERING RESIGNATION BY A COMPANY OFFICER

To the Directors of Tobruk Security Pty Ltd ACN 608 684 000

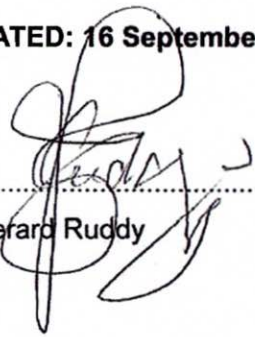
BY HAND

I, Gerard James Ruddy, hereby resign as a Director of Tobruk Security Pty Ltd ACN 608 684 000 with **immediate effect**, noting that:

1. In so far as I am aware, the balance sheet attached is a true and complete representation of the financial affairs of the company as a going concern at this date.
2. On the basis that:
  - a. The terms of existing Loans by the Company from Cogility Pty Ltd (as per a Non-Recourse Loan agreement) and the respective Family Trusts of Duncan Unwin and Kim Elms are payable only to the extent of the company's solvency and subject to the company's liquidity.
  - b. further loan funding (that being \$26,000 from Cogility Pty Ltd and \$4,333 from Duncan Unwin and Kim Elms' Family Trusts each), having been provided to the company today on the same basis.

the company is solvent.

**DATED: 16 September 2016**



Gerard Ruddy

---

**Balance Sheet**  
**Tobruk Security Pty Ltd**

	31 Aug 2016	31 Aug 2016 Liquidated Value	31 Aug 2016 Not Included	31 Aug 2016 Full Liquidated Position	At 15 Sep As Going Concern	Notes
<b>Assets</b>						
Bank						
Business Account	\$2,991.00	\$2,991.00		\$2,991.00		
<b>Total Bank</b>	<b>\$2,991.00</b>	<b>\$2,991.00</b>	<b>\$0.00</b>	<b>\$2,991.00</b>	<b>\$2,991.00</b>	
<b>Current Assets</b>						
Accounts Receivable	\$28,042.84	\$28,042.84		\$28,042.84		Includes half of the Invoice to DS/BA/Lands Vic - has the customer accepted this for payment?
Work in Progress Unbilled at 31/8			\$3,000.00	\$3,000.00		TSA Software delivered in August Balance of Vic Lands - includes GST of \$1,583 which will be payable to the ATO
Invoices to be raised in September					\$17,415.45	Emantra projects
September work @ 100%					\$5,000.00	
Cash on Hand	\$100.00	\$0.00		\$0.00		
<b>Total Current Assets</b>	<b>\$28,142.84</b>	<b>\$28,042.84</b>	<b>\$3,000.00</b>	<b>\$31,042.84</b>	<b>\$53,458.09</b>	
<b>Fixed Assets</b>						
Office Equipment	\$3,529.15	\$0.00		\$0.00		
<b>Total Fixed Assets</b>	<b>\$3,529.15</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	
<b>Non-current Assets</b>						
Formation Costs	\$742.00	\$0.00		\$0.00		
<b>Total Non-current Assets</b>	<b>\$742.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	
<b>Total Assets</b>	<b>\$35,405.39</b>	<b>\$31,034.24</b>	<b>\$3,000.00</b>	<b>\$34,034.24</b>	<b>\$56,449.09</b>	
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Accounts Payable	\$200.00	\$200.00		\$200.00		
BAS Payable (June BAS Overdue)	\$24,223.00	\$24,223.00		\$24,223.00		Overdue Component
GST (on raised invoices)	\$2,430.31	\$2,430.31		\$2,430.31		On invoices raised
PAYG Withholdings Payable (July-August)	\$14,590.00	\$14,590.00		\$14,590.00		
Superannuation Payable (July - August)	\$4,898.94	\$4,898.94		\$4,898.94		
<b>Additional Liabilities at 31/8</b>						
Net Wages (exc Withholding) Incurred in August (payable 15/9)			\$10,700.00	\$10,700.00		Valdemer & Leo only - NET of PAYGW - based on timesheets to 29/08/16
Super Incurred in August (Payable 15/9)			\$1,499.10	\$1,499.10		
PAYGW August			\$5,230.00	\$5,230.00		PAYGW from Valdemer & Leo's wages
Mit's fine for August			\$440.00	\$440.00		
Subcontractors on August WIP			\$0.00	\$0.00		All included in figures above for V & L
Accruals (leave owing etc at end of August)			\$9,479.05	\$9,479.05		Estimate of gross (no super) holiday owing to Nick (assuming none already taken)
1 Month Notice for Nick (no gross, super etc)			\$11,862.14	\$11,862.14	-\$11,862.14	Assuming 1 month notice given 31 August and covered in wages below
<b>Additional Incurred in September</b>						
Net Wages (exc Withholding) Incurred in September					\$7,000.33	Nick's wages only - this is net of PAYGW - his gross is \$10,833.33 per month (\$130K + super per annum)
Super Incurred in September					\$1,029.17	
Additional PAYGW in September					\$3,224.00	
Subcontractors used in September (Vic Lands)					\$0.00	Validmit to deliver on Vic Lands (\$120h + super) Project in overrun (336 hrs spent already) Bill rate is \$152
Subcontractors used in September (Other eg emantra)					\$3,000.00	Cover cost on delivery of \$5000 of emantra projects - any other cost not recognised? TSA already in August payables?
Additional Accruals (leave owing Incurred in September)					\$0.00	
GST on Invoices Raised in September					\$1,583.00	
<b>Total Current Liabilities</b>	<b>\$46,349.25</b>	<b>\$46,349.25</b>	<b>\$39,301.19</b>	<b>\$65,041.44</b>	<b>\$90,224.80</b>	
<b>Non-Current Liabilities</b>						
Loan - Cogilly	\$200,000.00	\$0.00	\$0.00	\$0.00		
<b>Total Non-Current Liabilities</b>	<b>\$200,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	
<b>Total Liabilities</b>	<b>\$246,349.25</b>	<b>\$46,349.25</b>	<b>\$39,301.19</b>	<b>\$65,041.44</b>	<b>\$90,224.80</b>	
<b>Net Assets</b>	<b>-\$210,934.86</b>	<b>-\$15,308.01</b>	<b>-\$36,301.19</b>	<b>-\$31,007.20</b>	<b>-\$33,775.11</b>	
<b>Equity</b>						
Current Year Earnings	\$31,872.39	\$31,872.39				
Owner A Share Capital	\$100.00	\$100.00				
Retained Earnings	-\$179,362.47	-\$179,362.47				
<b>Total Equity</b>	<b>-\$147,390.08</b>	<b>-\$147,390.08</b>	<b>\$0.00</b>			

Further Shareholder / Loan Funding Required

- 4,221.89 (1/8)

Cogilly Block  
Duncan  
Kim

- 25,331.33 20,000  
- 4,221.89 4,333  
- 4,221.89 4,333

Proposed further loan funding as at 15 September 2016

**Total Funds  
Required**

- 33,775.11 34,000.00



ASIC

Australian Securities & Investments Commission

## Current Company Extract

**Name:** TOBRUK SECURITY PTY LTD

**ACN:** 608 684 000

unrelated entity

Date/Time: 30 March 2020 AEST 05:14:22 PM

This extract contains information derived from the Australian Securities and Investments Commission's (ASIC) database under section 1274A of the Corporations Act 2001.

Please advise ASIC of any error or omission which you may identify.

EXTRACT

Organisation Details	Document Number
<b>Current Organisation Details</b>	
Name: TOBRUK SECURITY PTY LTD	2E2546590
ACN: 608 684 000	
ABN: 98608684000	
Registered in: Queensland	
Registration date: 12/10/2015	
Next review date: 12/10/2020	
Name start date: 12/10/2015	
Status: Registered	
Company type: Australian Proprietary Company	
Class: Limited By Shares	
Subclass: Proprietary Company	

Address Details	Document Number
<b>Current</b>	
Registered address: Ground Floor, 15 Winship Street, RED HILL QLD 4059	7EAO58574
Start date: 28/08/2019	
Principal Place Of Business address: Ground Floor, 15 Winship Street, RED HILL QLD 4059	7EAO58574
Start date: 01/08/2019	

Contact Address
Section 146A of the Corporations Act 2001 states 'A contact address is the address to which communications and notices are sent from ASIC to the company'.
<b>Current</b>
Address: PO BOX 473, BEENLEIGH QLD 4207
Start date: 14/10/2015

Officeholders and Other Roles	Document Number
<b>Director</b>	
Name: KIM JOHN ELMS	7E7831211
Address: 17 Piccadilly Place, CARINDALE QLD 4152	
Born: 10/04/1969, TOOWOOMBA, QLD	
Appointment date: 18/03/2016	
Name: DUNCAN WADE UNWIN	7EAO58574
Address: Level 1, 15 Winship Street, RED HILL QLD 4059	
Born: 09/02/1967, BALLARAT, VIC	
Appointment date: 18/03/2016	
<b>Secretary</b>	
Name: KIM JOHN ELMS	7E8424782
Address: 17 Piccadilly Place, CARINDALE QLD 4152	
Born: 10/04/1969, TOOWOOMBA, QLD	
Appointment date: 12/10/2016	

1 of 2 directors  
- significant influence?  
Brad spoke to Duncan at great lengths about this at the SOA/establishment stages. Duncan confirmed neither Kim or Duncan are in control of the company. Nor, are they connected to each other (as a partnership).

**Share Information****Share Structure**

Class	Description	Number issued	Total amount paid	Total amount unpaid	Document number
ORD	ORDINARY SHARES	160	160.00	0.00	7E7803420

**Members**

Note: For each class of shares issued by a proprietary company, ASIC records the details of the top twenty members of the class (based on shareholdings). The details of any other members holding the same number of shares as the twentieth ranked member will also be recorded by ASIC on the database. Where available, historical records show that a member has ceased to be ranked amongst the top twenty members. This may, but does not necessarily mean, that they have ceased to be a member of the company.

Name: TYSON GROUP PTY LTD  
 ACN: 164 780 901  
 Address: 1 Fairy Wren Court, BONOGIN QLD 4213

Class	Number held	Beneficially held	Paid	Document number
ORD	20	no	FULLY	7E7845804

Name: BS MCLEARIE PTY LTD  
 ACN: 162 766 207  
 Address: 27 Phalerum Avenue, SEVEN HILLS QLD 4170

Class	Number held	Beneficially held	Paid	Document number
ORD	20	no	FULLY	7E7845804

Name: HC FAMILY PTY LTD  
 ACN: 105 038 631  
 Address: 19 Cobble Street, THE GAP QLD 4061

Class	Number held	Beneficially held	Paid	Document number
ORD	20	no	FULLY	7E7845804

Name: WADESON STEPHEN  
 Address: 89 Whitehall Avenue, BIRKDALE QLD 4159

Class	Number held	Beneficially held	Paid	Document number
ORD	20	no	FULLY	7E7845804

Name: INFINITE EQUITY PTY LTD  
 ACN: 125 415 198  
 Address: 17 Piccadilly Place, CARINDALE QLD 4152

Class	Number held	Beneficially held	Paid	Document number
ORD	20	no	FULLY	7E7845804

Name: GILBERT J CARTER PTY LTD  
 ACN: 600 317 744  
 Address: 41 Olsen Crescent, WAKERLEY QLD 4154

Class	Number held	Beneficially held	Paid	Document number
ORD	20	no	FULLY	7E7987197

Name: GAMMEG PTY. LTD.  
 ACN: 009 792 536  
 Address: Unit 10, 178 Bowen Terrace, NEW FARM QLD 4005

Class	Number held	Beneficially held	Paid	Document number
ORD	20	no	FULLY	7EAA50065

Joint members

Name: DUNCAN WADE UNWIN  
 Address: Level 1, 15 Winship Street, RED HILL QLD 4059  
 Name: RACHEL MARGARET TEW  
 Address: Level 1, 15 Winship Street, RED HILL QLD 4059

1/6th share holder  
 Thus not controlling vote

Class	Number held	Beneficially held	Paid	Document number
ORD	20	no	FULLY	7EAO58574

## Documents

Note: Where no Date Processed is shown, the document in question has not been processed. In these instances care should be taken in using information that may be updated by the document when it is processed. Where the Date Processed is shown but there is a zero under No Pages, the document has been processed but

a copy is not yet available.

Date received	Form type	Date processed	Number of pages	Effective date	Document number
29/05/2018	484A2 Change To Company Details Change Member Name Or Address	29/05/2018	2	29/05/2018	7EAA50065
21/08/2019	484 Change To Company Details 484B Change Of Registered Address 484C Change Of Principal Place Of Business (Address) 484A1 Change Officeholder Name Or Address 484A2 Change Member Name Or Address	21/08/2019	3	21/08/2019	7EAO58574

\*\*\*End of Extract of 4 Pages\*\*\*

#### 1.10.1.4 Vacant Land

Vacant land may be business real property where the land is being used in a business. The key is that there must be use of the land (ie there are activities, operations or actions occurring on the land) (eg primary production land, car park) [SMSFR 2009/1 para 174 to 175].

Vacant land held for development purposes may also be regarded as business real property where used as part of a land development business [SMSFR 2009/1 para 171 to 173]. Typically such land would be trading stock of the land developer.

Temporarily vacant commercial premises will remain business real property, even where the premises are currently unleased, provided the property is simply 'between leases' and the owner has not abandoned their plans to lease the property [SMSFR 2009/1 para 227 to 228]. Further the business use of the property must not be simply 'transitory or temporary'.

### 1.10.2 What is a Related Party?

The acquisition of assets and in-house asset rules of SIS s.66 and SIS s.71 both rely on the concept of 'a related party of the fund'.

A 'related party' is defined as [SIS s.10(1)]:

- a member of the fund, or
- a standard employer sponsor of the fund, or
- a Part 8 associate of a member or standard employer sponsor.

#### 1.10.2.1 Employer Sponsors

A standard employer sponsor is caught as a related party, whereas a non-standard employer sponsor is not. Importantly, a standard employer sponsor is caught as a related party even where the fund members/trustees have no 'control' over the employer entity.

A standard employer sponsor is an employer who contributes to the fund pursuant to an arrangement with the fund trustees, rather than an arrangement with a fund member [SIS s.16(2), SMSFR 2009/4 paras 137 to 139]. By comparison, where the employer contributes to the fund pursuant only to an arrangement with the fund member (ie the employer's employee), the employer is not regarded as a standard employer sponsor.

Accordingly, where funds have investments in, or loans to, an entity which makes contributions to the fund, it will be necessary to review the circumstances of the arrangement by which contributions are being made. Whilst no formal guidelines have been issued, the following considerations may assist advisers in making a determination of whether or not an entity is the fund's standard employer sponsor (and thus the investment/loan an in-house asset).

Table 3 Standard Employer Sponsor vs Non-standard Employer Sponsor

Indications of Standard Employer Sponsor	Indications of Non-standard Employer Sponsor
The employer sponsor is a party to the SMSF's trust deed.	The employer sponsor is not a party to the SMSF's trust deed.
The SMSF's trust deed dictates that employers must contribute pursuant to an arrangement between the employer and the trustees.	The SMSF was established prior to commencing employment with the employer sponsor.
The SMSF trustee requests that contributions are made by the employer sponsor to the SMSF.	Contributions are made to the SMSF as a result of the employee/member requesting such on their employment 'enrolment' forms.
The employee requests that contributions are paid in the form of shares in the employer entity rather than a cash contribution to the fund.	

In the context of a SMSF, it may be difficult to prove an employer was not a standard employer sponsor and the ATO has the power to deem an employer to be a standard employer sponsor [SIS s.70A(1)]. Accordingly, we recommend a substance over form approach and erring on the side of caution.

#### 1.10.2.2 Part 8 Associate

In addition to members and standard employer sponsors, the Part 8 associates of the member and the standard employer sponsor are also included as related parties. The member and their Part 8 associates, or the standard employer sponsor and their associates, are then each regarded as a 'group' for related party purposes.

##### 1.10.2.2.1 Part 8 Associate of Member

The Part 8 associates of a member are described in the table below.

Table 4 Part 8 Associate of Member

If the member is .....	The following persons/entities are Part 8 associates of the member
A relative	<ul style="list-style-type: none"> <li>a) a spouse of the member (including de factos and same-sex partners [SIS s.10(1)]),</li> <li>b) a parent, grandparent, brother, sister, uncle, aunt, nephew or niece of the member or his/her spouse,</li> <li>c) a lineal descendant or adopted child of the member or his/her spouse, and</li> <li>d) the spouse of any individual in b) or c) above [SIS s.70B(a)].</li> </ul>

If the member is .....	The following persons/entities are Part 8 associates of the member
A member of a less than five member superannuation fund	<p>If fund has two to four members: the other members of the fund [SIS s.70B(b)(i)].</p> <p>If fund is a single member fund: the other director of a corporate trustee or the other trustees if individual trustees [SIS s.70B(b)(ii), SIS s.70B(b)(iii)].</p>
A partner in a partnership	The other partners, the other partners' spouses and children and the partnership itself [SIS s.70B(c), SIS s.70B(d)].
Controlling a trust	<p>The trustee of the trust [SIS s.70B(e)]. Control would arise where [SIS s.70E(2)]:</p> <ul style="list-style-type: none"> <li>a) the member and/or their Part 8 associates have a fixed entitlement to more than 50% of the income or capital of the trust, or</li> <li>b) the trustee is under an obligation or accustomed to act in accordance with the directions of the member and/or their Part 8 associates [Gutteridge and Commission of Taxation [2013] AATA 947], or</li> <li>c) the member and/or their Part 8 associates are able to change the trustee of the trust.</li> </ul>
<p><b>Controlling a company</b></p> <p>Brad spoke to Duncan at great lengths about this at the SOA/establishment stages. Duncan confirmed neither Kim or Duncan are in control of the company. Nor, are they connected to each other (ie in partnership).</p>	<p>The company [SIS s.70B(f)]. Control would arise where the company is 'sufficiently influenced' by the member and/or their Part 8 associates or where the member and/or their Part 8 associates together have a 'majority voting interest'.</p> <ul style="list-style-type: none"> <li>a) 'sufficiently influenced' means the directors are under an obligation or are accustomed to act in accordance with the directions of the member and/or their Part 8 associates [SIS s.70E(1)(a), Gutteridge and Commission of Taxation [2013] AATA 947]</li> <li>b) 'majority voting interest' means the member and/or their Part 8 associates are in a position to cast, or control, the casting of more than 50% of the maximum number of votes that might be cast at a general meeting [SIS s.70E(1)(b)]</li> </ul>

#### 1.10.2.2.2 Part 8 Associate of Standard Employer Sponsor

The Part 8 associates of a standard employer sponsor will depend on whether the employer sponsor is an individual or a company. Note, if the employer sponsor is a trust, the determination is made based on who is the trustee of the trust.

If the employer sponsor is an *individual*, his/her Part 8 associates are described in the table below.



## Division 7A - benchmark interest rate

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- <https://www.ato.gov.au/Rates/Division-7A---benchmark-interest-rate/>
- Last modified: 09 Jul 2019
- QC 17928

## Division 7A – benchmark interest rate

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Under Division 7A of Part III of the *Income Tax Assessment Act 1936*, the 'benchmark interest rate' for an income year is the 'Indicator Lending Rates – Bank variable housing loans interest rate'. This is the 'Housing loans; Banks; Variable; Standard; Owner-occupier' rate last published by the [Reserve Bank of Australia](#)<sup>2</sup> before the start of the income year.

### Benchmark interest rates

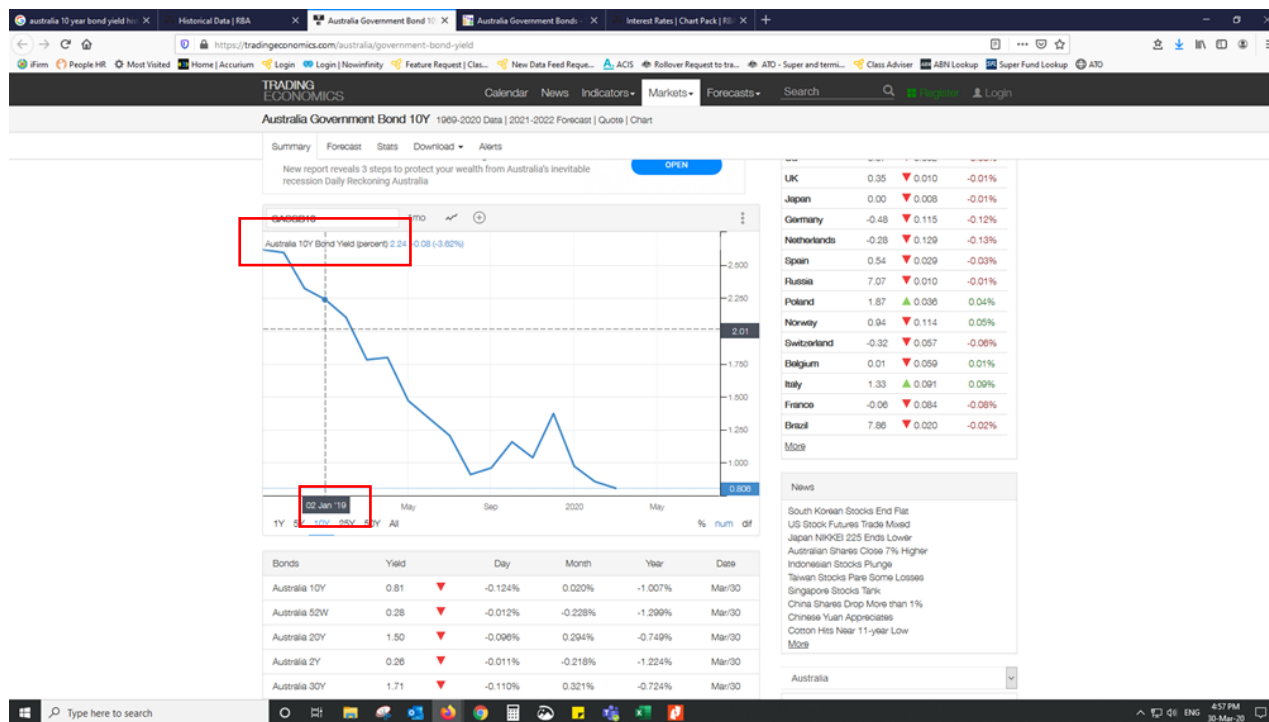
These rates apply to private companies with an income year ending 30 June.

A private company that meets certain requirements may adopt an income year ending on a date other than 30 June – a [substituted accounting period](#). Those companies will need to determine the relevant rate.

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#### Benchmark interest rates

Year of income ended 30 June	%	ATO reference
2020	5.37%	This is the 'Indicator Lending Rates - Bank variable housing loans interest rate' published by the Reserve Bank of Australia on 4 June 2019. Note: Annual Taxation Determinations for the benchmark interest rate are no longer published.
2019	5.20%	<a href="#">TD 2018/14</a>
2018	5.30%	<a href="#">TD 2017/17</a>
2017	5.40%	<a href="#">TD 2016/11</a>



2.24% yield + 1% = 3.24% interest rate

# Australia 10-Year Bond Yield

Sydney

0.800 +0.012 (+1.52%)

18:05:03 - Real-time Data. ( [Disclaimer](#) )

Add to Portfolio

Create Alert

Type: Bond

Group: Government

Market: [Australia](#)

Prev. Close: 0.788    Day's Range: 0.770 - 0.874

General   [Chart](#)   [News & Analysis](#)   [Technical](#)   [Forum](#)

[Overview](#)   [Historical Data](#)

## Australia 10-Year Bond Yield Historical Data

Time Frame:  
Daily

Download Data

29/12/2018 - 02/01/2019

Date	Price	Open	High	Low	Change %
Jan 02, 2019	2.283	2.328	2.347	2.281	-0.61%
Jan 01, 2019	2.297	2.317 + 1%	2.347	2.297	-1.08%
Dec 31, 2018	2.322	2.335 = 3.317	2.348	2.322	-0.60%
Dec 30, 2018	2.336	2.360	2.360	2.335	-1.02%
Dec 29, 2018	2.360	2.360	2.360	2.360	-0.08%
Highest: 2.360		Lowest: 2.281		Difference: 0.079	
				Average: 2.320	
				Change %: -3.345	

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Australia 10-Year Discussions

Form 509H (Paragraph 459E (2)(e))

Corporations Act 2001

## CREDITOR'S STATUTORY DEMAND FOR PAYMENT OF DEBT

To: TOBRUK SECURITY PTY LTD, ACN 608684000 of Level 2, 139-145 Charlotte Street  
Brisbane, QLD 4000.

1. The company owes COGILITY PTY LTD, ACN 162766403 of Level 2, 139-145 CHARLOTTE STREET BRISBANE, QLD 4000. ("the creditor") the amount of \$15,701.38, being the total of the amounts of the debts described in the Schedule.

2. Attached is the affidavit of GERARD JAMES RUDDY, dated 14 DECEMBER 2018, verifying that the amount is due and payable by the company (ATTACHMENT 1)

3. The creditor requires the company, within 21 days after service on the company of this demand:

(a) to pay to the creditor the amount of the debt

~~(b) to secure or compound for the \*amount of the debt/\*total of the amounts of the debts, to the creditor's reasonable satisfaction.~~

4. The creditor may rely on a failure to comply with this demand within the period for compliance set out in subsection 459F(2) as grounds for an application to a court having jurisdiction under the Corporations Act 2001 for the winding up of the company.

5. Section 459G of the Corporations Act 2001 provides that a company served with a demand may apply to a court having jurisdiction under the Corporations Act 2001 for an order setting the demand aside. An application must be made within 21 days after the demand is served and, within the same period:

(a) an affidavit supporting the application must be filed with the court; and

(b) a copy of the application and a copy of the affidavit must be served on the person who served the demand.

**A failure to respond to a statutory demand can have very serious consequences for a company. In particular, it may result in the company being placed in liquidation and control of the company passing to the liquidator of the company.**

6. The address of the creditor for service of copies of any application and affidavit is **COGILTY PTY LTD Level 2, 139-145 Charlotte Street, Brisbane, QLD 4000**

## SCHEDULE

Description of the debt: Interest on Loan Facility. Amount of the debt: \$15701.38

1. The Debt is not a judgement debt

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2. The debt is comprised of two amounts being:

- a. Interest owing in relation to the financial year ended 30<sup>th</sup> June 2016 of \$3,644.70, due on 15 May, 2017;
- b. Interest owing in relation to the financial year ended 30<sup>th</sup> June 2017, of \$12,056.68, due on 15 May 2018

which amounts are payable in accordance with a loan facility agreement, duly executed between Tobruk Security Pty Ltd and Cogility Pty Ltd on 15 September 2016, exhibited as Annexure A to this Schedule

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3. The detailed calculations for each of the amounts due have been made in accordance with the Facility Agreement and are exhibited as Annexure B to this Schedule.

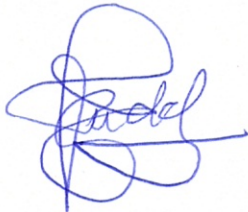
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4. The amounts due and owing have been formally invoiced to the debtor by an invoice with a covering letter sent to the debtor on 9 November 2018, copies of which are exhibited as Annexure C and Annexure D to this schedule.

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Dated: 12 DECEMBER, 2018

signed:



Print name: GERARD JAMES RUDDY capacity: DIRECTOR

Corporation or partnership name (if applicable): COGILITY PTY LTD

NOTES:

1. The form must be signed by the creditor or the creditor's solicitor. It may be signed on behalf of a partnership by a partner, and on behalf of a corporation by a director or by the secretary or an executive officer of the corporation.
2. The amount of the debt or, if there is more than one debt, the total of the amounts of the debts, must exceed the statutory minimum of \$2,000.
3. Unless the debt, or each of the debts, is a judgment debt, the demand must be accompanied by an affidavit that:
  - (a) verifies that the debt, or the total of the amounts of the debts, is due and payable by the company; and
  - (b) complies with the rules.
4. A person may make a demand relating to a debt that is owed to the person as assignee.
5. This form was amended in 2006 as part of amendments of the [\*Corporations Regulations 2001\*](#). For the period of 12 months after the commencement of those amendments a person may comply with [\*paragraph 459E\(2\)\(e\) of the Corporations Act 2001\*](#) in relation to a statutory demand for payment of debt by using:
  - (a) the version of this form that was in force immediately before the commencement of the amendments; or
  - (b) this version of the form.

\* Omit if inapplicable



ABN 84 610 988 451

PO Box 1522  
Carindale QLD 4152  
[admin@Latent.Ventures](mailto:admin@Latent.Ventures)

#### Customer Details:

c/- Gerard Ruddy  
Cogility Pty Ltd  
**ABN:** 84 162 766 403

<b>Invoice #</b>	2018-8-13
<b>Customer ID</b>	Cogility
<b>Date</b>	13-Aug-2018

**Att:** Gerard Ruddy  
[gerard.ruddy@cogility.com.au](mailto:gerard.ruddy@cogility.com.au)

Client - Task	Daily Rate	Monday Date	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Total
BPNG - Stage 2	\$2,000	30 Jul 2018	8	4	8	4	8			32
BPNG - Stage 2	\$2,000	6 Aug 2018	8	8	8	8	8			40

Description	# Days	Daily Rate	Item Total
Bank PNG - Stage 2 Progress Payment	9	\$2,000.00	\$18,000.00
Consulting Period: 30 Jul - 12 Aug			
<b>Notes:</b>			

**Sub-Total** \$18,000.00  
**GST** \$1,800.00

#### Non-GST Payments:

# Days	Daily Per-Diem
	<b>\$75.00</b>
	\$0.00
<b>Grand Total</b>	<b>\$19,800.00</b>

#### **Banking Details:**

**Bank:** Westpac Bank  
**BSB:** 034-001  
**A/c #:** 414120  
**Name:** Latent Ventures Pty Ltd

# Cogility

This Master Professional Services Agreement ("Agreement") is made and entered into effective as of the 29<sup>th</sup> July 2016 ("Effective Date")

BETWEEN **Cogility Pty Ltd** ABN 84 162 766 403, an Australian based limited liability company with its principal place of business at Suite 4, Level 2, 139-145 Charlotte Street, Brisbane QLD 4000; ("**Cogility**")

AND **Latent Ventures Pty Ltd** ABN 84 610 988 451, an Australian based limited liability company with its principal place of business at PO Box 2633, Carindale QLD 4152; ("**Latent Ventures**")

1522

<b>Overview</b>	This agreement states the terms and conditions under which "Latent Ventures" will provide consulting and related professional services to "Cogility" from time to time.
<b>Definitions</b>	<p>Unless otherwise required by the context, the following terms shall have the following meanings respectively:</p> <p><b>"Affiliate"</b> – A business entity controlling, controlled by, or under common control with a party. Control exists when a party owns and controls more than 50% of any company or a company owns and controls more than 50% of a party.</p> <p><b>"Confidential Information"</b> – All non-public information and know how disclosed by a party (the "<b>Disclosing Party</b>") to the other party (the "<b>Receiving Party</b>") in connection with the Agreement, whether orally or in written or electronic form, or in any other form that is either designated as proprietary and/or confidential or, by the nature of the circumstances surrounding disclosure, should in good faith be treated as proprietary and/or confidential, including without limitation the Disclosing Party's proprietary software, and information regarding the Disclosing Party's research and development and business affairs. Confidential Information shall not include any information that the Receiving Party can demonstrate: (a) is or becomes a matter of public knowledge through no fault of the Receiving Party; (b) was or becomes available to the Receiving Party on a non-confidential basis from a third party, provided that such third party is not known or reasonably suspected by the Receiving Party to be bound by an obligation of confidentiality to the Disclosing Party with respect to such Confidential Information; (c) was independently developed by the Receiving Party without reference to the Disclosing Party's Confidential Information; or (d) the Disclosing Party agrees in advance in writing does not constitute Confidential Information.</p> <p><b>"Services"</b> – Consulting and related professional services provided by "Latent Ventures" in accordance with the terms of this Agreement and Statements of Work.</p> <p><b>"Statement of Work"</b> – A written description of a specific engagement in reference to this Agreement executed by "Latent Ventures" and "Cogility", which shall contain applicable information such as a general description of the types of services and deliverables to be provided, the times of performance, roles and responsibilities of each party regarding the project, compensation to be paid to "Latent Ventures", and other terms and conditions as shall be mutually agreed by the parties.</p> <p><b>"Work Product"</b> – Any materials, products, documents, software, or other output produced, created or developed by "Latent Ventures" and required to be delivered to "Cogility" by virtue of their description or specification as a deliverable in a Statement of Work; provided, however, that Work Product shall not include pre-existing works or works developed by "Latent Ventures" independently of the Services provided to "Cogility" unless the relevant Statement of Work specifically identifies those pre-existing or independently created works and states that ownership of them is to be transferred to "Cogility" by "Latent Ventures".</p>

# Cogility

<b>Statements of Work</b>	<p>"Cogility" and "Latent Ventures" may execute one or more Statements of Work from time to time. Each Statement of Work shall reference this Agreement and shall be governed by the terms and conditions of this Agreement. All such Statements of Work and any attachments or exhibits thereto are incorporated by reference herein and form an operative part of this Agreement. In the event of any conflict between the terms of a Statement of Work and the terms contained in the body of this Agreement, the terms in the body of this Agreement shall prevail unless the Statement of Work specifically states that the parties have agreed to modify the terms of this Agreement, with specific reference to the section(s) of this Agreement to be modified. Any such modification shall apply solely to the individual Statement of Work.</p>
<b>Services</b>	<p>"Latent Ventures" shall perform Services as set forth in one or more mutually agreed upon Statements of Work.</p>
<b>Warranties</b>	<p>"Latent Ventures" warrants that its personnel performing Services under this Agreement possess adequate professional proficiency for the tasks required and that they shall perform the Services in a professional, workmanlike and skilful manner. "Latent Ventures" further warrants that the Services shall conform in all material respects to the technical specifications described in the applicable Statement of Work.</p> <p>To the best of its' knowledge, any Work Product provided or developed by "Latent Ventures" will be free from all computer viruses, worms, time-outs, time bombs, back doors, disabling devices and other harmful or malicious code that may damage disrupt, inconvenience or permit access to the Work Product's user's or another's software, hardware, networks, data or information.</p>
<b>Non-conforming Work Product</b>	<p>"Latent Ventures", at no extra cost, shall correct any Work Product that fails to conform to specifications set forth in the Statements of Work in any material respect and shall make any corrections or adjustments necessary to meet specified requirements without delay after it receives written notice that such conditions exist, providing said failure is deemed directly attributable to the performance of the "Latent Ventures", or products developed and services rendered by "Latent Ventures" in respect to the Statement of Work. If "Latent Ventures" is unable to correct any material non-conformity after a reasonable period of time, "Cogility" may terminate the Statement of Work or the portion thereof relating to such non-conformity, and "Latent Ventures" will refund to "Cogility" any amounts paid by "Cogility" to "Latent Ventures" for the non-conforming Work Product.</p>
<b>Changes in Services</b>	<p>"Cogility" may request changes in the Services consisting of additions, deletions or modifications. All such changes shall be mutually agreed upon by the parties, including any changes in fees or expenses, if applicable, and shall be documented in writing in the form of an Amended Statement of Work. All provisions of this Agreement shall apply to any changes, omissions or extra work or service in the same manner and to the extent as if the additional service had originally been contracted for.</p>

<p><b>Confidentiality</b></p>	<p>Each party shall retain in confidence all Confidential Information of the other party; provided, however, that the Receiving Party may disclose the Disclosing Party's Confidential Information on a need to know basis to (a) the Receiving Party's consultants who agree in writing to be bound by these non-disclosure obligations and (b) the Receiving Party's employees, where "need to know" means that the person to whom such Confidential Information is being disclosed requires such information in order to perform his or her responsibilities. Each party shall use at least the same degree of care in safeguarding the other party's Confidential Information as it uses in safeguarding its own Confidential Information, subject to minimum standard of reasonable diligence and protection.</p> <p>In the event the Receiving Party is required to disclose the Disclosing Party's Confidential Information in order to comply with applicable laws or regulations or with a valid order of court or other governmental body of Australia, or any other legal requirement or process (including by oral question, interrogatories, request for information or documents, subpoena, civil investigative demand or civil process), the Receiving Party may make such disclosure, but only to the extent necessary, based on the reasonable opinion of the Receiving Party's counsel, for the purposes of such required disclosure, and provided that the Receiving Party takes all reasonable actions to obtain confidential treatment for such disclosure and, except as may be prohibited by law or regulatory authority, promptly notifies the Disclosing Party in order to provide the Disclosing Party an opportunity to seek an order to restrain disclosure.</p> <p>The Receiving Party recognizes and acknowledges that any use or disclosure of the Disclosing Party's Confidential Information in a manner inconsistent with the provisions of this Agreement may cause the Disclosing Party irreparable damage for which remedies at law may be inadequate, and the Receiving Party agrees that in any request to a court of competent jurisdiction by the Disclosing Party for injunctive or other equitable relief seeking to restrain such use or disclosure, the Receiving party will not maintain that such remedy is not appropriate under the circumstances.</p>
<p><b>Representations and Agreements</b></p>	<p>Each of "Latent Ventures" and "Cogility" represents and warrants that it has full power and authority to enter into this Agreement and to perform its obligations hereunder, and that this Agreement has been duly authorized, executed and delivered by it and constitutes its valid, binding and legally enforceable agreement.</p> <p>Each party shall comply with all laws, regulations and ordinances applicable to such party as they relate to this Agreement and the Services delivered hereunder. "Latent Ventures" shall obtain and maintain in force all permits and licenses necessary to enable "Latent Ventures" to lawfully perform the Services required under this Agreement</p> <p>The parties are independent contractors. Nothing in this Agreement or in the activities contemplated by the parties hereunder shall be deemed to create any agency, partnership, employment or joint venture relationship between the parties.</p>

<p><b>Latent Ventures' Employment Responsibilities</b></p>	<p>"Latent Ventures" shall have sole responsibility for selecting, hiring, training, paying, supervising, directing and discharging all persons to be used by "Latent Ventures" in the performance of this Agreement. Such persons will not be deemed employees of "Cogility" and shall not be entitled to, and will not receive, any benefits normally afforded to employees of "Cogility". "Cogility" reserves the right to request that "Latent Ventures" replace any person assigned to perform work under this Agreement who, in Cogility's reasonable judgment, is not satisfactory to "Cogility". In such event, "Latent Ventures" will meet with "Cogility" to discuss Cogility's concerns and, if "Latent Ventures" determines that replacement is appropriate, "Latent Ventures" will promptly replace such person.</p> <p>"Latent Ventures" will be responsible for withholding all applicable state, local and federal employment taxes and for providing statutory and non-statutory benefits to all such persons, including but not limited to: PAYG Withholding, State Payroll Tax, Superannuation, and all forms of Leave including Sick, Holiday, Carer, Compassionate, Long Service.</p> <p>If the Services performed by "Latent Ventures" involve access to "Cogility" systems:</p> <ul style="list-style-type: none"> <li>(i) All "Latent Ventures" personnel performing Services on-site at Cogility's premises will comply with Cogility's applicable security requirements, provided that copies thereof have been provided to "Latent Ventures" in writing.</li> <li>(ii) "Cogility" may require "Latent Ventures" to perform background checks on its personnel which include but are not limited to the following: <ul style="list-style-type: none"> <li>(a) a determination that the employee is an Australian citizen or is eligible to work in the Australia pursuant to applicable federal law;</li> <li>(b) a verification of the employee's educational background and employment background;</li> <li>(c) a governmental Motor Vehicles record check;</li> <li>(d) finger printing;</li> <li>(e) State or Federal level checks for convictions and misdemeanors and felonies; and</li> <li>(f) a Federal or State Police check for all arrests, misdemeanors, and felonies.</li> </ul> </li> </ul> <p>If the latter check reveals a criminal record on an individual currently placed with "Cogility", "Latent Ventures" will notify the manager of the department where the individual is working and/or a "Cogility" Human Resources representative promptly upon learning of the record, at which time further appropriate action may be taken at Cogility's sole discretion.</p> <ul style="list-style-type: none"> <li>(iii) "Cogility" may require that each Representative of "Latent Ventures" have a current drug screening test for the type of drugs and at the levels for each such drug as required for "Cogility" employees.</li> </ul>
<p><b>Responsibilities of "Cogility"</b></p>	<p>"Cogility" agrees that it will cooperate reasonably with "Latent Ventures" in connection with the performance of the Services, including the provision of appropriate facilities and access to appropriate personnel necessary for Latent Ventures' performance hereunder. "Cogility" will perform or fulfil all obligations required to be performed or fulfilled by "Cogility" under the relevant Statement of Work. "Cogility" acknowledges that if it fails to provide assistance and perform or fulfil its obligations in accordance with this Agreement and the relevant Statement of Work, Latent Ventures' ability to provide the Services and meet the schedule and any milestones set forth in such Statement of Work may be adversely affected.</p>

## **Ownership of Work Product**

(a) The Work Product shall be a "work made for hire" under the Australian copyright laws owned exclusively by "Cogility"; and, alternatively, if such Work Product is not deemed to be a "work made for hire," "Latent Ventures" irrevocably assigns to "Cogility", and if such assignment in advance shall not be deemed to be effective, shall irrevocably assign to "Cogility", all ownership rights and other right, title and interest "Latent Ventures" or any of its personnel may have in any such Work Products. "Cogility" shall own all right, title and interest in and to any intellectual property represented by or embodied in any of the Work Products, including but not limited to all patents, patent applications, copyrights and other intellectual property rights relating to or associated with the Work Products, and "Latent Ventures" irrevocably assigns to "Cogility", and if such assignment in advance shall not be deemed to be effective, shall irrevocably assign to "Cogility", all ownership rights and other right, title and interest "Latent Ventures" or any of its personnel may have in any such intellectual property. All Work Product created by "Latent Ventures" is for the sole and exclusive use of "Cogility". The foregoing notwithstanding, "Cogility" agrees to use the Work Product only in connection with its own business and further agrees not to distribute, license, sell, or otherwise transfer the Work Product or any other work based on or derived therefrom without the prior written consent (not to be unreasonably withheld) of "Latent Ventures".

(b) Notwithstanding the provisions of Section (a) hereof, "Cogility" acknowledges and agrees that "Latent Ventures" has proprietary methodologies, techniques and tools, which are valuable assets of "Latent Ventures" and which (together with all enhancements and modifications) shall remain the sole and exclusive property of "Latent Ventures". Nothing in this Agreement shall grant to or confer upon "Cogility" expressly or by implication any rights or license to such methodologies, techniques or tools.

(c) "Latent Ventures" acknowledges and agrees that to the extent that any Work Product or deliverable contains intellectual property owned by "Cogility", such intellectual property shall remain the sole and exclusive property of "Cogility". Nothing in this Agreement shall grant to or confer upon "Latent Ventures" expressly or by implication any rights or license to such intellectual property.

(d) Notwithstanding the provisions of Section (a) hereof or anything else contained in this Agreement, "Cogility" acknowledges that "Latent Ventures" shall be free to use and disclose any ideas, concepts, know-how, methods, techniques, processes, and skills developed or acquired by "Latent Ventures" in the course of providing the Services, provided that "Latent Ventures" does not breach its obligations under the Confidentiality Section. "Cogility" further acknowledges that "Latent Ventures" may from time to time develop for other parties (some of whom may be in the same field or business as "Cogility"), work that is substantially similar to the Work Product, and that "Latent Ventures" retains the unrestricted right to do so and to license, sell, or otherwise transfer such work to other parties, without any accounting, disclosure, or other obligation to "Cogility", provided that "Latent Ventures" does not breach its obligations under the Confidentiality Section.

<b>Assignment</b>	<p>This Agreement shall not be assignable by either party without the other party's written consent (not to be unreasonably withheld or delayed); provided, however, that, notwithstanding the foregoing, either party may assign this Agreement without the other party's consent to</p> <ul style="list-style-type: none"> <li>(i) any entity controlling, controlled by or under common control with the party,</li> <li>(ii) any entity with or into which such party is merged or consolidated, or</li> <li>(iii) any entity that acquires all or substantially all of such party's stock or assets, provided that in each such case the successor entity agrees in writing to assume the assignor's obligations hereunder.</li> </ul> <p>Any assignment in violation of this Agreement shall be void.</p>
<b>Subcontractors</b>	<p>"Latent Ventures" shall be responsible for the performance of all subcontractors performing any Services hereunder. "Latent Ventures" shall provide to "Cogility" upon request information concerning its subcontractors, including the name, address and principals. "Cogility" reserves the right to reject any subcontractor who is not reasonably satisfactory to "Cogility". "Cogility" shall have no responsibility or obligation to any subcontractor of "Latent Ventures".</p> <p>"Latent Ventures" shall not transfer or subcontract any of their obligations under this agreement or any work order unless such transfer or subcontracting has been agreed to in writing by "Cogility" and "Latent Ventures". "Latent Ventures" shall not change any subcontractor provided in each Statement of Work without prior "Cogility" consent.</p> <p>Each subcontractor is subject to all confidentiality, information security, insurance, and inspection requirements of this Agreement, as applicable given the nature of the services provided by such subcontractor. It is the responsibility of the "Latent Ventures" to facilitate compliance by its subcontractors.</p>
<b>Advertising and Promotion</b>	<p>Neither party shall use the other party's name or publish any information relating to the other party in its literature, advertising, or other promotions without the written consent of the other party.</p>
<b>Indemnification with respect to Claims</b>	<p>"Latent Ventures" shall defend, indemnify and hold "Cogility" and its Representatives harmless from and against any and all direct losses, liabilities, claims, demands, causes of action, damages, fines, penalties and expenses (including without limitation reasonable legal fees and expenses) ("<b>Claims</b>") which "Cogility" may incur, by whomsoever asserted, in connection with death, bodily injury, personal injury or property damage, or loss arising from any breach of this agreement unless the sole basis for such Claim is Cogility's negligence or wilful misconduct.</p> <p>"Cogility" agrees that "Latent Ventures" has the right to defend, or at its option to settle, and "Latent Ventures" agrees, at its own expense to defend, or at its option to settle any Claim brought against "Cogility". "Cogility" shall notify "Latent Ventures" promptly of any such Claim and shall cooperate with "Latent Ventures" at Latent Ventures' expense in the defence thereof.</p>

<p><b>Indemnification with respect to Intellectual Property ("IP")</b></p>	<p>(a) "Latent Ventures" shall defend, indemnify and hold "Cogility" and its Representatives harmless from and against any and all direct losses, liabilities, claims, demands, causes of action, damages and expenses, (including without limitation reasonable legal fees and expenses), which "Cogility" may incur as a result of any third party claim that any Work Product produced within the scope of this Agreement infringes any patent or copyright, a trade secret or any other intellectual property right. "Cogility" agrees that "Latent Ventures" has the right to defend, or at its option to settle, and "Latent Ventures" agrees, at its own expense to defend, or at its option to settle any claim, suit or proceeding brought against "Cogility" on the issue of such infringement. "Cogility" shall notify "Latent Ventures" promptly of any such claim and shall cooperate with "Latent Ventures" at Latent Ventures' expense in the defence thereof.</p> <p>(b) The foregoing indemnity shall not apply where the alleged infringement was based on or attributable to any use or modification of materials provided by "Latent Ventures" to "Cogility" and such use or modification was not within the scope of a Statement of Work and this Agreement. In addition, the foregoing shall not apply with respect to any claim alleging infringement of any trademark, trade name, product name or similar right where the claim of infringement is based on or results from the use of any name or mark selected by "Cogility".</p> <p>(c) In the event that any claim of infringement under Section (a) of Indemnification with respect to Intellectual Property is, or in Latent Ventures' judgment is likely to be, substantiated, "Latent Ventures" will use commercially reasonable efforts to achieve either of the following remedies, at its option and expense:</p> <ul style="list-style-type: none"> <li>(i) obtain the right for "Cogility" to continue using the Work Product upon commercially reasonable terms, or</li> <li>(ii) modify the Work Product to avoid such infringement without materially impairing its functionality.</li> </ul> <p>If, after commercially reasonable efforts, "Latent Ventures" is unable to achieve either of the foregoing remedies, or if such remedies are not reasonably feasible, "Latent Ventures" will have the right to require that "Cogility" cease using the Work Product. If "Latent Ventures" so requires and such termination occurs within five years of delivery by "Latent Ventures" of the Work Product, "Cogility" will be entitled to a refund of the fees paid with respect to such Work Product. Thereafter, "Cogility" shall not be entitled to any refund in connection therewith. Section (a) and this Section (c) set forth Latent Ventures' entire liability for claims of intellectual property infringement.</p>
<p><b>Limitations of Liability</b></p>	<p>Notwithstanding anything contained elsewhere herein, in no event will a party be liable to the other party under this agreement for any special, indirect, incidental or consequential damages, including without limitation loss of profits and goodwill, even if a party has been advised of the possibility of such damages. A party's aggregate liability to the other party for all claims, liabilities, damages, losses, costs and expenses (including reasonable attorneys' fees and expenses) arising under or relating to any particular statement of work, regardless of the form of action, shall not exceed the amounts paid and/or due to Latent Ventures during the term of such statement of work, and a party's aggregate liability to the other party for all claims, liabilities, damages, losses, costs and expenses (including reasonable attorneys' fees and expenses) arising under or relating to this agreement and all statements of work hereunder will not exceed, the amounts paid and/or due to Latent Ventures during the term of this agreement. Notwithstanding the foregoing, the limitations of liability set forth above shall not apply to (i) Latent Ventures' indemnification obligations hereunder (ii) breaches of confidentiality or (iii) a party's gross negligence or wilful misconduct.</p>

# Cogility

<b><i>Fees and Expenses</i></b>	<p>"Latent Ventures" agrees to provide the Services to "Cogility" as ordered on the agreed upon pricing and conditions set forth in the applicable Statement of Work. "Cogility" shall reimburse "Latent Ventures" for its reasonable, documented out-of-pocket travel expenses (i.e., transportation, lodging, meals, etc.) incurred by "Latent Ventures" in connection with the Services as agreed in the Statement of Work. All expenses must be approved in advance by the applicable "Cogility" project manager and be in accordance with the approved expense reimbursement policies of the underlying "Cogility" client upon which "Latent Ventures" is engaged.</p>
<b><i>Taxes</i></b>	<p>"Cogility" will pay all sales, use, excise (such as GST) and other taxes, where applicable, and any other governmental charges levied, imposed or assessed on the Services or on this Agreement, excluding taxes assessed against or payable by the "Latent Ventures" on Latent Ventures' income.</p>
<b><i>Invoices</i></b>	<p>Unless otherwise provided in the applicable SOW, "Latent Ventures" shall submit monthly invoices to "Cogility", based on either a 4- or 5-week month of weeks ending on Sundays as published by "Cogility". Each invoice shall be payable on the 15<sup>th</sup> of the month following the month the invoice refers to, providing the invoice is received by "Cogility" by the 7<sup>th</sup> of the month. Invoices must be reconciled against the relevant Statement of Work using the systems specified by "Cogility" – for example, the recording of time and/or milestones achieved in any such time-keeping or project management system that "Cogility" may choose to use.</p> <p>If any amounts payable by "Cogility" are not paid when due, "Latent Ventures" may charge a finance charge in the amount of one percent (1.0%) per month on the overdue amount from the due date until the date of payment; provided, however, that if "Cogility" disputes in good faith, the existence or amount of any payment obligation, then Cogility's failure to pay the amount in dispute will not constitute a failure of payment under this Section until ten days following final resolution of the dispute in Latent Ventures' favour. In the event of a dispute relating to an invoice, "Cogility" will provide the "Latent Ventures" with written details of the nature of the dispute within fourteen (14) days of the receipt date of the invoice and pay the "Latent Ventures" any undisputed amounts outstanding pursuant to the established payment terms above.</p>
<b><i>Term</i></b>	<p>The term of this Agreement shall begin on the Effective Date and continue indefinitely in effect until either party provides thirty (30) days' prior written notice to the other party of its intent to terminate this Agreement or until otherwise terminated due to an un-remedied breach of any part of this Agreement.</p>

<p><b>Termination</b></p>	<p>Either party may terminate this Agreement in the event of a material breach of this Agreement by the other party that is not remedied within thirty (30) days of receipt of a notice to remedy the default from the non-breaching party.</p> <p>Either party may terminate this Agreement if the other party files a voluntary petition in bankruptcy, makes a general assignment for the benefit of its creditors, suffers or permits the appointment of a trustee or receiver for its business assets, becomes subject to any proceeding under any bankruptcy or insolvency law that is either consented to by such party or is not dismissed within sixty (60) days, initiates action to wind up or liquidate its business voluntarily or otherwise, or ceases to do business in the ordinary course.</p> <p>"Cogility" may terminate a particular Statement of Work at any time upon fourteen (14) days prior written notice to "Latent Ventures" provided that "Cogility" pays to "Latent Ventures" all fees and expenses accrued and unpaid through the effective date of such termination. "Latent Ventures" may terminate a particular Statement of Work at any time upon thirty (30) days prior written notice to "Cogility".</p> <p>Upon termination of this Agreement, each party shall return all of the other party's Confidential Information to such party or, unless prohibited by law, destroy such Confidential Information. Each party shall certify to the other party its compliance with the foregoing sentence.</p> <p>The termination of any Statement of Work shall not affect any other Statements of Work then in effect unless the parties specifically so agree in writing. Upon termination of this Agreement, this Agreement shall nevertheless continue to govern any outstanding Statements of Work until they are terminated or performance thereunder has been completed. The termination of this Agreement shall not terminate, affect, or impair any rights, obligations, or liabilities of any party hereto which may accrue prior to such termination or which, under the terms of this Agreement, survive termination.</p>
<p><b>Insurance</b></p>	<p>"Latent Ventures" will effect and maintain the following insurance policies:</p> <ul style="list-style-type: none"> <li>(i) professional liability or errors and omissions insurance with a limit of not less than \$3,000,000 for each claim and \$5,000,000 in the aggregate in any one policy period; and</li> <li>(ii) public liability with a limit of indemnity of not less than \$2,000,000 for each claim and \$5,000,000 in the aggregate in any one policy period; and</li> <li>(iii) workers' compensation insurance in accordance with all relevant laws.</li> </ul> <p>Upon request, Latent Ventures will provide Cogility with Certificates of Currency for all insurance policies.</p>
<p><b>Entire Agreement</b></p>	<p>This Agreement, including all Statements of Work, constitutes the entire agreement between the parties, and supersedes all previous discussions, representations, and understandings, related to the subject matter of this Agreement and cannot be altered except in a writing signed by both parties.</p>
<p><b>Force Majeure</b></p>	<p>Neither party will be responsible for delays resulting from events beyond the reasonable control of such party, provided that the non-performing party uses commercially reasonable efforts to avoid or remove such causes of non-performance and continues performance hereunder with reasonable dispatch as soon as such causes are removed.</p>

<b>Dispute Resolution</b>	<p>The parties agree that they will attempt in good faith to promptly resolve any controversy, claim or dispute between the parties relating to this Agreement ("Dispute") by negotiations. Any Dispute that is not settled by the parties within fifteen (15) days after notice of such Dispute is given by one party to the other in writing (the "Initial Negotiation Period", which period may be extended by mutual agreement) will be referred to a senior executive of each of "Latent Ventures" and "Cogility" who is authorized to settle such Disputes on behalf of his or her respective company ("Senior Executives").</p> <p>The Senior Executives will meet for negotiations within fifteen (15) days after expiration of the Initial Negotiation Period at a time and place mutually acceptable to both Senior Executives. If the Dispute has not been resolved within thirty (30) days after the end of the Initial Negotiation Period, then either party may immediately bring an action before a court of competent jurisdiction.</p> <p>Notwithstanding the foregoing, nothing contained in this Section shall be construed to limit or preclude a party from bringing an action in any court of competent jurisdiction at any time in order to</p> <ul style="list-style-type: none"> <li>(a) obtain specific performance, an injunction, or other equitable relief,</li> <li>(b) avoid the expiration of any applicable limitations period, or</li> <li>(c) preserve a superior position with respect to other creditors.</li> </ul> <p>The parties agree to continue performance of their respective obligations under this Agreement, to the extent reasonably possible, during the course of the attempts to resolve the dispute unless and until such obligations are terminated or expire in accordance with the provisions hereof.</p>
<b>Governing Law</b>	This Agreement shall be governed by the laws of the State of Queensland.
<b>Waivers</b>	No waiver of any provision of this Agreement will be effective unless set forth in a writing signed by the waiving party. Any failure by either party to enforce any term or condition under this Agreement will not be considered a waiver of that party's right thereafter to enforce each and every term and condition of this Agreement.
<b>Severability</b>	If any provision of this Agreement is declared void, illegal, or unenforceable, the remainder of this Agreement will be valid and enforceable to the extent permitted by applicable law. In such event, the parties agree to use their commercially reasonable efforts to replace the invalid or unenforceable provision with a provision that achieves the purposes originally intended.
<b>Counterparts</b>	This Agreement may be executed in counterparts, each of which will be deemed to be an original and all of which together will be deemed to be one and the same instrument. Execution and delivery of this Agreement may be evidenced by email transmission if sent to the email address provided in the Notices Section below.

# **Cogility**

<b>Notices</b>	<p>All notices given pursuant to this Agreement shall be in writing sent by certified or registered mail (return receipt requested) or commercial express courier (with tracking capabilities) or by email (providing that the receiving party acknowledges receipt by return email), and shall be deemed effective upon receipt. All such notices shall be sent to the following addresses (which may be changed by notice given in accordance with this Section):</p> <p>For "Cogility":</p> <p style="padding-left: 40px;">Cogility Pty Ltd GPO Box 1140 BRISBANE QLD 4001 contracts@cogility.com.au</p> <p>For "Latent Ventures":</p> <p style="padding-left: 40px;">Latent Ventures Pty Ltd PO Box 1522 CARINDALE QLD 4152 duncan@latent.ventures</p>
<b>Non-Solicitation</b>	<p>During the term of this Agreement and for one year thereafter, neither party will solicit any employee of the other without the prior written consent of the other party. As used herein, "solicit" shall not be deemed to include general advertising or similar methods that are not targeted or directed specifically to officers or employees of the other party. Additionally, "Latent Ventures" will not solicit, divert or take away, or attempt to divert or take away, the business or patronage of any of the clients, customers or accounts, or prospective clients, customers or accounts, of "Cogility" which were served by "Latent Ventures" during the term of this Agreement.</p>
<b>No Third Party Beneficiaries</b>	<p>Nothing in this Agreement is intended to confer on any person or entity, other than the parties hereto, any rights, benefits or remedies under or by reason of this Agreement.</p>

The Parties hereto have caused this Agreement to be duly executed and each of the undersigned hereby warrants and represents that he or she has been and is, on the date of this Agreement, duly authorised by all necessary and appropriate action to execute this Agreement.

COGILITY PTY LTD

By: [Signature]  
Name: WELSH TREN  
Title: Director

LATENT VENTURES PTY LTD

By: [Signature]  
Name: Kim Elms  
Title: Director

This Master Professional Services Agreement ("Agreement") is made and entered into effective as of the 3<sup>rd</sup> of August 2015 ("Effective Date")

BETWEEN **Cogility Pty Ltd** ABN 84 162 766 403, an Australian based limited liability company with its principal place of business at Suite 4, Level 2, 139-145 Charlotte Street, Brisbane QLD 4000; ("**Cogility**")

AND **Infinite Solutions Pty Ltd** ABN 93 010 478 369, an Australian based limited liability company with its principal place of business at Carindale QLD 4152; ("**Infinite**")

<b>Overview</b>	This agreement states the terms and conditions under which "Infinite" will provide consulting and related professional services to "Cogility" from time to time.
<b>Definitions</b>	<p>Unless otherwise required by the context, the following terms shall have the following meanings respectively:</p> <p><b>"Affiliate"</b> – A business entity controlling, controlled by, or under common control with a party. Control exists when a party owns and controls more than 50% of any company or a company owns and controls more than 50% of a party.</p> <p><b>"Confidential Information"</b> – All non-public information and know how disclosed by a party (the "<b>Disclosing Party</b>") to the other party (the "<b>Receiving Party</b>") in connection with the Agreement, whether orally or in written or electronic form, or in any other form that is either designated as proprietary and/or confidential or, by the nature of the circumstances surrounding disclosure, should in good faith be treated as proprietary and/or confidential, including without limitation the Disclosing Party's proprietary software, and information regarding the Disclosing Party's research and development and business affairs. Confidential Information shall not include any information that the Receiving Party can demonstrate: (a) is or becomes a matter of public knowledge through no fault of the Receiving Party; (b) was or becomes available to the Receiving Party on a non-confidential basis from a third party, provided that such third party is not known or reasonably suspected by the Receiving Party to be bound by an obligation of confidentiality to the Disclosing Party with respect to such Confidential Information; (c) was independently developed by the Receiving Party without reference to the Disclosing Party's Confidential Information; or (d) the Disclosing Party agrees in advance in writing does not constitute Confidential Information.</p> <p><b>"Services"</b> – Consulting and related professional services provided by "Infinite" in accordance with the terms of this Agreement and Statements of Work.</p> <p><b>"Statement of Work"</b> – A written description of a specific engagement in reference to this Agreement executed by "Infinite" and "Cogility", which shall contain applicable information such as a general description of the types of services and deliverables to be provided, the times of performance, roles and responsibilities of each party regarding the project, compensation to be paid to "Infinite", and other terms and conditions as shall be mutually agreed by the parties.</p> <p><b>"Work Product"</b> – Any materials, products, documents, software, or other output produced, created or developed by "Infinite" and required to be delivered to "Cogility" by virtue of their description or specification as a deliverable in a Statement of Work; provided, however, that Work Product shall not include pre-existing works or works developed by "Infinite" independently of the Services provided to "Cogility" unless the relevant Statement of Work specifically identifies those pre-existing or independently created works and states that ownership of them is to be transferred to "Cogility" by "Infinite".</p>

<b>Statements of Work</b>	<p>"Cogility" and "Infinite" may execute one or more Statements of Work from time to time. Each Statement of Work shall reference this Agreement and shall be governed by the terms and conditions of this Agreement. All such Statements of Work and any attachments or exhibits thereto are incorporated by reference herein and form an operative part of this Agreement. In the event of any conflict between the terms of a Statement of Work and the terms contained in the body of this Agreement, the terms in the body of this Agreement shall prevail unless the Statement of Work specifically states that the parties have agreed to modify the terms of this Agreement, with specific reference to the section(s) of this Agreement to be modified. Any such modification shall apply solely to the individual Statement of Work.</p>
<b>Services</b>	<p>"Infinite" shall perform Services as set forth in one or more mutually agreed upon Statements of Work.</p>
<b>Warranties</b>	<p>"Infinite" warrants that its personnel performing Services under this Agreement possess adequate professional proficiency for the tasks required and that they shall perform the Services in a professional, workmanlike and skilful manner. "Infinite" further warrants that the Services shall conform in all material respects to the technical specifications described in the applicable Statement of Work.</p> <p>To the best of its' knowledge, any Work Product provided or developed by "Infinite" will be free from all computer viruses, worms, time-outs, time bombs, back doors, disabling devises and other harmful or malicious code that may damage disrupt, inconvenience or permit access to the Work Product's user's or another's software, hardware, networks, data or information.</p>
<b>Non-conforming Work Product</b>	<p>"Infinite", at no extra cost, shall correct any Work Product that fails to conform to specifications set forth in the Statements of Work in any material respect and shall make any corrections or adjustments necessary to meet specified requirements without delay after it receives written notice that such conditions exist, providing said failure is deemed directly attributable to the performance of the "Infinite", or products developed and services rendered by "Infinite" in respect to the Statement of Work. If "Infinite" is unable to correct any material non-conformity after a reasonable period of time, "Cogility" may terminate the Statement of Work or the portion thereof relating to such non-conformity, and "Infinite" will refund to "Cogility" any amounts paid by "Cogility" to "Infinite" for the non-conforming Work Product.</p>
<b>Changes in Services</b>	<p>"Cogility" may request changes in the Services consisting of additions, deletions or modifications. All such changes shall be mutually agreed upon by the parties, including any changes in fees or expenses, if applicable, and shall be documented in writing in the form of an Amended Statement of Work. All provisions of this Agreement shall apply to any changes, omissions or extra work or service in the same manner and to the extent as if the additional service had originally been contracted for.</p>

<p><b>Confidentiality</b></p>	<p>Each party shall retain in confidence all Confidential Information of the other party; provided, however, that the Receiving Party may disclose the Disclosing Party's Confidential Information on a need to know basis to (a) the Receiving Party's consultants who agree in writing to be bound by these non-disclosure obligations and (b) the Receiving Party's employees, where "need to know" means that the person to whom such Confidential Information is being disclosed requires such information in order to perform his or her responsibilities. Each party shall use at least the same degree of care in safeguarding the other party's Confidential Information as it uses in safeguarding its own Confidential Information, subject to minimum standard of reasonable diligence and protection.</p> <p>In the event the Receiving Party is required to disclose the Disclosing Party's Confidential Information in order to comply with applicable laws or regulations or with a valid order of court or other governmental body of Australia, or any other legal requirement or process (including by oral question, interrogatories, request for information or documents, subpoena, civil investigative demand or civil process), the Receiving Party may make such disclosure, but only to the extent necessary, based on the reasonable opinion of the Receiving Party's counsel, for the purposes of such required disclosure, and provided that the Receiving Party takes all reasonable actions to obtain confidential treatment for such disclosure and, except as may be prohibited by law or regulatory authority, promptly notifies the Disclosing Party in order to provide the Disclosing Party an opportunity to seek an order to restrain disclosure.</p> <p>The Receiving Party recognizes and acknowledges that any use or disclosure of the Disclosing Party's Confidential Information in a manner inconsistent with the provisions of this Agreement may cause the Disclosing Party irreparable damage for which remedies at law may be inadequate, and the Receiving Party agrees that in any request to a court of competent jurisdiction by the Disclosing Party for injunctive or other equitable relief seeking to restrain such use or disclosure, the Receiving party will not maintain that such remedy is not appropriate under the circumstances.</p>
<p><b>Representations and Agreements</b></p>	<p>Each of "Infinite" and "Cogility" represents and warrants that it has full power and authority to enter into this Agreement and to perform its obligations hereunder, and that this Agreement has been duly authorized, executed and delivered by it and constitutes its valid, binding and legally enforceable agreement.</p> <p>Each party shall comply with all laws, regulations and ordinances applicable to such party as they relate to this Agreement and the Services delivered hereunder. "Infinite" shall obtain and maintain in force all permits and licenses necessary to enable "Infinite" to lawfully perform the Services required under this Agreement</p> <p>The parties are independent contractors. Nothing in this Agreement or in the activities contemplated by the parties hereunder shall be deemed to create any agency, partnership, employment or joint venture relationship between the parties.</p>

<p><b>Infinite's Employment Responsibilities</b></p>	<p>"Infinite" shall have sole responsibility for selecting, hiring, training, paying, supervising, directing and discharging all persons to be used by "Infinite" in the performance of this Agreement. Such persons will not be deemed employees of "Cogility" and shall not be entitled to, and will not receive, any benefits normally afforded to employees of "Cogility". "Cogility" reserves the right to request that "Infinite" replace any person assigned to perform work under this Agreement who, in Cogility's reasonable judgment, is not satisfactory to "Cogility". In such event, "Infinite" will meet with "Cogility" to discuss Cogility's concerns and, if "Infinite" determines that replacement is appropriate, "Infinite" will promptly replace such person.</p> <p>"Infinite" will be responsible for withholding all applicable state, local and federal employment taxes and for providing statutory and non-statutory benefits to all such persons, including but not limited to: PAYG Withholding, State Payroll Tax, Superannuation, and all forms of Leave including Sick, Holiday, Carer, Compassionate, Long Service.</p> <p>If the Services performed by "Infinite" involve access to "Cogility" systems:</p> <ul style="list-style-type: none"> <li>(i) All "Infinite" personnel performing Services on-site at Cogility's premises will comply with Cogility's applicable security requirements, provided that copies thereof have been provided to "Infinite" in writing.</li> <li>(ii) "Cogility" may require "Infinite" to perform background checks on its personnel which include but are not limited to the following: <ul style="list-style-type: none"> <li>(a) a determination that the employee is an Australian citizen or is eligible to work in the Australia pursuant to applicable federal law;</li> <li>(b) a verification of the employee's educational background and employment background;</li> <li>(c) a governmental Motor Vehicles record check;</li> <li>(d) finger printing;</li> <li>(e) State or Federal level checks for convictions and misdemeanors and felonies; and</li> <li>(f) a Federal or State Police check for all arrests, misdemeanors, and felonies.</li> </ul> </li> </ul> <p>If the latter check reveals a criminal record on an individual currently placed with "Cogility", "Infinite" will notify the manager of the department where the individual is working and/or a "Cogility" Human Resources representative promptly upon learning of the record, at which time further appropriate action may be taken at Cogility's sole discretion.</p> <ul style="list-style-type: none"> <li>(iii) "Cogility" may require that each Representative of "Infinite" have a current drug screening test for the type of drugs and at the levels for each such drug as required for "Cogility" employees.</li> </ul>
<p><b>Responsibilities of "Cogility"</b></p>	<p>"Cogility" agrees that it will cooperate reasonably with "Infinite" in connection with the performance of the Services, including the provision of appropriate facilities and access to appropriate personnel necessary for Infinite's performance hereunder. "Cogility" will perform or fulfil all obligations required to be performed or fulfilled by "Cogility" under the relevant Statement of Work. "Cogility" acknowledges that if it fails to provide assistance and perform or fulfil its obligations in accordance with this Agreement and the relevant Statement of Work, Infinite's ability to provide the Services and meet the schedule and any milestones set forth in such Statement of Work may be adversely affected.</p>

<p><b>Ownership of Work Product</b></p>	<p>(a) The Work Product shall be a "work made for hire" under the Australian copyright laws owned exclusively by "Cogility"; and, alternatively, if such Work Product is not deemed to be a "work made for hire," "Infinite" irrevocably assigns to "Cogility", and if such assignment in advance shall not be deemed to be effective, shall irrevocably assign to "Cogility", all ownership rights and other right, title and interest "Infinite" or any of its personnel may have in any such Work Products. "Cogility" shall own all right, title and interest in and to any intellectual property represented by or embodied in any of the Work Products, including but not limited to all patents, patent applications, copyrights and other intellectual property rights relating to or associated with the Work Products, and "Infinite" irrevocably assigns to "Cogility", and if such assignment in advance shall not be deemed to be effective, shall irrevocably assign to "Cogility", all ownership rights and other right, title and interest "Infinite" or any of its personnel may have in any such intellectual property. All Work Product created by "Infinite" is for the sole and exclusive use of "Cogility". The foregoing notwithstanding, "Cogility" agrees to use the Work Product only in connection with its own business and further agrees not to distribute, license, sell, or otherwise transfer the Work Product or any other work based on or derived therefrom without the prior written consent (not to be unreasonably withheld) of "Infinite".</p>
	<p>(b) Notwithstanding the provisions of Section (a) hereof, "Cogility" acknowledges and agrees that "Infinite" has proprietary methodologies, techniques and tools, which are valuable assets of "Infinite" and which (together with all enhancements and modifications) shall remain the sole and exclusive property of "Infinite". Nothing in this Agreement shall grant to or confer upon "Cogility" expressly or by implication any rights or license to such methodologies, techniques or tools.</p> <p>(c) "Infinite" acknowledges and agrees that to the extent that any Work Product or deliverable contains intellectual property owned by "Cogility", such intellectual property shall remain the sole and exclusive property of "Cogility". Nothing in this Agreement shall grant to or confer upon "Infinite" expressly or by implication any rights or license to such intellectual property.</p> <p>(d) Notwithstanding the provisions of Section (a) hereof or anything else contained in this Agreement, "Cogility" acknowledges that "Infinite" shall be free to use and disclose any ideas, concepts, know-how, methods, techniques, processes, and skills developed or acquired by "Infinite" in the course of providing the Services, provided that "Infinite" does not breach its obligations under the Confidentiality Section. "Cogility" further acknowledges that "Infinite" may from time to time develop for other parties (some of whom may be in the same field or business as "Cogility"), work that is substantially similar to the Work Product, and that "Infinite" retains the unrestricted right to do so and to license, sell, or otherwise transfer such work to other parties, without any accounting, disclosure, or other obligation to "Cogility", provided that "Infinite" does not breach its obligations under the Confidentiality Section.</p>
<p><b>Assignment</b></p>	<p>This Agreement shall not be assignable by either party without the other party's written consent (not to be unreasonably withheld or delayed); provided, however, that, notwithstanding the foregoing, either party may assign this Agreement without the other party's consent to</p> <ul style="list-style-type: none"> <li>(i) any entity controlling, controlled by or under common control with the party,</li> <li>(ii) any entity with or into which such party is merged or consolidated, or</li> <li>(iii) any entity that acquires all or substantially all of such party's stock or assets, provided that in each such case the successor entity agrees in writing to assume the assignor's obligations hereunder.</li> </ul> <p>Any assignment in violation of this Agreement shall be void.</p>

<p><b>Subcontractors</b></p>	<p>"Infinite" shall be responsible for the performance of all subcontractors performing any Services hereunder. "Infinite" shall provide to "Cogility" upon request information concerning its subcontractors, including the name, address and principals. "Cogility" reserves the right to reject any subcontractor who is not reasonably satisfactory to "Cogility". "Cogility" shall have no responsibility or obligation to any subcontractor of "Infinite".</p> <p>"Infinite" shall not transfer or subcontract any of their obligations under this agreement or any work order unless such transfer or subcontracting has been agreed to in writing by "Cogility" and "Infinite". "Infinite" shall not change any subcontractor provided in each Statement of Work without prior "Cogility" consent.</p> <p>Each subcontractor is subject to all confidentiality, information security, insurance, and inspection requirements of this Agreement, as applicable given the nature of the services provided by such subcontractor. It is the responsibility of the "Infinite" to facilitate compliance by its subcontractors.</p>
<p><b>Advertising and Promotion</b></p>	<p>Neither party shall use the other party's name or publish any information relating to the other party in its literature, advertising, or other promotions without the written consent of the other party.</p>
<p><b>Indemnification with respect to Claims</b></p>	<p>"Infinite" shall defend, indemnify and hold "Cogility" and its Representatives harmless from and against any and all direct losses, liabilities, claims, demands, causes of action, damages, fines, penalties and expenses (including without limitation reasonable legal fees and expenses) ("<b>Claims</b>") which "Cogility" may incur, by whomsoever asserted, in connection with death, bodily injury, personal injury or property damage, or loss arising from any any breach of this agreement unless the sole basis for such Claim is Cogility's negligence or wilful misconduct.</p> <p>"Cogility" agrees that "Infinite" has the right to defend, or at its option to settle, and "Infinite" agrees, at its own expense to defend, or at its option to settle any Claim brought against "Cogility". "Cogility" shall notify "Infinite" promptly of any such Claim and shall cooperate with "Infinite" at Infinite's expense in the defence thereof.</p>

<p><b>Indemnification with respect to Intellectual Property ("IP")</b></p>	<p>(a) "Infinite" shall defend, indemnify and hold "Cogility" and its Representatives harmless from and against any and all direct losses, liabilities, claims, demands, causes of action, damages and expenses, (including without limitation reasonable legal fees and expenses), which "Cogility" may incur as a result of any third party claim that any Work Product produced within the scope of this Agreement infringes any patent or copyright, a trade secret or any other intellectual property right. "Cogility" agrees that "Infinite" has the right to defend, or at its option to settle, and "Infinite" agrees, at its own expense to defend, or at its option to settle any claim, suit or proceeding brought against "Cogility" on the issue of such infringement. "Cogility" shall notify "Infinite" promptly of any such claim and shall cooperate with "Infinite" at Infinite's expense in the defence thereof.</p> <p>(b) The foregoing indemnity shall not apply where the alleged infringement was based on or attributable to any use or modification of materials provided by "Infinite" to "Cogility" and such use or modification was not within the scope of a Statement of Work and this Agreement. In addition, the foregoing shall not apply with respect to any claim alleging infringement of any trademark, trade name, product name or similar right where the claim of infringement is based on or results from the use of any name or mark selected by "Cogility".</p>
	<p>(c) In the event that any claim of infringement under Section (a) of Indemnification with respect to Intellectual Property is, or in Infinite's judgment is likely to be, substantiated, "Infinite" will use commercially reasonable efforts to achieve either of the following remedies, at its option and expense:</p> <ul style="list-style-type: none"> <li>(i) obtain the right for "Cogility" to continue using the Work Product upon commercially reasonable terms, or</li> <li>(ii) modify the Work Product to avoid such infringement without materially impairing its functionality.</li> </ul> <p>If, after commercially reasonable efforts, "Infinite" is unable to achieve either of the foregoing remedies, or if such remedies are not reasonably feasible, "Infinite" will have the right to require that "Cogility" cease using the Work Product. If "Infinite" so requires and such termination occurs within five years of delivery by "Infinite" of the Work Product, "Cogility" will be entitled to a refund of the fees paid with respect to such Work Product. Thereafter, "Cogility" shall not be entitled to any refund in connection therewith. Section (a) and this Section (c) set forth Infinite's entire liability for claims of intellectual property infringement.</p>
<p><b>Limitations of Liability</b></p>	<p>Notwithstanding anything contained elsewhere herein, in no event will a party be liable to the other party under this agreement for any special, indirect, incidental or consequential damages, including without limitation loss of profits and goodwill, even if a party has been advised of the possibility of such damages. A party's aggregate liability to the other party for all claims, liabilities, damages, losses, costs and expenses (including reasonable attorneys' fees and expenses) arising under or relating to any particular statement of work, regardless of the form of action, shall not exceed the amounts paid and/or due to Infinite during the term of such statement of work, and a party's aggregate liability to the other party for all claims, liabilities, damages, losses, costs and expenses (including reasonable attorneys' fees and expenses) arising under or relating to this agreement and all statements of work hereunder will not exceed, the amounts paid and/or due to Infinite during the term of this agreement. Notwithstanding the foregoing, the limitations of liability set forth above shall not apply to (i) Infinite's indemnification obligations hereunder (ii) breaches of confidentiality or (iii) a party's gross negligence or willful misconduct.</p>

<b><i>Fees and Expenses</i></b>	<p>"Infinite" agrees to provide the Services to "Cogility" as ordered on the agreed upon pricing and conditions set forth in the applicable Statement of Work. "Cogility" shall reimburse "Infinite" for its reasonable, documented out-of-pocket travel expenses (i.e., transportation, lodging, meals, etc.) incurred by "Infinite" in connection with the Services as agreed in the Statement of Work. All expenses must be approved in advance by the applicable "Cogility" project manager and be in accordance with the approved expense reimbursement policies of the underlying "Cogility" client upon which "Infinite" is engaged.</p>
<b><i>Taxes</i></b>	<p>"Cogility" will pay all sales, use, excise (such as GST) and other taxes, where applicable, and any other governmental charges levied, imposed or assessed on the Services or on this Agreement, excluding taxes assessed against or payable by the "Infinite" on Infinite's income.</p>
<b><i>Invoices</i></b>	<p>Unless otherwise provided in the applicable SOW, "Infinite" shall submit monthly invoices to "Cogility", based on either a 4- or 5-week month of weeks ending on Sundays as published by "Cogility". Each invoice shall be payable on the 15<sup>th</sup> of the month following the month the invoice refers to, providing the invoice is received by "Cogility" by the 7<sup>th</sup> of the month. Invoices must be reconciled against the relevant Statement of Work using the systems specified by "Cogility" – for example, the recording of time and/or milestones achieved in any such time-keeping or project management system that "Cogility" may choose to use.</p> <p>If any amounts payable by "Cogility" are not paid when due, "Infinite" may charge a finance charge in the amount of one percent (1.0%) per month on the overdue amount from the due date until the date of payment; provided, however, that if "Cogility" disputes in good faith, the existence or amount of any payment obligation, then Cogility's failure to pay the amount in dispute will not constitute a failure of payment under this Section until ten days following final resolution of the dispute in Infinite's favour. In the event of a dispute relating to an invoice, "Cogility" will provide the "Infinite" with written details of the nature of the dispute within fourteen (14) days of the receipt date of the invoice and pay the "Infinite" any undisputed amounts outstanding pursuant to the established payment terms above.</p>
<b><i>Term</i></b>	<p>The term of this Agreement shall begin on the Effective Date and continue indefinitely in effect until either party provides thirty (30) days' prior written notice to the other party of its intent to terminate this Agreement or until otherwise terminated due to an unremedied breach of any part of this Agreement.</p>

<p><b>Termination</b></p>	<p>Either party may terminate this Agreement in the event of a material breach of this Agreement by the other party that is not remedied within thirty (30) days of receipt of a notice to remedy the default from the non-breaching party.</p> <p>Either party may terminate this Agreement if the other party files a voluntary petition in bankruptcy, makes a general assignment for the benefit of its creditors, suffers or permits the appointment of a trustee or receiver for its business assets, becomes subject to any proceeding under any bankruptcy or insolvency law that is either consented to by such party or is not dismissed within sixty (60) days, initiates action to wind up or liquidate its business voluntarily or otherwise, or ceases to do business in the ordinary course.</p> <p>"Cogility" may terminate a particular Statement of Work at any time upon fourteen (14) days prior written notice to "Infinite" provided that "Cogility" pays to "Infinite" all fees and expenses accrued and unpaid through the effective date of such termination. "Infinite" may terminate a particular Statement of Work at any time upon thirty (30) days prior written notice to "Cogility".</p> <p>Upon termination of this Agreement, each party shall return all of the other party's Confidential Information to such party or, unless prohibited by law, destroy such Confidential Information. Each party shall certify to the other party its compliance with the foregoing sentence.</p> <p>The termination of any Statement of Work shall not affect any other Statements of Work then in effect unless the parties specifically so agree in writing. Upon termination of this Agreement, this Agreement shall nevertheless continue to govern any outstanding Statements of Work until they are terminated or performance thereunder has been completed. The termination of this Agreement shall not terminate, affect, or impair any rights, obligations, or liabilities of any party hereto which may accrue prior to such termination or which, under the terms of this Agreement, survive termination.</p>
<p><b>Insurance</b></p>	<p>"Infinite" will effect and maintain the following insurance policies:</p> <ul style="list-style-type: none"> <li>(i) professional liability or errors and omissions insurance with a limit of not less than \$3,000,000 for each claim and \$5,000,000 in the aggregate in any one policy period; and</li> <li>(ii) public liability with a limit of indemnity of not less than \$2,000,000 for each claim and \$5,000,000 in the aggregate in any one policy period; and</li> <li>(iii) workers' compensation insurance in accordance with all relevant laws.</li> </ul> <p>Upon request, Infinite will provide Cogility with Certificates of Currency for all insurance policies.</p>
<p><b>Entire Agreement</b></p>	<p>This Agreement, including all Statements of Work, constitutes the entire agreement between the parties, and supersedes all previous discussions, representations, and understandings, related to the subject matter of this Agreement and cannot be altered except in a writing signed by both parties.</p>
<p><b>Force Majeure</b></p>	<p>Neither party will be responsible for delays resulting from events beyond the reasonable control of such party, provided that the non-performing party uses commercially reasonable efforts to avoid or remove such causes of non-performance and continues performance hereunder with reasonable dispatch as soon as such causes are removed.</p>

<b>Dispute Resolution</b>	<p>The parties agree that they will attempt in good faith to promptly resolve any controversy, claim or dispute between the parties relating to this Agreement ("Dispute") by negotiations. Any Dispute that is not settled by the parties within fifteen (15) days after notice of such Dispute is given by one party to the other in writing (the "Initial Negotiation Period", which period may be extended by mutual agreement) will be referred to a senior executive of each of "Infinite" and "Cogility" who is authorized to settle such Disputes on behalf of his or her respective company ("Senior Executives").</p> <p>The Senior Executives will meet for negotiations within fifteen (15) days after expiration of the Initial Negotiation Period at a time and place mutually acceptable to both Senior Executives. If the Dispute has not been resolved within thirty (30) days after the end of the Initial Negotiation Period, then either party may immediately bring an action before a court of competent jurisdiction.</p> <p>Notwithstanding the foregoing, nothing contained in this Section shall be construed to limit or preclude a party from bringing an action in any court of competent jurisdiction at any time in order to</p> <ul style="list-style-type: none"> <li>(a) obtain specific performance, an injunction, or other equitable relief,</li> <li>(b) avoid the expiration of any applicable limitations period, or</li> <li>(c) preserve a superior position with respect to other creditors.</li> </ul> <p>The parties agree to continue performance of their respective obligations under this Agreement, to the extent reasonably possible, during the course of the attempts to resolve the dispute unless and until such obligations are terminated or expire in accordance with the provisions hereof.</p>
<b>Governing Law</b>	This Agreement shall be governed by the laws of the State of Queensland.
<b>Waivers</b>	No waiver of any provision of this Agreement will be effective unless set forth in a writing signed by the waiving party. Any failure by either party to enforce any term or condition under this Agreement will not be considered a waiver of that party's right thereafter to enforce each and every term and condition of this Agreement.
<b>Severability</b>	If any provision of this Agreement is declared void, illegal, or unenforceable, the remainder of this Agreement will be valid and enforceable to the extent permitted by applicable law. In such event, the parties agree to use their commercially reasonable efforts to replace the invalid or unenforceable provision with a provision that achieves the purposes originally intended.
<b>Counterparts</b>	This Agreement may be executed in counterparts, each of which will be deemed to be an original and all of which together will be deemed to be one and the same instrument. Execution and delivery of this Agreement may be evidenced by email transmission if sent to the email address provided in the Notices Section below.

<b>Notices</b>	<p>All notices given pursuant to this Agreement shall be in writing sent by certified or registered mail (return receipt requested) or commercial express courier (with tracking capabilities) or by email (providing that the receiving party acknowledges receipt by return email), and shall be deemed effective upon receipt. All such notices shall be sent to the following addresses (which may be changed by notice given in accordance with this Section):</p> <p>For "Cogility":  Cogility Pty Ltd  GPO Box 1140  BRISBANE QLD 4001  contracts@cogility.com.au</p> <p>For "Infinite":  Infinite Solutions Pty Ltd  PO Box 1522  CARINDALE QLD 4152  kelms@infSol.com</p>
<b>Non-Solicitation</b>	<p>During the term of this Agreement and for one year thereafter, neither party will solicit any employee of the other without the prior written consent of the other party. As used herein, "solicit" shall not be deemed to include general advertising or similar methods that are not targeted or directed specifically to officers or employees of the other party. Additionally, "Infinite" will not solicit, divert or take away, or attempt to divert or take away, the business or patronage of any of the clients, customers or accounts, or prospective clients, customers or accounts, of "Cogility" which were served by "Infinite" during the term of this Agreement.</p>
<b>No Third Party Beneficiaries</b>	<p>Nothing in this Agreement is intended to confer on any person or entity, other than the parties hereto, any rights, benefits or remedies under or by reason of this Agreement.</p>

The Parties hereto have caused this Agreement to be duly executed and each of the undersigned hereby warrants and represents that he or she has been and is, on the date of this Agreement, duly authorised by all necessary and appropriate action to execute this Agreement.

COGILITY PTY LTD

By: 

Name: LEIGH TYSON

Title: DIRECTOR

2/2/16

INFINITE SOLUTIONS PTY LTD

By: 

Name: Kim Elms

Title: Director

11 Feb 2016

