

Brenda Wishey

BETWEEN

WEARECO PTY LTD ACN 010 579 343
(the Borrower)

AND

RODNEY, NATALIE AND YVONNE LEVIEN AS TRUSTEE FOR CINDERLAKE
SUPERANNUATION FUND
(the Lenders)

LOAN AGREEMENT

THIS AGREEMENT is made the 1st day of July 2016

BETWEEN: **WEARECO PTY LTD ACN 010 579 343 (the Borrower)**

AND: **RODNEY, NATALIE AND YVONNE LEVIEN AS TRUSTEE
FOR CINDERLAKE SUPERANNUATION FUND (the Lenders)**

IT IS AGREED:

1. INTERPRETATION

1.1 In this agreement:

Authorised Officer means:

- (a) in the case of the Lender:
 - (i) an employee of the Lender whose title contains either of the words 'Director' or 'Manager';
 - (ii) a person performing the function of any of them;
 - (iii) a solicitor acting on behalf of the Lender; or
 - (iv) a person appointed by the Lender to act as an Authorised Officer for the purpose of this agreement and notified to the other parties; and
- (b) in respect of any other party to this agreement:
 - (i) a director or secretary of that party; and
 - (ii) any person appointed by that party to act as an Authorised Officer for the purpose of this agreement and is notified in writing by that party to the other parties;

Business Day means a day on which banking institutions generally are open in Brisbane but excluding Saturdays, Sundays and public holidays;

Effective Date means the date of the Lender advances funds either to or to the benefit of the Borrower;

Event of Default means any of the events described in clause 6 whether or not caused by anything outside the control of a Party;

Facility means the advance of the Loan Amount pursuant to the terms of this agreement;

Government Body means:

- (a) any person, body politic or other thing exercising an executive, legislative, judicial or other governmental function of any country or political subdivision of any country;
- (b) any public authority constituted by or under a law of any country or political subdivision of any country; and
- (c) any person deriving a power directly or indirectly from any other Government Body;

GST has the same meaning as that term has in the GST Law;

GST Law means, as the context permits or requires, the "*A New Tax System (Goods and Services Tax) Act 1999*" (Commonwealth) and/or associated Commonwealth legislation, regulations and publicly available rulings;

Interest Rate means the Division 7A per annum interest rate, as published by the Australian Taxation Office for a financial year;

Loan Amount means the amount of \$500,000.00;

Repayment Period means the period of ten years from the Effective Date, or such other period as is determined in accordance with clause 4.1.

Tax Invoice means a document that complies with the requirements of the GST Law for a tax invoice;

Taxes means any present or future taxes, rates, levies, imposts, duties, deductions, charges, compulsory loans and withholdings (other than taxes on the overall net income of the Lender) which may be incurred in any jurisdiction and any interest, penalties fines or expenses relating to any of them;

Termination Date means the last day of the Repayment Period;

1.2 In this agreement, unless the contrary intention appears:

(a) a reference to:

- (i) this agreement or another document includes any variation or replacement of it notwithstanding any change in the identity of the parties;
- (ii) any statute, ordinance, code or other law includes regulations and other statutory instruments under any of them and consolidations, amendments re-enactments or replacement of any of them by any Government Body;
- (iii) a person, firm, corporation, association or Government Body includes any other of them;
- (iv) a person:
 - (A) is a reference to it in its personal and any agency or trustee (or both) capacity; and
 - (B) includes the person's successors and assigns;
- (v) time is a reference to Brisbane time or the time of the place where any thing is to be done or any document or notice is to be received;
- (vi) writing includes any mode of representing or reproducing words in a tangible and visible form, and includes telex and facsimile transmission;
- (vii) a right includes a benefit remedy authority, discretion and power;

(b) words importing:

- (i) the singular includes the plural and vice versa;
- (ii) a gender includes all other genders;

- (c) headings and underlinings shall not affect the construction;
- (d) if a word or phrase is defined cognate words and phrases have corresponding meaning;
- (e) where two or more persons are the Borrower or the Guarantor that term means each of the persons jointly, each of them severally and any two or more of them jointly;
- (f) an agreement, covenant, obligation, representation or warranty on the part of two or more persons binds them jointly and severally and an agreement, covenant, obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and severally.

2. LOAN ADVANCE

- 2.1 The Lender shall advance the Loan Amount to or on behalf of the Borrower on the Effective Date.
- 2.2 In consideration for the advance of the Loan Amount pursuant to clause 2.1, the Borrower agrees to pay to the Lender the Loan Amount, interest on the loan amount calculated in accordance with clause 3 and all other moneys due and payable under this agreement, in accordance with the terms and conditions of this agreement.
- 2.3 If the Borrower requests and the Lender agrees, the Lender may advance to the Borrower further amounts in addition to the Loan Amount under this Agreement and upon the same terms.

3. INTEREST

- 3.1 The Borrower will pay the Lender interest at the Interest Rate on such part of the Loan Amount as is outstanding from time to time.
- 3.2 The Borrower shall pay to the Lender any interest due and payable under this agreement, calculated pursuant to clause 3.3, on normal commercial terms and in any event no later than the earlier of the Termination Date or the date on which the Loan Amount is repaid in full.
- 3.3 Interest shall:
 - (a) accrue daily;
 - (b) be calculated on the actual number of days elapsed on the basis for a year of three hundred and sixty-five (365) days; and
 - (c) if payable for a specific period, be calculated from and including the first day of that period until but excluding the last day of that period.

4. REPAYMENT

- 4.1 The Borrower shall pay to the Lender the Loan Amount together with all moneys due and payable under this agreement on or before the Termination Date (at the Borrower's election).
- 4.2 The Borrower may redraw amounts which have been repaid or prepaid.
- 4.3 The Borrower shall make payments to the Lender under this Agreement:
 - (a) by 5.00pm at a place and in a manner reasonably required by the Lender; and
 - (b) in immediately available funds and without set-off, counter claims, conditions or, unless required by law, deductions or withholdings.

5. REPRESENTATIONS AND WARRANTIES

- 5.1 The Borrower represents and warrants that:
 - (a) it has the capacity:
 - (i) to unconditionally execute and deliver and perform and observe its obligations under this agreement ;
 - (ii) to own its property and assets and carry on its business as presently conducted or contemplated; and
 - (iii) to sue or be sued in its own name;
 - (b) it has taken all necessary action to authorise the unconditional execution and delivery and performance and observance of its obligations under this agreement ;
- 5.2 Each representation and warranty will survive the execution of this agreement.

6. DEFAULT

- 6.1 If the Borrower fails to pay when due any amount payable by it under this Agreement, after receiving no less than 7 days written notification from the Lender that such amounts are due and payable, this shall amount to an Event of Default, unless waived in writing by the Lender.
- 6.2 If an Event of Default has occurred then the Lender may at any time by written notice to the Borrower declare the Loan Amount and any other moneys owing by the Borrower to the Lender pursuant to this Agreement:
 - (a) payable on demand (in which case those amounts will be due and payable immediately on demand made at any time by notice from the Lender to the Borrower); or
 - (b) due and owing (in which case those amounts will be immediately due and owing).

7. NOTICES

7.1 Any notice or other communication to or by any party shall be:

- (a) in writing and in the English language;
- (b) addressed to the address of the recipient shown in this agreement or to such other address as it may have notified the sender; and
- (c) be signed by an Authorised Officer of the sender.

7.2 In addition to any means authorised by law any communication may be given by:

- (a) being personally served on a party;
- (b) being left at the party's current address for service;
- (c) being sent to the party's current address for service by prepaid ordinary mail or if the address is outside Australia by prepaid airmail; or
- (d) facsimile to the party's current number for service.

7.3 A communication shall be deemed duly given or made in the case of:

- (a) delivery in person, when delivered;
- (b) delivery by post:
 - (i) in Australia to an Australian address the second Business Day after posting; or
 - (ii) in any other case on the tenth Business Day after posting; or
- (c) a facsimile upon a transmission report being printed by the sender's facsimile machine stating that the document has been sent to the recipient's facsimile number;

but if delivery is not made before 4.00pm on a Business Day it shall be deemed to be received at 9.00am on the next Business Day in that place.

7.4 A communication sent by facsimile shall be deemed given in the form transmitted unless the message is not received in a legible form and the recipient immediately notifies the sender of that fact.

7.5 The addresses for service are initially:

The Lenders:

Address: PO Box 2111 Fortitude Valley BC QLD 4006
Attention: Rodney Levien

The Borrower:

Address: PO Box 2111 Fortitude Valley BC QLD 4006
Attention: Rodney Levien

- 7.6 A party may from time to time change its address for service by notice to the other party.

8. **GOVERNING LAW**

- 8.1 This agreement shall be governed by and construed in accordance with the laws of Queensland.
- 8.2 The Borrower irrevocably and unconditionally submits to the non exclusive jurisdiction of the courts of Queensland whether State or Federal and each waives any immunity or any objection it may have to any action in those courts and to a claim that any action has been brought in an inconvenient forum or to those courts not having jurisdiction.

9. **MISCELLANEOUS**

- 9.1 The Borrower shall:
- (a) pay all duties, transaction, registration and all other Taxes including fines and penalties which may be payable or determinable in connection with the execution, delivery, performance or enforcement of this agreement or any payment or receipt or of any transaction contemplated by this agreement;
 - (b) indemnify the Lender against any and all liabilities with respect to or resulting from delay or omission by the Borrower to pay any Taxes.
- 9.2 The Borrower shall not deal with any part of their rights or obligations under this agreement without the prior written consent of the Lender.
- 9.3 All legislation which varies, prevents or prejudicially affects the exercise by the Lender of any right, power or remedy conferred upon it under this agreement to the extent permitted by law is excluded.
- 9.4 A right in favour of the Lender under this agreement, subject to any express provision in this agreement to the contrary, may be waived prospectively or retrospectively by writing signed by the Lender.
- 9.5 The rights and remedies provided under any this agreement are cumulative and not exclusive of any rights or remedies provided by law.
- 9.6 If the liability of the Borrower to pay to the Lender any moneys payable under this agreement becomes merged in any agreement, judgment, order or other thing the Borrower shall pay interest on the amount owing from time to time under that agreement, judgment, order or other thing at the higher of the rate payable under this agreement and that fixed by or payable under that agreement, judgment, order or other thing.
- 9.7 Time is of the essence in respect of any obligation of the Borrower under this agreement.
- 9.8 If the day on which:
- (a) anything, other than a payment, is to be done is not a Business Day, that thing shall be done on the preceding Business Day; and
 - (b) a payment is to be made is not a Business Day it shall be made on the next Business Day but if the next Business Day falls in the next calendar month it shall be made on the preceding Business Day.

- 9.9 If an act, other than a payment or the giving of a communication, is required to be done on a particular day and the act is done after 5.00pm on that day, it will be deemed to have been done on the following day.
- 9.10 This agreement shall be binding upon each person who has executed it other than the Lender notwithstanding the failure of any other person named as a party to execute it.
- 9.11 This agreement may be executed in any number of counterparts and all counterparts taken together shall constitute one and the same instrument.
- 9.12 If any provision of this agreement shall be or determined to be illegal, invalid, void, voidable or unenforceable, the legality or validity of the remainder of this agreement will not be affected and will continue in full force and effect.
- 9.13 The Lender or the Borrower may not disclose the contents or terms of this agreement or any information or documents received by it in connection with the negotiation of this agreement or pursuant to the provisions of this agreement without the prior consent of the other except to the extent that:
- (a) disclosure is permitted by the express terms of this agreement;
 - (b) the information is available to the public generally (except as a result of a previous breach of this clause);
 - (c) that party is required to make the disclosure by law;
 - (d) the disclosure is made on a confidential basis to the representatives or professional advisers of that party for the purpose of obtaining professional advice.


10. GST

- 10.1 If the Lender is obliged pursuant to the GST Law to pay an amount of GST in respect of a taxable supply made by the Lender to the Borrower pursuant to the provisions of this agreement or any other collateral agreement or instrument, the Borrower will pay to the Lender that amount of GST at the same time and in the same manner as the Borrower is required to pay for the taxable supply or (at the Lender's election) on demand.
- 10.2 The Lender must issue to the Borrower a Tax Invoice in respect of each taxable supply to which clause 10.1 applies within such time as the GST Law may prescribe from time to time.
- 10.3 Where the Borrower is required to pay, reimburse or indemnify the Lender for an amount, the Borrower will pay the relevant amount (including any GST) less the amount of any input tax credits which the Lender determines that it is entitled to claim in respect of that amount the intention being that the Borrower only reimburses the Lender for the net cost to it and thus avoids any element of price exploitation.
- 10.4 The Borrower agrees that the Lender has not made any allowance for GST in pricing any supply to be made under or in connection with this agreement or any other collateral agreement or instrument.

Other expressions used in this clause 10 which are not specifically defined have the meanings as defined in the GST Law.


EXECUTED as an agreement.

EXECUTED by **WEARECO PTY LTD ACN 010 579 343** in accordance with Section 127 of the *Corporations Act 2001 (Cwlth)* with the authority of the Directors:

SIGN 

Director/Secretary *Rodney*

SIGNED SEALED AND DELIVERED by **RODNEY LEVIEN AS TRUSTEE OF CINDERLAKE SUPERANNUATION FUND** as Lender

SIGN 

Trustee *Rodney*