

## Loan Facility Agreement

Elizabeth Meiklejohn

This Agreement is made on 29 April 2020

### Between:

Related party  
Less than 5% of the Fund's assets

Orford Superannuation Fund (the "Lender")

### And

May and June interest  
payments are received 1 July 2020

E and L May Pty Ltd ATF The EMS Family Trust (the "Borrower")

### Background:

The parties have agreed that the Orford Superannuation Fund (Lender) will provide funds to E and L May Pty Ltd ATF The EMS Family Trust (Borrower) as a loan on the terms and arrangements as set out in this Agreement.

The funds provided shall be provided for the purpose of assisting the cashflow in the business.

### 1. Definitions

"Interest rate" is the amount applied per annum and divided by twelve to obtain the equivalent monthly interest rate.

"Principal" is the total amount provided by the Lender to the Borrower for loan purposes.

"Term" is defined as the number of months over which the loan and interest is to be paid.

"Repayment" is the amount to be paid each month into the account of the Lender.

### 2. Term

The Term of the loan is 12 months (*period of time*) commencing from 29 April 2020 and to be repaid by 28 April 2020 (*repayment date*). The loan may be terminated early by agreement without penalty through payment of outstanding loan amounts.

### 3. Interest

The Interest Rate used for this loan is the Division 7A loan rate for the financial year being 5.37%.

Interest is calculated on the daily closing balance of the account after deducting the repayment made during the day.

### 4. Principal

The Principal provided by the Lender shall be no more than \$81,000.

### 5. Repayments

The amount is to be repaid by the end of the term period.

If the Borrower fails to meet the repayment due date, then the Lender may seek damages or compensation for loss of Interest on the amount outstanding.

## **6. Defaults**

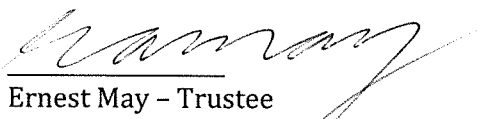
If the Borrower is in default of this Agreement the Lender may seek to recover damages including seeking the immediate payment of the final amount owing under this agreement plus any other damages.

Payment in full is the final amount owing without any set off, counterclaim or deduction.

## **7. Notices**

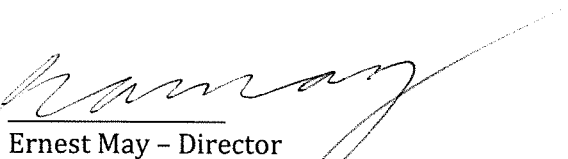
All communications between the Lender and Borrower must be in writing.

Signed by:



Ernest May - Trustee  
Orford Superannuation Fund

29/04/2020  
Date



Ernest May - Director  
E and L May Pty Ltd ATR The EMS Family Trust

29/04/2020  
Date