

944-848-263.

Macquarie Bank Limited
ABN 46 008 583 542
Macquarie Business Banking

A member of the Macquarie Group of Companies

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SWIFT MACQAU2S



Offices also in Adelaide, Brisbane, Gold Coast, Melbourne, Newcastle, Perth and Western Sydney

13 March 2017

The Directors
J C J G Superannuation Pty Limited ACN 606 197 415
50 Hunter Street
Newcastle NSW 2300

Dear Directors,

F283886.

FULLY DRAWN ADVANCE \$107,200.00

Macquarie Bank Limited ABN 46 008 583 542 (the "**Bank**") has pleasure in offering the party in **Item 1** of the Schedule a Fully Drawn Advance Facility (the "**Facility**") for the purpose stated in **Item 4** of the Schedule on the following terms and conditions:

1. Definitions

In this letter (the "**Facility Letter**"):

"Balance Outstanding" means the aggregate of all outstanding moneys drawn under the Facility together with all interest, fees, expenses, and other amounts payable by the Customer under this Facility Letter;

"Banking Day" means a day upon which the Bank is open for business generally in the State specified to in **Item 12** of the Schedule;

"Business" means the trading entity(ies), which pledge Securities supporting this Facility;

"Customer" means the customer(s) specified in **Item 1** of the Schedule;

"Debt Serviceability Coverage Ratio" means EBITDA divided by interest plus amortisation;

"EBIT" is defined as net rental income after outgoings;

"EBITDA" is defined as earnings before interest, tax, depreciation & amortisation;

"Guarantor" means the guarantor(s), if any, specified in **Item 2** of the Schedule;

"Interest Cover" means EBIT divided by actual interest incurred by the Business;

"Loan" means the amount of the Facility to be made available to the Customer under this Facility Letter or the amount of the Loan that remains outstanding at any time;

"Material Adverse Effect" means something that material adverse affects;

a) the Customer's or Guarantor's respective assets, revenue or financial condition; or

- b) the ability of the Customer or the Guarantor to perform any of their respective obligations under the Facility or the Securities; or
- c) the priority of any Security Interest granted by the Customer or Guarantor in favour of the Bank in relation to the Security; or
- d) the legality, validity or enforceability of the Facility or the Securities or the rights of the Bank under those documents;

"PPSA" means the Personal Property Securities Act 2009 (Cwlth);

"Securities" means the Securities, if any, specified in **Item 9** of the Schedule;

"Security Interest" means any:

- a) security interest under the PPSA or security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust or title retention or flawed deposit arrangement; or
- b) right, interest or arrangement which has the effect of giving another person a preference, priority or advantage over creditors including any right of set-off; or
- c) right that a person (other than the owner) has to remove something from land, easement, public right of way, restrictive or positive covenant, lease or licence to use or occupy; or
- d) third party right or interest, or any right arising as a consequence of the enforcement of a judgment,

or any agreement to create any of them or to allow them to exist.

"Security Properties" means all property of whatsoever nature the subject of any of the Securities and **"Security Property"** means any part or item thereof;

"Trust" means the trust fund comprising the property held by the Trustee as trustee under the Trust Deed; and

"Trust Deed" means the document or documents pursuant to which the Trustee is constituted trustee of the trust fund, in its capacity as which the trustee executes this document.

2. Facility Limit

A Fully Drawn Advance of an amount not exceeding the amount specified in **Item 3** of Schedule (the **"Facility Limit"**).

3. Term and Repayment

Subject to paragraphs 4 and 15(b) the Customer must repay the Balance Outstanding on the date specified in **Item 5** of the Schedule. The Facility may be extended by the Bank beyond this date, on such terms and conditions as the Bank considers appropriate, **PROVIDED THAT** the most recent review of the Facility is satisfactory to the Bank in its absolute discretion and there is no subsisting Event of Default.

4. Review

- a) The Facility will be subject to a full review by the Bank on or about the date specified in **Item 6** of the Schedule and each anniversary of that date.
- b) At each review, if any event has occurred which in the Bank's reasonable opinion may have a Material Adverse Effect, the Bank may, by written notice to the Customer:

- i) vary any of the terms of the Facility (including, without limitation, vary the Securities and/or the Margin); or
- ii) terminate the Facility.
- c) If the Facility is terminated, the Customer shall immediately pay the whole of the Balance Outstanding to the Bank.

5. Interest

- a) The Loan shall bear interest calculated at the aggregate of the Macquarie Bank Reference Rate (the "**Rate**") plus the margin specified in **Item 7** of the Schedule (the "**Margin**").
- b) The Rate is a variable rate which moves in line with general movements in short term bill rates.
- c) Interest will accrue on the Loan from day to day and be computed on a daily basis on a year of 365 days.
- d) The Customer shall pay interest to the Bank in respect of the Loan on the dates and in the manner specified in **Item 7** of the Schedule.

6. Early Repayment

- a) The Customer may only repay the whole or any part of the Loan before any scheduled payment date set out in **Item 5** of the Schedule on the following terms:
 - i) the Customer must give at least 2 Banking Days prior written notice to the Bank;
 - ii) any notice of early repayment given by the Customer is irrevocable and the Customer must repay in accordance with the notice;
 - iii) interest accrued on any amount repaid early under this Facility Letter must be paid at the time of the early repayment;
 - iv) the Customer will be liable to pay an early repayment fee as set out in **Item 8** of the Schedule.
- b) Any amount that has been repaid early will be available for redrawing in the Bank's absolute discretion.
- c) Notwithstanding paragraph 6(b) a redrawing will not be permitted if it causes the Loan to exceed the Facility Limit or there is an existing Event of Default.
- d) Any interest paid in advance in relation to any early repayment will be taken into account when calculating the Customer's final liability to the Bank.

7. Fixed Rate Option

- a) The Customer may request the Bank to quote a fixed interest rate under the Facility (the "**Fixed Rate**"). The Bank may, in its absolute discretion, offer a Fixed Rate to the Customer on the following circumstances:
 - i) no Event of Default is subsisting;
 - ii) the Customer's request for a Fixed Rate quote must be made at least 2 Banking Days prior to the date which the Fixed Rate will apply (the "**Quote Date**"), which date shall be:

- A) the date of the first drawdown; or
- B) the day on which interest is next payable under paragraph 5;
- iii) the Customer must nominate a period of 1 to 5 years (the “**Fixed Rate Period**”). The Fixed Rate Period cannot exceed the Facility term specified in **Item 5** of the Schedule;
- iv) the Bank will quote the Fixed Rate not later than 11.00 am on the Quote Date. The Bank’s quote will constitute an offer by the Bank;
- v) if the Customer accepts the Bank’s Fixed Rate, then the Fixed Rate will apply during the Fixed Rate Period instead of the Rate and Margin specified in **Item 7** of the Schedule;
- vi) if the Customer does not accept the Bank’s offer, the Rate plus the Margin will continue to apply.
- b) The method of payment of interest will be determined by the Bank when the Customer accepts the Fixed Rate.
- c) If the Customer accepts the Fixed Rate the Customer will remain bound to pay interest on the Loan at the Rate plus the Margin up to the Quote Date. This interest will be payable on the Quote Date.
- d) Interest at the Fixed Rate will accrue on the Loan on a daily basis on a year of 365 days commencing on the Quote Date.

8. Interest on Overdue Amounts

- a) The Customer must pay interest to the Bank on demand on any amount due and payable by the Customer under the Facility or the Security (including interest payable under this paragraph, but unpaid).
- b) Interest under this paragraph:
 - i) will accrue on each unpaid amount from and including the due date for payment to the date of actual payment at the aggregate of the Rate, the Margin plus a margin of 4.00% per annum;
 - ii) will accrue from day to day on a 365 day year; and
 - iii) may be compounded by the Bank at intervals selected by the Bank.

9. Fees and Expenses

a) Establishment Fee

The Customer will pay to the Bank a non refundable establishment fee of an amount specified in **Item 8** of the Schedule immediately upon acceptance of this Facility Letter.

b) Expenses and Charges

- i) The Customer will pay to the Bank all reasonable fees, costs, expenses, valuation fees and disbursements associated with the preparation, provision of and/or enforcement of the Facility and the Securities, together with all Bank charges, fees, duties, taxes and other costs and expenses imposed or incurred by the Bank from time to time in relation to the Facility.

- ii) The Bank will advise the Customer of any changes in fees and charges.

c) **Line Fee**

- i) The Customer will pay to the Bank a non refundable line fee, calculated at the percentage rate, specified in **Item 8** of the Schedule, of the Facility Limit per annum half yearly in advance.
- ii) The first half year's line fee must be paid by the Customer to the Bank upon acceptance of this Facility Letter.

10. Security

- a) The obligations of the Customer to the Bank under the Facility must be secured to the Bank by the Securities set out in **Item 9** of the Schedule.
- b) During the term of the Facility the Customer may request the Bank to accept other security in substitution for any of the Securities. Acceptance of the substitute security will be at the Bank's absolute discretion. The Bank reserves the right to review the Margin, applicable to the Facility, as a result of substitute security being accepted.

11. Conditions Precedent

The Bank is not obliged to provide the Facility to the Customer unless the Bank receives each of the items referred to in **Item 10** of the Schedule in form and in substance satisfactory to the Bank.

12. Representations and Warranties

The Customer represents and warrants to the Bank that:

- a) where the Customer or any Guarantor is a company;
 - i) it is properly incorporated or registered and validly existing under the laws of the State of its incorporation; and
 - ii) it has full power and authority to own its assets and to carry on its business as it is presently being conducted and to enter into and perform the transactions contemplated by the Facility Letter and any Securities; and
 - iii) it has power, and has taken all corporate and other action required, to enter into the Facility and any Securities and to authorise the execution, delivery and performance of its obligations under the Facility and any Securities;
- b) no property disclosed to the Bank as an asset of the Customer, any Guarantor or any related party is subject to any trust other than has been disclosed in writing to the Bank; and
- c) in respect of any Customer or Guarantor acting as trustee of a Trust, the respective Customer or Guarantor, without the Bank's consent, which may not be unreasonably withheld:
 - i) will not be removed or replaced as trustee;
 - ii) will not arrange for or make a declaration for the establishment of a separate trust fund.

13. Undertakings

Unless the Bank otherwise agrees in writing, the Customer must observe and perform the undertakings specified in **Item 11** of the Schedule.

14. Increased Cost

If by reason of any new or amended law (including without limitation any law which imposes a tax on goods and services) or in its interpretation or administration of or compliance with any request from or requirement of any fiscal, monetary or other authority:

- a) the Bank incurs a cost as a result of its having entered into or performing its obligations under the Facility; or
- b) there is any increase in the cost to the Bank of funding or maintaining the Facility; or
- c) the amount of any drawdown, interest or other amount payable to the Bank or the effective return to the Bank under this Facility Letter is reduced; or
- d) the Bank becomes liable to make any payment (not being a payment of tax on its overall net income) on or calculated by reference to the amount of the Facility Limit,

then the Customer shall from time to time on notification by the Bank pay to the Bank amounts sufficient to indemnify the Bank against such cost, increased cost, reduction or liability.

15. Events of Default

- a) Each of the following events shall constitute an "Event of Default" under the Facility:
 - i) the Customer or any Guarantor fails to pay any amount in accordance with this Facility Letter or any Security;
 - ii) the Customer or any Guarantor fails to perform or observe any provision of this Facility Letter or any Security or any other undertaking given to the Bank (other than a provision requiring the payment of money under by sub-paragraph (i));
 - iii) any representation, warranty or statement made or deemed to be made in connection with this Facility Letter or any Security is found, in the reasonable opinion of the Bank, to be untrue or misleading in any material respect when made or deemed to be made;
 - iv) any event of default occurs under any Security or under any other document relating to the Facility;
 - v) any borrowing or surety of the Customer or any Guarantor becomes, or becomes capable of being declared, prematurely due or is not paid when due;
 - vi) in respect of any Customer or Guarantor which is a company:
 - A) an application or order is made or a resolution is passed for its winding up or for the appointment of an administrator, liquidator or provisional liquidator or notice of intention to propose such a resolution is given;
 - B) a receiver, manager, receiver and manager, trustee administrator or controller, or similar officer is appointed in respect of all or any part of its business, assets or undertaking, or any steps are taken for the appointment of such a person;
 - vii) the Customer or the Guarantor convenes a meeting of its creditors or proposes or enters into any scheme of arrangement, compromise or composition for the benefit of its creditors;

- viii) the Customer or the Guarantor admits in writing that it is, is declared to be or is deemed under any applicable law to be insolvent or unable to pay debts, or commits an act of bankruptcy;
 - ix) in respect of any Customer or Guarantor acting as trustee of a Trust, the respective Customer or Guarantor, without the Bank's consent, which may not be unreasonably withheld:
 - A) is removed or replaced as trustee;
 - B) arranges for or makes a declaration for the establishment of a separate trust fund;
 - x) an event occurs which, in the Bank's reasonable opinion, may have a Material Adverse Effect.
- b) If any Event of Default occurs, the Bank may, by written notice to the Customer declare that:
- i) the Bank's obligations under this Facility Letter are cancelled whereupon the Facility will be immediately terminated; and/or
 - ii) the Balance Outstanding is immediately due and payable to the Bank without further notice.

16. Indemnity

The Customer will on demand indemnify the Bank against any reasonable loss, cost or expenses which the Bank may sustain or incur as a consequence of:

- a) any sum payable by the Customer not being paid when due;
- b) the occurrence of any Event of Default;
- c) the Facility not being provided as a consequence of any action by the Customer for any reason including failure to fulfil any condition precedent;
- d) the Facility being terminated for any reason; or
- e) the Customer making an early repayment of any portion of the Loan.

Such losses, costs or expenses will include the amount determined in good faith by the Bank as being any reasonable loss (including loss of Margin), cost or expense incurred by reason of the liquidation or re-employment of any funds acquired or contracted for by the Bank in respect of the Facility and any unwinding or break costs.

17. Certificate of Bank

In the absence of manifest error a certificate in writing signed by an officer of the Bank certifying the amount payable by the Customer or any Guarantor to the Bank will be prima facie evidence binding on each of the Customer and any Guarantor.

18. Set-Off

- a) The Bank may, at any time following an Event of Default but without notice to the Customer or any other person, set-off the whole or any part of any credit balance of any account of the Customer with the Bank and apply it against any part of the Balance Outstanding irrespective of whether the account is matured or the currency of the account or the amount owing.

- b) The right of set-off contained in this paragraph is in addition to any general or banker's lien, right of set-off, right to combine accounts or other right to which the Bank is entitled. The Bank will not exercise its right of set-off against any accounts held by the Customer in a trustee capacity, unless the Customer has entered into the Facility or any Securities in that trustee capacity.

19. Written Waiver, Consent and Approval

- a) Any waiver, consent or approval given by the Bank under this Facility Letter is only binding on the Bank if it is given in writing and executed by the Bank or by its authorised officer.
- b) Failure by the Bank to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver (provided the Bank has given prior notice to the Customer before exercising such right unless any provision of this Facility Letter or any Security allows otherwise).

20. Notices

- a) Any notice to be given to the Customer under this Facility Letter will be deemed to have been given by the Bank:
 - i) upon delivery by hand to the Customer at the address last notified to the Bank;
 - ii) two days after posting it by ordinary prepaid post addressed to the Customer at the address last notified to the Bank;
 - iii) on receipt of an acknowledgment or transmission report generated by the sender's machine indicating that the facsimile was sent to the Customer's last notified facsimile number.
- b) The Bank need not give any notice under the PPSA (including a notice of verification statement) unless the notice is required by the PPSA and cannot be excluded.

21. No Prior Representations

This Facility Letter supersedes any representations, warranties or undertakings given or made by the Bank (or by any of its employees or agents) prior to the Customer's acceptance of this Facility Letter.

22. Personal Property Securities Act

- a) If the Bank determines that this Facility Letter (or any other Security or other document in connection with it) is or contains a Security Interest for the purposes of and as defined in the PPSA, the Customer agrees to do anything at its own expense (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Bank reasonably asks and considers necessary for the purposes of:
 - i) ensuring that the Security Interest is enforceable, perfected (including, where possible, by control in addition to registration) and otherwise effective; or
 - ii) enabling the Bank to apply for any registration, or give any notification, in connection with the Security Interest so that the Security Interest has the priority required by the Bank; or
 - iii) enabling the Bank to exercise rights in connection with the Security Interest.

- b) Everything the Customer is required to do under this clause is at the Customer's expense. The Customer agrees to reimburse the reasonable costs of the Bank in connection with anything the Customer is required to do under this clause.
- c) If the Customer holds any Security Interests for the purposes of the PPSA and if a failure to perfect some or all of those Security Interests would materially adversely affect the business, condition (financial or otherwise), or prospects of the Customer, the Customer agrees to implement, maintain and comply in all material respects with, procedures for the perfection of those Security Interests with the highest ranking reasonably possible.

23. Variation

Unless otherwise stated in this Facility Letter, the terms and conditions of this Facility Letter and of the Facility shall not be amended, modified or varied except in writing duly executed by the Customer and the Bank.

24. Governing Law

This Facility Letter will be governed by the laws of the State referred to in **Item 12** of the Schedule. The parties submit to the non-exclusive jurisdiction of the courts of that State.

25. Payments and Performance

- a) If any payment, performance or election is required by a "day" or "date", such day or date will mean a Banking Day and where such day or date is not a Banking Day shall mean the immediately preceding Banking Day.
- b) All payments by the Customer under this Facility Letter are to be made in immediately available funds on the due date to such account as the Bank may nominate.
- c) All amounts payable by the Customer or any Guarantor under this Facility Letter and any Security must be paid unconditionally and in full without:
 - i) set-off or counterclaim of any kind; or
 - ii) deduction or withholding for tax or any other reason, unless the deduction or withholding is required by applicable law. In this event, the Customer must pay to the Bank such additional amounts necessary to enable the Bank to receive a net amount equal to the amount which would have been received if no deductions or withholdings had been required.
- d) Time is of the essence in respect of the Customer's obligations under this Facility Letter.
- e) The Bank may apply any payment which it receives or recovers under this Facility Letter toward any part of the Balance Outstanding and in any order it determines in its absolute discretion.

26. Joint and Several Liability

The expression "Customer" and "Guarantor" where used in this Facility Letter will refer to, and bind, each of the persons described as the Customer or a Guarantor severally and every two or more of them jointly.

27. Assignments

- a) The Customer consents to and agrees that the Bank may assign or otherwise transfer all or any part of its rights or obligations under this Facility Letter or any Securities. The Bank may disclose to a proposed assignee information relating to the Customer and any Guarantor.

- b) The Customer cannot assign any of its rights under this Facility or any Security without the prior written consent of the Bank.

28. Authority to Complete

The Bank and any officer of the Bank (acting reasonably and in good faith) is authorised to fill in any blanks and otherwise complete this Facility Letter, the Securities and any other documents executed by the Customer or any Guarantor or deposited with the Bank in connection with the Customer.

29. Customer or any Guarantor acting as trustee

The following representations and warranties are made by the Customer or Guarantor to the Bank where that Customer or Guarantor is the trustee of any Trust whether disclosed to the Bank or not.

- a) The trustee of the Trust (the “**Trustee**”) enters into the Facility Letter and any Security to which it is a party in its capacity as Trustee of the Trust.
- b) The Trust is validly constituted and has not been terminated.
- c) The Trustee is the only trustee of the Trust and no action has been taken to remove or replace it.
- d) The Trust Deed or other Trust documents delivered to the Bank are true copies of those documents as in force at the date that the Trustee enters into this Facility Letter and the Securities.
- e) The Trust Deed or other Trust documents give the Trustee the necessary powers and authority to enter into the Facility and the Securities.
- f) The Facility is or will be entered into by the Trustee as part of the due and proper administration of the Trust and is or will be for the benefit of the beneficiaries of the Trust.
- g) There is no conflict of interest and duty affecting the Trustee which would prevent the Trustee from entering into the Facility.
- h) The Trustee has a right to be fully indemnified out of the Trust, and no action has been taken to limit that right.
- i) The Trustee is not in default under the Trust documents.
- j) No vesting date for the Trust has been determined.

30. Introducing Parties

If the Customer has been introduced to the Bank by an introducing party, the introducing party is not an agent for the Bank or the Customer in respect of the making of the application for, and obtaining approval of, the Facility and the introducing party has acted solely as an intermediary in relation to those matters on behalf of the Customer.

The Customer acknowledges that the Bank may pay commission to the introducing party in return for the introduction of the Customer by the introducing party to the Bank.

The Customer should enquire of the introducing party whether or not any ongoing commission is in fact to be paid and should determine for itself whether or not it considers the payment of such commission to be acceptable.

The execution and return of this Facility Letter by the Customer will constitute the Customer's consent to the Bank providing to the introducing party the Customer's Loan details and any other information held by the Bank as the Bank and the introducing party deem necessary to enable the introducing party to reconcile the commission paid.

31. Waiver of Set-off

The Customer irrevocably agrees that all moneys payable to the Bank by the Customer will be paid in full and, to the extent permitted by law, free of any right of set-off or counterclaim of any kind and free and clear of, and without, deduction or withholding of any kind.

32. Acceptance

- a) This offer remains open for acceptance in the manner set out below until the date specified in **Item 13** of the Schedule. The initial drawdown of the Facility is to be effected within 2 months of the Final Acceptance Date. Extension of the initial drawdown period will be at the Bank's absolute discretion.
- b) This offer may only be accepted by delivery to the Bank of:
 - i) the attached copy of this Facility Letter with the form of acceptance duly executed by the Customer and any Guarantor;
 - ii) payment of all fees, expenses, charges and costs specified in this Facility Letter or otherwise notified by the Bank to the Customer.

It gives the Bank much pleasure to assist the Customer by offering to provide the Facility.

Yours faithfully
Macquarie Bank Limited



David Gonano
National Head of Sales
Macquarie Business Banking

ACCEPTANCE OF FACILITY

The Customer/Guarantor (in each respective capacity) has read and understood the terms contained in this Facility Letter and accepts the Bank's offer to provide the Facility on the terms and conditions set-out in the Bank's Facility Letter.

The Customer/Guarantor:


- a) agree to be bound by and to observe the terms of the Facility Letter, including, without limitation, the undertakings and representations and warranties contained in the Facility Letter;
- b) agree to grant any Securities required by the Bank;
- c) where any Customer/Guarantor enters into this Facility Letter and any Securities in its capacity as trustee, it acknowledges the undertakings contained in the Facility Letter.

DATED: _____

EXECUTED by
J C J G Superannuation Pty Limited ACN
606 197 415 in the presence of:



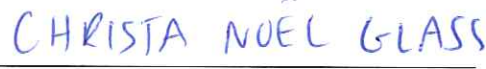
Signature of Company Secretary/other
Director (if applicable)



Signature of Director



Full Name of Signatory



Full Name of Signatory

EXECUTED by
J C J G Holdings Pty Limited ACN 606
200 971 in the presence of:



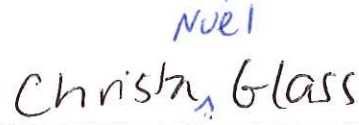
Signature of Company Secretary/other
Director (if applicable)



Signature of Director



Full Name of Signatory



Full Name of Signatory

SIGNED by the said
Jason Darrin Glass
 in the presence of:

(Signature of Witness)(who must not be
 a party to this contract)

(Signature)

(Name of Witness in Full)

SIGNED by the said
Christa Noel Glass
 in the presence of:

(Signature of Witness)(who must not be
 a party to this contract)

(Signature)

(Name of Witness in Full)

SCHEDULE

ITEM 1 - CUSTOMER

J C J G Superannuation Pty Limited ACN 606 197 415 as trustee for the J C J G Superannuation Fund

ITEM 2 - GUARANTOR(S)

Jason Darrin Glass and Christa Noel Glass
J C J G Holdings Pty Limited ACN 606 200 971 as trustee for the J C J G Investment Trust No. 2

ITEM 3 - FACILITY LIMIT

\$107,200.00 (One hundred seven thousand and two hundred dollars)

ITEM 4 - PURPOSE OF FACILITY

Assist with the purchase of Suite 2.17, 32 Delhi Road, North Ryde NSW 2113 under a limited recourse borrowing arrangement subject to the conditions and limitations set out in Item 14.

ITEM 5 - REPAYMENT DATE

Subject to paragraphs 4 and 15(b), the Customer must repay the Facility by monthly principal and interest instalments of \$904.82 (Nine hundred and four dollars and eighty two cents) and must repay any remaining Balance Outstanding on the date being 5 (Five) years from the date of the initial drawdown under this Facility.

ITEM 6 - REVIEW DATE

3 November 2017

ITEM 7 - INTEREST RATE

Interest Rate: Macquarie Bank Reference Rate

Margin: plus 0.60%

Payment of Interest: The Customer authorises the Bank to automatically debit the Customer's nominated account specified in Annexure "A" on the last Banking Day of each month with any amount or amounts of interest and fees due under the Facility on the date that such interest and fees fall due.

ITEM 8 - FEES

Establishment Fee: \$1,000.00

Line Fee: Not Applicable

Commission: Not Applicable

Early Repayment Fee: Not Applicable

ITEM 9 – SECURITY

a) registered first ranking mortgage by J C J G Holdings Pty Limited ACN 606 200 971 as trustee for the J C J G Investment Trust No. 2 over the following:

i) Suite 2.17, 32 Delhi Road, North Ryde NSW 2113;

The mortgage(s) are also taken over any money or negotiable instrument received in payment of any claim on, or on cancellation of, any insurance policy in respect of the mortgaged property.

- b) guarantee and indemnity by each of the following (the "Guarantors"):
 - i) Jason Darrin Glass;
 - ii) Christa Noel Glass; and
 - iii) J C J G Holdings Pty Limited ACN 606 200 971 as trustee for the J C J G Investment Trust No. 2;
- c) the following other Securities:
 - i) Mortgage Side Deed;
 - ii) Guarantor's Indemnity Waiver; and
 - iii) Charge over the beneficial interest in Suite 2.17, 32 Delhi Road, North Ryde NSW 2113 by the Customer.

ITEM 10 - CONDITIONS PRECEDENT

The Bank is not obliged to provide the Facility to the Customer unless the Bank receives each of the following items in form and in substance satisfactory to the Bank:

- a) a drawdown notice duly signed by the Customer or its duly authorised officer if the Customer is a company or a partnership;
- b) the executed Securities together with all documents of title and required discharges and releases;
- c) in respect of each Guarantor who is an individual, either a certificate of independent legal advice or a statutory declaration under the applicable Governing Law in respect of legal advice satisfactory to the Bank (acting reasonably) in all respects;
- d) in respect of the Customer and each individual Guarantor, a certificate of advice issued by that entity's financial adviser or accountant or a statutory declaration under the applicable Governing Law in respect of financial advice satisfactory to the Bank (acting reasonably) in all respects;
- e) payment of all reasonable legal fees, valuation fees, duties, Bank fees, and other out-of-pocket expenses incurred by the Bank in relation to the Facility;
- f) satisfactory searches and representations and warranties in respect of each Customer and Guarantor and any Security Property;
- g) in respect of the Customer, a Declaration of Solvency;
- h) a satisfactory report from a valuer acting under instructions from the Bank (but at the cost of the Customer) in respect of each Security Property of which the Bank requires a valuation;
- i) in respect of the Security Property set out in Item 9(a):
 - i) Property and Public Liability Insurance;
 - ii) a Certificate of Currency of Insurance in respect of the Body Corporate Insurances;
 - iii) a signed copy of the Contract for the Sale of Land; and
 - iv) executed Lease Agreement;

- j) Evidence of cash contribution totalling at least \$20,789.50 into the SMSF;
- k) together with such other requirements as may be notified by the Bank to the Customer from time to time.

ITEM 11 – UNDERTAKINGS

Unless the Bank otherwise agrees in writing, the Customer must observe and perform the following undertakings:

- a) ensure that the effective control of each Customer or any Guarantor which is a company or firm is not altered without the prior written consent of the Bank. For the purpose of this paragraph "effective control" shall mean:

- ✓ i) control of the composition of the board of directors of such company or partners of such firm; and/or
- ii) control of more than half of the voting power or issued share capital of such company;

- ✓ b) immediately notify the Bank of any formal arrangement entered into by the Customer and/or Guarantor with the Australian Taxation Office or the State Revenue Office under the applicable Governing Law for the repayment of taxation obligations and to notify the Bank, within five (5) Banking Days of any failure of the Customer and/or Guarantor to comply with its obligations of any such arrangement;

- ✓ c) not create, permit or suffer to exist any Security Interest of whatsoever nature over all or any of its assets (including the Security Property) other than the Securities and any Security Interests disclosed to (and approved by) the Bank prior to the date of this Facility Letter;

- ✓ d) ensure that it complies with any superannuation guarantee charge legislation and/or Australian Taxation Office requirements in relation to its quarterly superannuation guarantee charge obligations;

- ✓ e) notify the Bank in writing of any trust to which it has been, or will be, appointed trustee of which it has not previously notified the Bank or of any property which it holds as trustee;

- ✓ f) notify the Bank if the Security Property is to be altered;

- ✓ g) notify the Bank of the loss of any major tenant or notice to vacate from any major tenant of the Security Property;

- ✓ h) where the Customer or any Guarantor is an individual, provide on request of the Bank, a statement of that individual's assets and liabilities and income and expenses, together with any other information reasonably requested by the Bank;

- ✓ i) provide within 14 days after the end of each calendar month, copies of loan statements relating to loans from other financial institutions in respect of the Customer and each Guarantor;

- ✓ j) where the Customer or any Guarantor is a company or a partnership, provide on request of the Bank, copies of all financial statements for that financial year, including balance sheet and trading and profit and loss accounts together with any other information reasonably requested by the Bank signed as true and correct by the directors and, if required by the Bank, ensure that all financial statements provided to the Bank are prepared by an accountant acceptable to the Bank and in accordance with all generally accepted Australian accounting practices and principles consistently applied and give a true and fair view of the party's financial position for the relevant

- period;
- ✓ k) provide on request of the Bank, evidence of a satisfactory tax position in respect of the Customer and each Guarantor;
 - ✓ l) provide on request of the Bank, confirmation of Self Managed Super Fund asset mix / type, current values and revenue generated;
 - ✓ m) provide on request of the Bank, Superannuation Fund Financials & Annual Audit certificate of compliance;
 - ✓ n) provide on request of the Bank, a tenancy schedule in respect of the Security Property;
 - ✓ o) provide on request of the Bank, evidence of annual land tax payment;
 - p) it will ensure that the following gearing ratios and financial covenants are maintained at all times:
 - i) Interest Cover to be greater than 1.25 times;
 - ii) in respect of the Security Properties:
 - A) if at any time the aggregate of:
 - 1) the Balance Outstanding; and
 - 2) all other obligations of the Customer to the Bank, whether actual or contingent,
 (the "Debt"),

exceeds or in the Bank's view is likely to exceed 67.00% of the value of the Security Property (the "Security Ratio Amount"), then the Customer will pay to the Bank, within 14 days after receipt of notice by the Bank, the whole or part of the Debt so that the Debt does not exceed the Security Ratio Amount. Instead of requiring a cash payment under this paragraph, the Bank may at its sole and absolute discretion accept additional security in a form acceptable to the Bank so that the Debt does not exceed the Security Ratio Amount;
 - iii) a minimum of 5% of the Superannuation Fund's asset value must be held as liquid assets;
 - q) together with such other requirements as may be notified by the Bank to the Customer from time to time.

ITEM 12 - GOVERNING LAW

New South Wales

ITEM 13 - FINAL ACCEPTANCE DATE

1 (one) calendar month from the date of this Facility Letter.

ITEM 14 - SPECIFIC CONDITIONS FOR SELF-MANAGED SUPERANNUATION FUNDS

The following Specific Conditions apply to this facility.

a) **Additional Definitions**

In these Specific Conditions:

- i) **Guarantor** means Jason Darrin Glass, Christa Noel Glass and the Property Trustee;
- ii) **Property Trustee** means J C J G Holdings Pty Limited ACN 606 200 971 as trustee for the J C J G Investment Trust No. 2;
- iii) **Property** means Suite 2.17, 32 Delhi Road, North Ryde NSW 2113;
- iv) **Superannuation Fund** means the J C J G Superannuation Fund;
- v) **Superannuation Trustee** means J C J G Superannuation Pty Limited ACN 606 197 415 as trustee of the Superannuation Fund.

b) **Background**

This facility is made in accordance with the provisions of section 67A of the SIS Act which permits a regulated superannuation fund to borrow money provided:

- i) the borrowed funds are used to purchase an asset (in this case the Property);
- ii) the Property is held on trust for the Superannuation Trustee as trustee of the Superannuation Fund by another entity (in this case the Property Trustee);
- iii) the Superannuation Trustee has the right to acquire legal ownership of the Property on behalf of the Superannuation Fund by making payments;
- iv) the lender's recourse against the Superannuation Trustee and the Superannuation Fund for default on the borrowing are limited to the Property

c) **Security**

Despite any other provision of this agreement, the following stands as security for this facility:

- i) a Charge of the beneficial interest in the Property by Superannuation Trustee on behalf of the Superannuation Fund;
- ii) a Mortgage of the legal interest in the Property by Property Trustee;
- iii) a Guarantee by the members of the Superannuation Fund and the Property Trustee; and
- iv) any other security granted to the Bank to secure repayment of the facility.

d) **Redraw**

Despite any other conditions of this Agreement, redraw is not available on this facility.

e) **Charge of beneficial interest**

The Superannuation Fund hereby charges to the Bank its beneficial interest in the Property to secure payment of the facility limit and all other amounts due in respect of the facility (the "Debt"). This charge constitutes a fixed and specific charge over the Property. All the terms of the mortgage over the legal title owned by the Property Trustee apply to this charge as if set out in full in this agreement and as if the Superannuation Fund was the mortgagor and the Bank was the mortgagee.

f) **Limited recourse**

- i) Despite any other condition of this agreement, this agreement relates solely to money payable in respect of the loan made to the Superannuation Trustee under this agreement (including interest and all costs and charges associated with that loan), but does not impose on the Superannuation Trustee an obligation to pay any other money. For example, the Superannuation Trustee is not obliged to pay

all money which it owes the Bank other than by the Bank's recourse against the Property.

- ii) Despite any other condition of this agreement or any other document, the Bank and the Guarantors' rights against the Superannuation Fund on default are limited to recourse against the Purchased Property and in the absence of fraud or misrepresentation by the Superannuation Trustee, the Bank and Guarantors have no recourse whatsoever against the Superannuation Trustee or the Superannuation Fund for payment of the Debt other than recourse against the Property.
- iii) Subject to sub-clause (d), the Bank or a Guarantor must not take any step pursuant to the rights conferred by this agreement to:
 - A) have an administrator appointed to the Superannuation Trustee;
 - B) have a receiver, receiver and manager, trustee, other controller (as defined in the Corporations Act), liquidator, provisional liquidator or similar official appointed to the Superannuation Trustee, other than a receiver of all or part of the Purchased Property only;
 - C) have the Superannuation Trustee wound up, or prove in any winding up of the Superannuation Trustee;
 - D) carry out any distress or execution on any property of the Superannuation Fund other than the Purchased Property;
 - E) exercise any:
 - 1) right of set-off;
 - 2) right to combine or consolidate accounts; or
 - 3) banker's lien,
 against the Superannuation Trustee, other than in respect of the Purchased Property;
 - F) make any other claim or institute any proceedings of any kind as against any property or assets of the Superannuation Trustee other than the Purchased Property.
- iv) The other provisions of this clause do not:
 - A) prohibit or restrict the Bank or a Guarantor from obtaining, or undertaking proceedings to obtain, an injunction or other court order to restrain any breach of this agreement by the Superannuation Trustee;
 - B) prohibit or restrict the Bank or a Guarantor from obtaining, or taking proceedings to obtain, declaratory or other such relief in relation to any provision of this agreement with regards to the Superannuation Trustee; or
 - C) affect the Bank or a Guarantor's rights to:
 - 1) enforce this agreement over the Purchased Property in accordance with the terms of this agreement and the registered mortgage over the Purchased Property;
 - 2) for the sole purpose of enforcing its rights against the Purchased Property, proceed against the Property Trustee or the Superannuation Trustee to the extent necessary to enforce its rights against the Purchased Property or to obtain the benefit of the recourse to the Property Trustee or the Superannuation Trustee allowed by this clause;

- 3) enforce any rights it may have under any other document; or
- 4) enforce any rights it may have against the Superannuation Trustee for fraud or misrepresentation

g) **Own enquires**

The Bank makes no warranty or representation in relation to the structure under which the Property Trustee and the Superannuation Fund has acquired the Purchased Property. The Superannuation Fund acknowledges that it has made its own enquiries in relation to the structure and has no claim whatsoever against the Bank in relation to any aspect of the structure. For example, the Superannuation Fund has no claim against the Bank if the entry of the structure, this agreement, or the transaction reflected by this document makes the Superannuation Fund non-complying with any law or regulation or results in adverse taxation consequences for the Superannuation Fund. The Bank can enforce this agreement in full despite any such non compliance.

h) **Acknowledgement by Superannuation Trustee**

The Superannuation Trustee acknowledges that:

- i) despite any review of the Superannuation Trust Deed or the Property Trust Deed carried out by the Bank in respect of this transaction, the Bank makes no representation that the Superannuation Fund Trust Deed or the Superannuation Fund itself complies with the *Superannuation Industry (Supervision) Act*.
- ii) the Bank has made no representation, given no advice and takes no responsibility, in respect of the suitability or appropriateness of the Property as an investment for the Superannuation Trustee, nor has the Bank made any representations in relation to the ability of the Superannuation Fund to pay any amounts payable under the Facility when due. In this regard, the Superannuation Trustee has made its own enquiries and has satisfied itself as to the appropriateness of this transaction; and
- iii) the Superannuation Trustee has received, read and understood the brochure, "Your super – booklet 6".

ANNEXURE "A"

Macquarie Bank Limited
Direct Debit Request


Please complete, sign and return to us. This form is to authorise us to debit your account with another financial institution.

Account Details

Name of financial institution

MBL

Address of financial institution

Account Name

JCJG SUPERANNUATION

Branch Number (BSB)

1 8 2 5 1 2

Account Number

9 6 3 6 5 3 4 0 7

Service Agreement

I/we request you, Macquarie Bank Limited (MBL) User ID 015925 until further notice in writing, to debit my account described above.

I understand and acknowledge that:

1. The financial institution may, in its absolute discretion, at any time by notice in writing to me, terminate this request as to future debits.
2. MBL may, by prior notice in writing to me within 14 days, vary the timing of future debits.
3. Where the due date does not fall on a business day and I am uncertain whether sufficient cleared funds will be available to meet the direct debit, I will contact the financial institution directly and ensure that sufficient cleared funds are available.
4. I can modify or defer this regular Direct Debit Request at any time by giving MBL 14 days notice, in writing.
5. I can stop or cancel the regular Direct Debit Request at any time by giving MBL or my financial institution 14 days notice in writing.
6. If at any time I feel that a direct debit against my nominated account is inappropriate or wrong it is my responsibility to notify MBL or my financial institution as soon as possible.
7. If MBL concludes as a result of its investigations that your account has been incorrectly debited MBL will respond to your query by adjusting your account accordingly. MBL will also notify you in writing of the amount by which your account has been adjusted. If MBL concludes as a result of its investigation that your account has not been incorrectly debited MBL will respond to your query by providing you with reasons and evidence of this finding.
8. Direct debiting through BECS is not available on all accounts. I can check my account details against a regular statement or check with the financial institution as to whether I can request a direct debit from my account.
9. It is my responsibility to ensure that there are sufficient cleared funds in my nominated account to honour the DDR. I understand that the DDR will be automatically cancelled if three direct debit payments are dishonoured because of insufficient funds within a 12 month period. MBL will give me 14 days notice in writing if they intend to cancel my DDR. MBL will also charge the cost of dishonoured direct debits against my account.
10. MBL may need to pass on details of my direct debit request to their sponsor bank in BECS to assist with the checking of any incorrect or wrongful debits to my nominated account.

Names

Jason Glass Christa Glass

Signatures

Date

15/3/17

DRAWDOWN NOTICE

To: Macquarie Bank Limited
(ABN 46 008 583 542)
1 Shelley Street
Sydney NSW 2000

Dear Directors,

Re: **J C J G Superannuation Pty Limited ACN 606 197 415 as trustee for the J C J G Superannuation Fund ("the Customer") and Macquarie Bank Limited ABN 46 008 583 542 ("the Bank") Fully Drawn Advance Letter dated 13 March 2017 ("the Facility Letter")**

The Customer requests the Bank to make available the Facility by permitting the Customer to draw on the Facility Account.

The Customer requests the Bank to disburse the proceeds of the Facility as follows:

– Draw a Bank Cheque in the sum of \$_____ payable to

– Transfer the sum of \$_____ to the credit of _____
_____ account number _____

– Other: (please list other disbursements if applicable)

The Customer warrants that all conditions contained in the Facility have been satisfied.

Any expressions used herein have the same meaning as in the Facility Letter.

DATED this _____ day of _____, 2017

EXECUTED by
J C J G Superannuation Pty Limited ACN
606 197 415 in the presence of:

Signature of Company Secretary/other
Director (if applicable)

Christina Glass

Signature of Director

Jasen Glass

Full Name of Signatory

Christina Glass

Full Name of Signatory