

## Loan Facility Agreement

This Agreement is made on 1 July 2020

### Between:

EA & LE May Superannuation Fund (the "Lender")

### And

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

### Background:

The parties have agreed that the EA & LE May 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 for 1 year (*period of time*) commencing from 1 July 2020 and to be repaid by 30th June 2021 (*repayment date*). The loan may be terminated early by agreement without penalty through payment of outstanding loan amounts.

### 3. Interest (4.52% PER ANNUM = \$376.67/ MONTH)

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

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 \$100,000.

### 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.

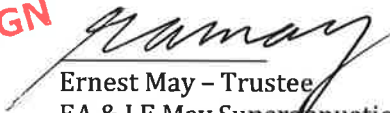
Payment in full is the final amount owing without any set off, counterclaim or deduction.

## 7. Notices

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

Signed by:

**SIGN**



Ernest May - Trustee  
EA & LE May Superannuation Fund

16/09/2020  
Date

**SIGN**



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

16/09/2020  
Date