



Date

Address
address

Dear Borrower (s)

YOUR LOAN APPLICATION (Consumer Credit Loan)

Thank you for your loan application. We are pleased to advise that Midlands Mortgage Trust ("the Trust") offers you a new loan on the terms summarised below (the "Loan"):

1. LOAN DETAILS

Borrower(s)	A B C LIMITED
Guarantor(s)	A B Cee D E Free
Mortgagor(s)	A B C Limited 12 Smith Street, Hastings
Lender and Mortgagee	FM Custodians Limited at Wellington (FM Custodians Limited is the custodial company of Trustees Executors Limited, the Trustee of the Trust)
Manager of Trust	Fund Managers Central Limited
Principal Sum:	\$
Date of Advance	28 April 2005

If the loan is not drawn within 14 days of this date, the Lender may require the Borrower to pay holding interest on the principal sum, calculated on a daily basis at 4.5% p.a. from 15 days after the 'date of advance' on this Loan offer until the actual date of settlement.

Term	The principal sum shall be repaid on 28 April 2007 <i>or</i> upon demand being made, whichever is the earlier, on an interest only repayment basis
Drawing the Loan	<p>The Principal Sum may be drawn in one amount on date of advance set out above or as otherwise agreed</p> <p>Proceeds of the loan are to be paid to the Borrowers solicitor's trust account;</p>
Repayments	<p>The Borrower(s) will make the following payments:</p> <p>Quarterly interest-only payments by direct debit, due in each year on the 1st day of March, June, September and December. <i>or</i> Consecutive monthly interest-only payments by direct debit, due on the 1st day of each calendar month.</p> <p>(the above payments being subject to earlier demand for repayment having not been made by the Lender).</p>
Mode of Payment by Borrower	<p>All payments must be made by <u>direct debit</u> from the Borrower's bank account to the account nominated by the Lender.</p> <p>Manual interest payments are subject to a \$25.00 fee.</p>
Ordinary Interest Rate	<p>The Trust's floating loan interest rate that applies from time to time, which is 9.95% p.a. as at the date of this Loan Offer.</p> <p>Interest on the Principal Sum outstanding will be calculated at a daily rate and will be charged to the Borrower in arrears.</p>
Penalty Interest Rate	<p>'Ordinary Interest Rate' that applies from time to time plus a margin of 5 percentage points p.a.</p> <p>We will charge the penalty interest rate, equal to 5.00% per annum above the ordinary interest rate, in the event of a default as follows:</p> <p>(a) Default interest: If any moneys payable under this contract are not paid on the due date, default interest accrues daily on the amount unpaid at the default interest rate from the date the payment was due until the date the default is remedied. The default will not be remedied until the lender has been paid:</p>

- (i) the amount of the payment in default; and
 - (ii) the amount of default interest that has accrued on the payment in default.
- (b) Expired Loan: Your loan has expired and you have failed to repay the loan in full on or prior to the expiry date (unless we have, by prior arrangement and at our sole discretion, agreed to renew the loan for a further period and all executed documentation recording the renewal has been returned to us together with payment of our renewal fee).

Interest at the penalty rate will continue until such time as the default is remedied. The penalty rate will only apply to the portion of the loan actually in default.

Interest Payable over Term of Loan

Assuming you do not default and interest at the Ordinary Interest Rate of rate% per annum is payable on the Principal Sum of \$Amount of Principal for the Term you will pay interest of \$Amount of Interest if the loan is paid on Maturity Date as set out in the attached Payment Schedule.

Processing Fee

\$00,000.00 [GST exempt as a financial service]. This is a non- refundable payment due to Fund Managers Central Limited, the Manager of the Trust, due on the Borrower's acceptance of this loan offer.

Commission

The Lender, the Trust and other persons may pay or receive Commissions, fees or benefits in connection with this Loan. \$0000.00 is payable to Broker name in connection with this advance.

2. DETAILS OF SECURITY

Borrower

First registered 'All Obligations' mortgage with a Priority Sum of \$000,000.00 (plus all interest, penalty interest and costs of enforcement) over the following freehold Property (ies)

Address: - 12 Smith Road, Hastings

Legal Description: - Part Able 1A block

Certificates of Title: AB5/520

Land Registry: Hastings

** Duplicate for multiple security properties

** Replace with PPSR details if required – see master Loan Application

Guarantor:

First registered 'All Obligations' mortgage with a Priority Sum of \$000,000.00 (plus all interest, penalty interest and costs of enforcement) over the following over the following freehold Property (ies)

Address: - 12 Smith Road, Hastings

Legal Description: - Part Able 1A block

Certificates of Title: AB5/520

Land Registry: Hastings

** Duplicate for multiple security properties

Deed of Guarantee and Indemnity for unlimited liability from Guarantor's full name

or

Deed of Guarantee and Indemnity for limited liability from Guarantor's full name

Insurance

Property (ies) secured must be insured to Full Replacement Cost or Sum Insured to an amount acceptable to the Lender, including full earthquake and natural disaster cover.

The Lender's interest (FM Custodians Limited) is to be recorded on the policy.

A certificate of currency is to be completed and endorsed by the Original underwriter (broker's advice will not be accepted) and the insurance cover is to be kept current until the loan is repaid in full.

3. SPECIAL TERMS**Valuation:**

This Loan is conditional upon receiving a current Registered Valuer's report of the security property (ies), to the sole satisfaction of the Lender. The valuation report is to be addressed to:

FM Custodians Ltd as Custodian Trustee for Trustees Executors Ltd
Fund Managers Central Limited as Manager
Midlands Mortgage Trust
P O Box 609
HASTINGS 4156

A complete original of the valuation report is to be received by the Lender, prior to the loan advance date.

OR

A complete original of the valuation report is to be re-addressed;
FM Custodians Ltd as Custodian Trustee for Trustees Executors Ltd
Fund Managers Central Limited as Manager
Midlands Mortgage Trust
P O Box 609
HASTINGS 4156
To be received prior to the loan advance date.

OR

The valuation from Valuers Name dated date is satisfactory.

Local Authority Approvals:

We require copies of the following current documents in respect of the security property (ies):

Compliance Certificate(s)

The Lender is to be provided with a copy of the Code Compliance Certificate (s) (CCC) for any building structure that:

1. Requires a CCC to be issued in terms of any Building Consent and/or
2. Has been constructed after July 1992 and
3. Has been included in the improvements value of the most recent valuation report (the Code Compliance Certificate, **if applicable**, must be provided upon acceptance of this Loan offer)

Mortgage

Contemporaneous registration of discharge of existing fixed sum mortgage and registration of a new all obligations mortgage. The Mortgagor acknowledges that this Mortgage is given in substitution for Mortgage B.458936.2 (South Auckland registry).

Priorities

The priority of the existing Mortgage/General Security Agreement granted by the borrower(s)/guarantor(s) in favour of us is to be limited to \$000,000.00 plus all or specified number months interest and charges.

Deed of Priority ranking the mortgage as First Priority.

Financial Information:

The Borrower/Guarantor shall provide signed statements of Financial Position prior to signing the loan documentation. Further, upon request they shall supply to the Lender/Manager the following financial information.

Signed Statement of Financial Position within 10 days of the date of request

GST:

The Mortgagor (s) confirms it is not GST registered and that the security property shall not be used as part of a taxable activity

Other:

We understand that the principal sum (loan amount) shall be available as follows:

\$Amount of principal sum

If the security property (ies) are unit titles, the Borrower(s) is to provide to the satisfaction of the Lender and at the Borrower(s) own expense,

- a) A copy of all information as required for a “Pre-settlement disclosure statement” as set out in Section 147 of the Unit Titles Act 2010, and
- b) (i) Details of all current insurance policies held by the Body Corporate including the insurer, type of policy, premiums and excess payable
(ii) The text of motions at the last general meeting and whether the motions were passed
(iii) A copy of the minutes of the last Annual General Meeting (AGM)

The Lender is to be provided with a copy of the latest available Rates Notice for the security property (ies) prior to settlement. The Borrower(s) undertakes that the district/city/regional council rates (including water) shall be kept up to date at all times.

Identification requirements as per the AML & CFT Act 2009:-

The Lender requires, and the Borrower(s) and Guarantor(s) will provide, certified copies for each Individual Borrower / Guarantor of Identification and documentation sufficient to meet the Lenders obligations in terms of the AML as a condition precedent to the Loan being provided by the Trust of the following:-

- o Current Passport and confirmation of address details (utility bill or bank statement) *or*
- o Drivers Licence & a copy of eftpos or bank card, and confirmation of address details (utility bill or bank statement)

Property Inspection and Meeting with Borrowers:

This offer is subject to, an inspection of the security property by the Lender and a meeting with the Borrower prior to drawdown of this facility, the results of which being acceptable to the Lender in all respects.

The above special terms and conditions are to be satisfied to the complete satisfaction of the Lender in its sole opinion, prior to this Advance being accepted by the Lender.

4. STANDARD TERMS

- 4.1 Subject to any special terms which may be set out above, all the terms set out in the Trust’s standard loan and security documentation for loans of this type will apply.
- 4.2 This offer is conditional on final approval by the Trustee of the Trust.
- 4.3 If the Manager of the Trust has not received the processing fee in full by the Date of Advance, the Manager may deduct the processing fee or any part outstanding from the amount of the Principal on the Date of Advance. If you accept this offer

but the loan does not proceed for any reason, the processing fee is not refundable except at the discretion of the Manager of the Trust.

- 4.4 The solicitors acting for you will be required to certify that
- a) Any guarantors have obtained independent legal advice before signing the loan and security documentation and their guarantees, or
 - b) They hold written confirmation from any guarantor that the guarantor has chosen not to be independently advised.
- 4.5 All legal costs and other expenses relating to the loan application and the making of the loan are to be paid by the Borrower(s) regardless of whether or not all or any part of the Principal Sum is drawn down. These may include the Lender/Trust's own legal costs should the Lender/Trust require its own solicitors to act or advise in any matter (for example, to prepare documentation or to advise on the adequacy of any documentation provided by the Borrower(s) or any Guarantor(s)).
- 4.6 The Lender may review, vary or withdraw this offer if any event occurs or it receives new information between the date of this Loan Offer and the Date of Advance which, in the Lender's opinion, amounts to a material adverse change in the Borrower(s) and/or Guarantor(s) affairs, may affect the successful conclusion of the transaction, or if there is undue delay in drawing down the Principal Sum.
- 4.7 No subsequent mortgage or security interest may be registered against the security property title(s), or against any of the assets that are the subject of the Lender's security interest(s), without the prior written permission of the Lender.
- 4.8 All security documents are to be in the Lender's approved form and shall not be altered or varied by the Borrowers and/or Guarantors in any way, without the prior written consent of the Lender.
- 4.9 All mortgages and security interests are to be collateral with any other mortgages and security interests given to secure any and all monies owing by the Borrower(s) whether given by the Guarantor(s) or any other person.
- 4.10 Should at any time the amount outstanding exceed 66.00% of the value of the property (ies) subject of any mortgage security (the security margin) then the Lender may (at its sole discretion) give the Borrower 7 days written notice to repay such an amount of the Principal Sum, or provide acceptable additional security to ensure the security margin is not exceeded.

The Lender may, at its sole discretion, commission a valuation of the security property (ies) and/or other security assets by a registered valuer, at the Borrower(s) expense, in order to determine the actual Security Margin at any time during the currency of the loan.

- 4.11 The Trust may provide further loans to the Borrowers at its sole discretion on the basis of the securities/guarantees provided.

- 4.12 The Borrower(s) may repay all or part of the principal sum on any interest date provided:
- (i) Except where the Lender agrees otherwise in writing, the amount repaid is not less than \$5,000 and is a multiple of \$1,000.00; and
 - (ii) On or before the date of repayment, the Borrower(s) also pays to the Lender the amount (if any) which the Lender certifies to be the amount of its loss and costs arising from the repayment being the difference between the Ordinary Interest Rate and interest rate received from the Lender's trading bank calculated to the end of the Term on the amount repaid up to a maximum amount of ones month's interest.
- 4.13 This Loan Offer shall constitute an agreement to mortgage over the security property(ies) to secure the Borrower(s) and the Guarantor(s) obligations set out in this Loan Offer and, in particular, payment of the Processing Fee ("the Obligations"). The Borrower(s) and Guarantor(s) agree that this agreement to mortgage gives rise to a caveatable interest immediately upon the signing of this Loan Offer by the Borrower(s) and the Guarantor(s) and the Borrower(s) and Guarantor(s) further covenant forthwith upon demand to give and execute in favour of the Lender a registerable Memorandum of Mortgage over the security property (ies) to secure the Obligations.
- 4.14 Unless specified otherwise in these instructions, all securities granted to the Lender are to rank first in priority, with no prior or subsequent securities in existence.
- 4.15 The Borrower(s) and each Guarantor providing a property as security for the loan ("Relevant Guarantor") must, at all times comply with its "Obligations", if any, under the Health and Safety Reform Act and under all Regulations and Codes of Conduct issued under the Health and Safety Reform Act (once these are in force). In this clause "Obligations" include all duties of care, duties to engage with workers, duties in relation to workers' participation, improvement notices, and under the Health and Safety Reform Act regime. The Borrower(s) and each Relevant Guarantor covenants to notify the Lender of any breach of its Obligations. It will be an event of default if the Borrower or any Relevant Guarantor fails to comply with any of its Obligations and that failure is not remedied within the time prescribed by the Lender for such remedy.
- 4.16 At least 5 working days' notice must be provided to the Lender for the provision of any partial or full discharge of mortgage (DM). The Lender reserves the right not to issue a DM until the 5th working day following receipt of notice that a DM is required. Notwithstanding insufficient notice is given, the Lender may at the Lender's entire discretion, issue a DM on the basis an additional fee is paid. The additional fee shall be in consideration of the matter being given urgency in priority to other matters being dealt with by the Lender.

5. ACCEPTANCE

- 5.1 If the above terms are acceptable to you, please sign and return the **attached** Loan Acceptance together with your cheque for the processing fee made out to “**Fund Managers Central Limited**”.
- 5.2 Please also advise, on the Loan Acceptance, the name and contact details of the solicitor acting for you.
- 5.3 **Accurate details of borrowing entities must be provided at the time of acceptance of this Loan Offer. Any changes made subsequent to instructions being given to your solicitor will incur a re-documentation fee of \$250.00.**
- 5.4 If this offer is not accepted within **7 days** from the date of this Loan Offer, the offer will lapse unless the Trust agrees, in writing, to extend the time for acceptance in which case the Trust may vary any term of the offer including the ordinary interest rate or any margin at commencement.

6. CANCELLATION RIGHTS

You are entitled to cancel the consumer credit contract by giving written notice to the Lender:

- If the disclosure documents are handed to you directly you must give notice that you intend to cancel within 5 working days after you received the documents.
- If the disclosure documents are sent to you by electronic means (for example, email) you must give notice that you intend to cancel within 7 working days after the electronic communication is sent.

- If the documents are posted to you, you must give the notice within 9 working days after they were posted.

Saturdays, Sundays, and national public holidays are not counted as working days.

You may cancel this Loan Offer by giving written notice of the cancellation to us up to 9 working days of the day that you sign this Loan Offer and Loan Agreement. In the event of cancellation you must return to us any advance and any other property received by you from us.

7. FINANCIAL SERVICE PROVIDERS (REGISTRATION AND DISPUTE RESOLUTION) ACT 2008

- 7.1 Fund Managers Central Limited is registered under the above Act as number FSP43686

7.2 Fund Managers Central Limited is a member of the Financial Services Complaints Limited disputes resolution scheme. Their details and any complaints arising from the Loan should be sent to: Financial Services Complaints Limited, Level 4, Sybase House, 101 Lambton Quay, Wellington 6011. Telephone: 0800 347 257, Fax: 04 472 3728 or email: complaints@fscl.org.nz.

Yours faithfully
For Fund Managers Central Limited

Peter Harrison
General Manager

LOAN ACCEPTANCE

AB CEE LIMITED

1. I/We accept an offer of a loan from Midlands Mortgage Trust (“the Trust”) on the terms set out in this letter and acknowledge that the loan is conditional on the final approval of the Trustee of the Trust.
 - a. A cheque for the processing fee set out on page 2 of this letter made out to ‘**Fund Managers Central Limited**’ is enclosed or I/We authorize you to deduct the processing fee set out on page 2 of this Loan Offer from the amount of the Principal Sum on the Date of Advance.

I/ We acknowledge that the loan offer is conditional on payment of the processing fee.
3. I/We acknowledge that it is a requirement of the Lender that my/our solicitor hold Professional Indemnity Insurance cover, to the satisfaction of the Lender.
4. I/We consent to receiving electronic communications to our email address specified below.
5. I/We confirm that it is intended that the Security specified at clause 2 of this Loan Offer is to be disposed of or realized (whether by sale, refinance or otherwise) on or before the end of the Term specified at clause 1 of this Loan Offer.
6. I/We advise that the solicitor(s) acting for me/us in this transaction is/are:

Firm: _____

Solicitor Acting: _____

Phone Number: _____ Fax Number: _____

Postal Address: _____

E-mail Address: _____

(All Borrowers must sign)

Borrowers Signature: _____

Borrowers Name: _____
(Print)

Borrowers Email: _____

Date Signed: _____ 2017

Guarantor's Signature: _____

Guarantor's Name: _____
(Print)

Guarantor's Email: _____

Date Signed: _____ 2017