

MORTGAGE LOAN AGREEMENT DISCLOSURE STATEMENT

PO Box 4295, Shortland Street
Auckland 1140, New Zealand
Enquiries 0800 003 391
Telephone 09 375 0700
Facsimile 09 375 0716
www.libfin.co.nz



BOOST LOAN AGREEMENT

Specific Terms

Prepared on

(“Disclosure Date”)

Thank you for choosing Liberty.

Before getting into the details of this loan agreement there are some important things you need to know and understand to help you make an informed decision to enter into this agreement.

About Boost

A Boost mortgage is different to most home loans for the following reasons:

- Boost is secured against the Secured Property by a second mortgage.
- This means that you will also need to arrange a first mortgage. It is a term of Boost that you do what you promise to do under your first mortgage. A default under your first mortgage will also be a default under your Boost mortgage.
- The interest rate will always be a variable rate – you do not have the option to choose a fixed rate.
- The loan is for a shorter period than normal home loans.

About your agreement with us

There are two documents that make up this agreement:

- this document, which incorporates the disclosure statement that we are required to give you under section 17 of the Credit Contract and Consumer Finance Act 2003 (called the **Specific Terms**); and
- the document entitled “Form of Registrable Memorandum” 2014/4318 (called the **Memorandum**). You will authorise your lawyer to register a mortgage over the Secured Property which incorporates the terms of this document.

Whenever we use the expression “**this agreement**”, we mean both the Specific Terms and the Memorandum.

How do you make an informed decision to borrow?

A mortgage is a significant financial undertaking for anyone. We recommend that before you sign this Boost Loan Agreement and become bound by its terms, you should:

- read the document and understand it; and
- obtain legal advice from a lawyer of your own choice who can answer any questions you may have and explain the obligations you are entering into.

BORROWER(S) (referred to in this Boost Loan Agreement as “you”)

Name:

Address:

Name:

Address:

CREDITOR: (referred to in this Boost Loan Agreement as “we” and “us”)

Name: **Liberty Financial Limited**
Physical Address: **Level 8, 45 Queen Street, Auckland**
Postal Address: **PO Box 4295, Shortland Street Auckland**
Fax: **09 375 0716**
Email: **info@libfin.co.nz**

You may send notices to us by:

- Writing to us at the above Postal Address; or
- Sending a fax to us at the above Fax number; or
- Sending an Email to us at the above Email address.

Financial Service
Providers Register
details

We are registered on the Financial Service Providers register as Liberty Financial Limited under number FSP18523

GUARANTOR(S):

Name:

Address:

Name:

Address:

CREDIT DETAILS

Initial unpaid balance \$ This is the amount you owe at the date of this statement (including any fees charged by us payable by deduction on Date of Advance).

Advances (the amounts that will be advanced to you by us)	Item	Amount
	Loan Advance	\$

Fees to be deducted (the fees that will be deducted by us from the amounts advanced to you)	Item	Amount
	Brokerage Fee	Not ascertainable. Calculated by broker as per agreement with us: up to 2% of the loan amount.
	Valuation Fee	Not ascertainable. Calculated by valuer. Benchmark is \$475 (inc. GST) which can increase.
	Legal Fees	Not ascertainable. Calculated by our lawyers on a costs incurred basis.
	Re-documentation Fee	\$230 (inc. GST)
	Collateral Security Fee	\$175 (inc. GST)
Fees already paid (the fees that you have already paid to us)	Item	Amount
	Equalisation Fee	0.8% of the total loan amount.
	Brokerage Fee	Not ascertainable. Calculated by broker as per agreement with us: up to 2% of the loan amount.
	Valuation Fee	Not ascertainable. Calculated by valuer. Benchmark is \$475 (inc. GST) which can increase.
	Legal Fees	Not ascertainable. Calculated by our lawyers on a costs incurred basis.
	Re-documentation Fee	\$230 (inc. GST)
	Collateral Security Fee	\$175 (inc. GST)

PAYMENTS REQUIRED

You are required to make each payment of the amount specified and by the time specified.

Total number of payments

Maturity Date The day that is months after the Date of Advance.

Timing of payments Frequency: Monthly
 First Payment: One month after Date of Advance

Amount of payments There will be:
 • payments of principal and interest of \$, and one final payment of \$.

Total amount of payments \$

INTEREST

Annual interest rate(s) The annual percentage rate that applies to your loan is our variable rate for Boost loans. We will advise you of changes to that rate as they occur. That interest rate is % per annum as at the Disclosure Date.

Method of charging interest 1.1 Interest charges are calculated by multiplying the interest bearing unpaid balance of the loan at the end of the day by a daily interest rate. The daily interest rate is calculated by dividing the Interest Rate by 365 (or 366 in a leap year). Interest is payable on each consecutive monthly date (or, if in any given month there is no corresponding date, then the last day of that month) from the Date of Advance, and the Maturity Date.

FEES

The following credit fees and charges are, or may become, payable under, or in connection with this agreement. All credit fees and charges may be changed (see clause 25.4 of the Memorandum).

Credit fees and charges	Description	Amount (or method of calculation)	How and When Paid
	Service Fee	\$0	payable monthly in arrears and included in your repayments
	Discharge Administration Fee	\$495	on date of repayment of the loan in full

CONTINUING DISCLOSURE

We are required to provide you with regular statements. These statements will give you information about your account. Statements will be provided every 6 months.

WHAT COULD HAPPEN IF YOU FAIL TO MEET YOUR COMMITMENTS

Security interest	<p>By signing this Boost Loan Agreement you agree to give us a mortgage over property listed below to secure performance of your obligations under this Boost Loan Agreement including your obligation to pay money.</p> <p>If you fail to meet your commitments to us under this Boost Loan Agreement, then to the extent of the security interest, we will be entitled to repossess and sell this property.</p> <p>If the proceeds received from the sale are insufficient to repay what you owe us, you will remain liable for the amount outstanding.</p> <p>Under the memorandum, you are not permitted to give additional security over this property without our consent. If you do, then you will have failed to meet your commitments to us and we may accelerate repayment of the loan and exercise our rights to repossess and sell the property.</p>
New second registered mortgage over	<p>Address :</p> <p>CT :</p> <p>Mortgagor :</p> <p>Priority Amount : \$</p> <p>(for the purposes of section 92 of the Property Law Act 2007 only)</p> <p>First Mortgage limit : The amount secured under the first mortgage over this property must not exceed</p>
Loan-to-Value Ratio	<p>% If the Outstanding Money plus the amount of the principal sum secured under the prior first mortgage exceeds the Loan-to-Value Ratio of the value we place on your Secured Property, we may require you to provide additional security in accordance with clause 7.2 of the Memorandum.</p>

New second registered mortgage over

Address :

CT :

Mortgagor :

Priority Amount : \$

(for the purposes of section 92 of the Property Law Act 2007 only)

First Mortgage limit: The amount secured under the first mortgage over this property must not exceed

Loan-to-Value Ratio

% If the Outstanding Money plus the amount of the principal sum secured under the prior first mortgage exceeds the Loan-to-Security Percentage of the value we place on your Secured Property we may require you to provide additional security in accordance with clause 7.2 of the Memorandum.

Default interest charges and default fees

Default Interest

The Default Interest Rate is the aggregate of the Interest Rate from time to time and 4% per annum. Further information about how we calculate default interest and when it applies is set out in clause 5 of the Memorandum. If the repayment of the loan is accelerated as a result of default under this agreement, however, default interest does not accrue on the amount payable early and interest at the relevant interest rate continues to accrue.

Default Fees

Description	Amount	How and When Paid
Payment Dishonour Fee	\$25.00	by you immediately upon the occurrence of a dishonour – the Payment Dishonour Fee will be debited to your account on the day that we are advised of the dishonour.
Default Administration Fee	\$95.00	by you immediately upon default – the Default Administration Fee will be debited to your account on a Payment Date when you have been in default at any time since the preceding Payment Date.
Property Law Act Notice Fee	\$500.00	by you when we prepare a notice required by either section 119 or section 122 (or any amendments to or replacements of these sections) of the Property Law Act 2007.
Expired Insurance Fee	\$50.00	by you when you do not provide evidence of ongoing building insurance.
Rates Arrears Fee	\$250.00	by you when we are notified by a local or water rating authority that there has been a non-payment of any rates in relation to a Secured Property.

DISPUTE RESOLUTION

If you have a complaint or a dispute, we recommend that you contact us and discuss it with us first. We are able to help you. If you are not happy with our response or you want the dispute dealt with by an independent party, you may contact our dispute resolution scheme.

Name of dispute resolution scheme: Financial Service Complaints Limited

It is free to make a complaint to this independent dispute resolution scheme. This scheme can help you resolve any disagreement you have with us. The contact details of our dispute resolution scheme are:

Phone: 0800 347 257

Website: www.fscl.org.nz

Business Address: level 4, Sybase House, 101 Lambton Quay, Wellington 6011.

LOAN OFFER

We offer to lend to you on the terms and conditions set out in the Specific Terms above and below and in the Memorandum.

1. If a person has been named as a guarantor, each Guarantor will be required to execute a separate deed of guarantee and indemnity guaranteeing all of your obligations to us under this agreement.
2. You will pay us a discharge administration fee, as set out in this agreement. You will also be required to pay to us the credit fees and charges detailed above. All monies owing under this agreement are Secured Moneys (as defined in the Memorandum). By signing this agreement, the persons named in the Security interest section above as Mortgagor(s) agree that, if the mortgage is not already in place, they will sign every document required to create or authorise the registration of the mortgage against the property listed in that section.
3. You may choose to prepay the whole or any part of the Loan Amount at any time prior to the Maturity Date.
4. Each of you and each Guarantor acknowledges receipt of a copy of this agreement for the purposes of initial disclosure under the Credit Contracts and Consumer Finance Act 2003.
5. If there is any conflict between these Specific Terms and the Memorandum, then the Specific Terms prevail.
6. In addition to our rights set out in the Memorandum, we may change any of the terms of this agreement at any time (for example (but without limitation) we may change terms that relate to: the amount of any interest rates (including the default interest rates); the method of calculating or the way interest charges are applied (including default interest charges); the amount, frequency, the time or dates for repayment, or method of calculation of any repayment; and the amount, frequency, time for payment or method of calculation of any fee or charge). We may also introduce new fees at any time. We will give you notice in accordance with law when a change is made. For the avoidance of doubt, we confirm that any change made by us will only be made to ensure that we comply with any law or changes to any law or to protect our legitimate business interest and will be made across all loans of a similar type to the loans recorded by this agreement.

ADDITIONAL PROVISIONS

7. **Date of Advance:** The date on which the funds in payment of the advance are made available to you or your solicitor.
8. **Purpose:** You must apply the Loan Amount for the purpose of purchasing the property at , refinancing the property at .
9. **Title Protection Fee:** This fee reimburses us our average cost of reviewing searches of the title and such other searches as we deem necessary (if any) and assessing the risk of, and obtaining comfort on, any potentially adverse impact on the lender arising from title or property law risks associated with the secured property. This fee is an establishment fee.
10. **Conditions Precedent:**
11. **Limited Liability Trustee Borrower:**
12. **Limited Liability Trustee Borrower:** We will not have recourse to any of the assets held by the Limited Liability Trustee Borrower, other than assets held by the Limited Liability Trustee Borrower as trustee of that

respective trust, except where (but then only to the extent that) we are unable to recover any Outstanding Money as a result of:

- any breach of trust by the Limited Liability Trustee Borrower (whether alone or with others);
- any lack of capacity, power or authority of the Limited Liability Trustee Borrower to enter into this Boost Loan Agreement; or
- any dishonesty of the Limited Liability Trustee Borrower.

SIGNED for and on behalf
of Creditor

Signature

RIGHT TO CANCEL

You are entitled to cancel the consumer credit contract by giving notice to the creditor.

Time limits for cancellation

- **If the disclosure documents are handed to you directly you must give notice that you intend to cancel within 5 working days after you receive 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.

How to cancel

To cancel, you must give the creditor written notice that you intend to cancel the contract by-

- giving notice to the creditor or an employee or agent of the creditor; or
- posting the notice to the creditor or an agent of the creditor; or
- emailing the notice to the creditor's email address (if specified on the front of this disclosure statement); or
- sending the notice to the creditor's fax number (if specified on the front of this disclosure statement).

You must also, within the same time, return to the creditor any advance and any other property received by you under the contract.

What you may have to pay if you cancel

If you cancel the contract, the creditor can charge you the amount of any reasonable expenses the creditor had to pay in connection with the contract and its cancellation (including legal fees and fees for credit reports, etc). If you cancel the contract the creditor can also charge you interest for the period from the day you received the advance until the day you repay the advance.

WHAT TO DO IF YOU SUFFER UNFORSEEN HARDSHIP

If you are unable reasonably to keep up your payments or other obligations because of illness, injury, loss of employment, the end of a relationship, or other reasonable cause, you may be able to apply to the creditor for a hardship variation.

To apply for a hardship variation, you need to:

- make an application in writing; and
- explain your reason(s) for the application; and
- request one of the following:
 1. an extension of the term of the contract (which will reduce the amount of each payment due under the contract); or
 2. a postponement of the dates on which payments are due under the contract (specify the period for which you want this to apply); or
- both of the above; and
- give the application to us.

Do this as soon as possible. If you leave it for too long, we may not have to consider your application.

ACCEPTANCE OF OFFER

To accept this offer, each of you and each Guarantor (if there is one) must **sign and date this document and return it to us within 14 days** from the Disclosure Date. If not accepted within this time the offer may, at our sole discretion, be withdrawn.

CANCELLATION OF COMMITMENT TO LEND

If this offer is accepted but the Date of Advance does not occur within 3 months of the Disclosure Date, then unless we have advised you in writing to the contrary, this Boost Loan Agreement is at an end and we are not committed to make any advances to you.

YOUR ACKNOWLEDGEMENTS

By signing this document, you and each Guarantor:

- accept the offer;
- declare that all information you have given to us is accurate and not misleading and are aware that we are relying on the information;
- acknowledge that before signing this document you received and read a copy of these Specific Terms and the attached Memorandum;
- declare that you do not sign this document as trustee, unless you have advised us in writing;
- (if you are a borrower) you consent to us giving to each guarantor or prospective guarantor:
 - a copy of this agreement,
 - a copy of any notice you give to us, and
 - a copy of each loan account statement;
- acknowledge that each security given or to be given secures all moneys under this agreement as well as all other money owing by you to us under any other agreements;
- declare that you understand that the mortgaged property will be at risk if you default under this agreement;
- agree to notify us promptly in writing if you change address; and
- (if a mortgagor) confirm that you are not a registered person under the Goods and Services Tax Act 1985 and each mortgaged property is not used for a taxable activity as that term is defined in section 6 of that Act and agree to advise us if your GST registration status changes.

SIGNED by
the
Borrower:

Signature :

(If the Borrower is a company, this must be signed by at least one director, or authorised person, of the Borrower who, by signing on behalf of the Borrower, personally warrants that he or she:

- (a) has the Borrower's authority to so sign; and
- (b) believes on reasonable grounds that the Borrower will be able to perform its obligations under this Boost Loan Agreement when it is required to do so.)

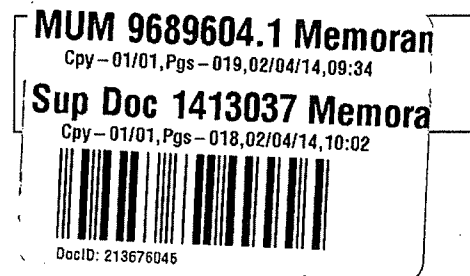
SIGNED by
the
Guarantor:

Signature :

(If the Guarantor is a company, this must be signed by at least one director, or authorised person, of the Guarantor who, by signing on behalf of the Guarantor, personally warrants that he or she has the Guarantor's authority to so sign.)

FORM OF REGISTRABLE MEMORANDUM

SECTION 155A LAND TRANSFER ACT 1952



Class of instrument in which provisions are intended to be included:

Mortgage - All obligations

Person executing Memorandum

Liberty Financial Limited

The following provisions are intended for inclusion in instruments of the above class

PLEASE READ THIS PAGE FIRST

This document contains terms and conditions that bind you when you:

1. agree to borrow money from Liberty Financial Limited ("Liberty")
(you will do this by signing a document called "Boost Loan Agreement – Specific Terms"); or
2. give Liberty a mortgage over the Secured Property
(how you give Liberty a mortgage is set out in the next section on this page).

In each case, you are bound by these terms and conditions as if they had been set out at full length in either the Boost Loan Agreement – Specific Terms or a mortgage.

This document does not on its own create the mortgage nor does it contain all of the terms of the Boost Loan Agreement.

If you are in any doubt as to the nature or effect of the Boost Loan Agreement, this Security or any other document that you are asked to sign, we recommend that you obtain legal advice before you either:

- sign a Boost Loan Agreement; or
- give Liberty a mortgage.

Some of the expressions used in this document are defined terms. The meaning of these defined terms is set out in clause 23.

HOW YOU GIVE LIBERTY A MORTGAGE

You will have agreed to give Liberty a mortgage when you sign a Boost Loan Agreement. From the time that you have agreed to give Liberty a mortgage you agree that you will be bound by its terms as if it were a deed.

You will have given Liberty a mortgage over the Secured Property if you have signed an Authority and Instruction to a Practitioner to register as an Electronic Instrument, a mortgage against the Secured Property and the Practitioner has registered that Electronic Instrument.

Whenever we use the term "this Security", we are referring to the total of all of the legal rights that we have in the Secured Property as security for the repayment of all money that you owe to Liberty.

These legal rights are set out in:

- this memorandum;
- if you have given instructions for an Electronic Instrument to be registered, the form of that Authority and Instruction and all attachments to it; and
- in any and in all of the Acts of Parliament and the Regulations that imply terms and conditions into a mortgage of land.

If a mortgage cannot be registered by an Electronic Instrument, you will give Liberty a mortgage over the Secured Property if you sign a paper mortgage document headed "Mortgage Instrument (all obligations)" and this document will be incorporated into this Security.

For the purposes of this Memorandum, "you" means each person who signs an Authority and Instruction to a Practitioner to register as an Electronic Instrument, a mortgage against the Secured Property and/or each person who signs a Boost Loan Agreement as either a Borrower or a Guarantor whether or not that person is also a mortgagor.

SECTION 1. - LENDING TERMS	2
1. ADVANCE OF THE LOAN AMOUNT	2
2. PAYMENTS	2
3. VARIATION OF INTEREST RATES	2
4. REPRESENTATIONS AND WARRANTIES	2
5. DEFAULT INTEREST AND DEFAULT FEES PAYABLE	2
6. ENFORCEMENT UPON DEFAULT	3
SECTION 2. - SECURITY TERMS	3
7. PROPERTY SUBJECT TO THIS SECURITY	3
8. PAYMENT OF SECURED MONEY AND INTEREST	4
9. CLARIFICATION OF SECURED MONEY	4
10. OBLIGATIONS OF THE MORTGAGOR	4
11. RIGHTS OF LIBERTY	5
12. REPRESENTATIONS AND WARRANTIES	6
13. DEFAULT	6
14. RECEIVER	6
15. PROTECTION OF LIBERTY, RECEIVER AND OTHER PERSONS	6
16. ATTORNEY	7
17. RELEASE AND REINSTATEMENT, AND MORTGAGOR'S REDEMPTION OF CONSENTS	7
18. PPSA RIGHTS	8
19. SUBSTITUTION OF SECURITY	8
20. OTHER SECURITIES	8
21. CONTINUING SECURITY	8
22. UNIT TITLES	8
SECTION 3 - GENERAL TERMS	9
23. INTERPRETATION	9
24. NOTICES	13
25. COSTS AND EXPENSES	13
26. TRUSTEE	14
27. ASSIGNMENT	14
28. MISCELLANEOUS PROVISIONS	14

SECTION 1. - LENDING TERMS

1. Advance of the Loan Amount

- 1.1 Before Liberty advances the Loan Amount the Borrower must provide:
- (a) each executed Relevant Document in a form acceptable to Liberty, and such other evidence as Liberty may require to satisfy Liberty that each has been duly authorised and executed; and
 - (b) confirmation that any conditions in respect of this Boost Loan Agreement and each Relevant Document have been satisfied.
- 1.2 The Loan Advance will be drawn down by the Borrower in one sum on the Date of Advance.
- 1.3 For the avoidance of doubt, if the Borrower (or the solicitor for the Borrower) nominates a day as the Date of Advance and Liberty either advances moneys to the Borrower or lodges them with the Borrower's solicitor, then, unless Liberty otherwise agrees, interest will accrue, and be payable, from such Date of Advance. For the avoidance of doubt, if the funds are returned to Liberty for any reason that payment will be deemed to be an early repayment of the Loan Amount and all other moneys payable on an early repayment will be payable by the Borrower to Liberty except where the return of funds is in accordance with the Borrower's right to cancel under the Credit Contracts and Consumer Finance Act 2003, in which case the amount repaid is to be calculated in accordance with that Act.

2. Payments

- 2.1 The Borrower agrees to repay to Liberty the Outstanding Money in accordance with this Boost Loan Agreement.
- 2.2 Interest charges are calculated daily on the interest bearing unpaid balance of the loan on the basis 365 day year (366 in a leap year). Interest is debited to the loan account on each Interest Payment Date. It is referable to the period beginning with the immediately preceding Interest Payment Date (or the Date of Advance, as

the case may be) and ending on the day preceding the next Interest Payment Date.

- 2.3 The Payments Required, as set out in the Specific Terms are indicative only and may change.
- 2.4 All payments made under any Relevant Document must be made in New Zealand dollars in cleared funds on or before their due dates. The Borrower must not make any deduction or withholding from (whether by way of set-off, counterclaim or otherwise), or attach any restrictions or conditions to, any amount payable to Liberty.
- 2.5 Except as otherwise specifically provided, all amounts payable by the Borrower to Liberty are payable on demand and are secured by the Security.
- 2.6 If any amount would, but for this clause, be due for payment on a day that is not a business day, it shall be due and must be paid on the immediately preceding business day.

3. Variation of Interest Rates

- 3.1 The Interest Rate that applies under this Boost Loan Agreement is a floating rate and Liberty may review and vary the Interest Rate from time to time. The changed Interest Rate will be effective on the date Liberty specifies in its notice to the Borrower and payments will accordingly be varied from the Payment Date following that date (or from such other date as Liberty may notify to you).

4. Representations and warranties

- 4.1 The Borrower represents and warrants, each as a continuing representation and warranty through-out the term of this Boost Loan Agreement, that:
- (a) (if the Borrower is other than a natural person) the Borrower has the power, and has taken all necessary action to authorise the Borrower, to enter into, and comply with its obligations under, this Boost Loan Agreement; and
 - (b) this Boost Loan Agreement constitutes legal, valid and binding obligations of the Borrower.

5. Default interest and default fees payable

- 5.1 If the Borrower fails to fulfil any payment obligation under this Boost Loan Agreement

or any Security, then we may charge default interest, which is calculated daily by applying the Daily Default Interest Rate to the amount which is due but unpaid at the end of each day. We will continue to charge default interest until all overdue amounts (including the default interest charges) are paid. Default interest will be debited to the loan account in accordance with clause 2.2.

- 5.2 If the Borrower fails to fulfil any payment obligation under this Boost Loan Agreement or any Security then the Borrower will be required to pay default fees as disclosed in the Specific Terms. Liberty may vary from time to time such default fees.

6. Enforcement upon Default

6.1 If Default occurs:

- (a) a Payment Dishonour Fee is due and payable on the date on which we are informed of the dishonour;
- (b) a Default Administration Fee is due and payable on a Payment Date when you have been in default at any time since the preceding Payment Date;
- (c) the Payment Dishonour Fee and the Default Administration Fee will be debited to your loan account when due - this means that these fees will be added to the Outstanding Money and interest will accrue daily and be debited to your account at monthly intervals thereafter until the fees and all interest thereon is paid in full;
- (d) all Outstanding Money and Secured Money shall, notwithstanding any other provision of any Relevant Document, become immediately due and payable;
- (e) upon repayment of all Outstanding Moneys the Discharge Administration Fee and break costs (if any) (as outlined in the Specific Terms), to the extent they do not form part of the Outstanding Money, will become immediately due and payable, and
- (f) Liberty may enforce the Security.

SECTION 2. - SECURITY TERMS

7. Property subject to this Security

7.1 Under this Security each Mortgagor:

- (a) mortgages to Liberty all the Mortgagor's right, title and interest (present, future, legal and equitable) in the Secured Property;
- (b) assigns to Liberty absolutely all the Mortgagor's right, title and interest (present, future, legal and equitable) in:
 - (i) all moneys payable to the Mortgagor during the term of this Security arising:
 - (A) from the cultivating, harvesting, selling or otherwise utilising of all trees, timber, logs or crops grown or growing on the Secured Property now or in the future, including pursuant to any forestry right or profit à prendre; or
 - (B) out of the ownership, use or occupation of the Secured Property or any agreement relating to its ownership, use or occupation including sale proceeds, rents, any damages and the proceeds of any insurance including in respect of loss of earnings or income; and
 - (ii) any resource consent issued in respect of the Secured Property pursuant to the Resource Management Act 1991.

7.2 Top-up of security: If the Outstanding Money exceeds the Loan-to-Value Ratio of the value Liberty places on the Secured Property (Liberty bases this value on its most recent valuations):

- (a) Liberty may ask the Borrower to provide additional Security which:
 - (i) Liberty values as being at least equal to the difference; and
 - (ii) is of a type satisfactory to Liberty.

- (b) The Borrower must promptly comply with this request and do anything Liberty reasonably requests in connection with the provision of this additional Security (such as providing Liberty information and signing and providing Liberty with documents).

8. **Payment of Secured Money and interest**

- 8.1 Unless expressed otherwise in any Relevant Agreement, the Mortgagor shall pay to Liberty, upon demand:
- (a) the Secured Money;
 - (b) interest on the Secured Money at the Specified Rate, calculated on a daily basis; and
 - (c) (if the Mortgagor defaults in payment of any Secured Money and a Default Interest Rate does not otherwise apply) interest on that Secured Money from its due date until it is paid in full (both before and after any judgment) at the aggregate of 4% per annum and the Specified Rate, calculated on a daily basis.
- 8.2 All amounts payable to Liberty under this Security (including, but not limited to, all costs and all amounts payable under any indemnity), and all remuneration payable to any Receiver, and all amounts payable under a Boost Loan Agreement form part of the Secured Money.

9. **Clarification of Secured Money**

- 9.1 Where any Secured Money comprises indebtedness, or a secured obligation is an obligation, of one Mortgagor alone or of some but not all Mortgagors, ("principal indebtedness or obligation") then:
- (a) each Mortgagor is nevertheless jointly and severally liable for, and in respect of, that principal indebtedness or obligation;
 - (b) that principal indebtedness or obligation is secured by each Mortgagor's Secured Property and, to the extent (if any) necessary to give effect to (a) and (b) above, each Mortgagor unconditionally and irrevocably:
 - (i) guarantees to Liberty, and indemnifies Liberty in respect of, each other Mortgagor's

principal indebtedness or obligations; and

- (ii) acknowledges that that guarantee and indemnity constitutes principal obligations of that Mortgagor and that that Mortgagor's liability shall not be relieved, or in any way affected in a manner prejudicial to Liberty, by anything which, but for this provision, might operate to affect or discharge the liability of, or otherwise provide a defence to, that Mortgagor.

10. **Obligations of the Mortgagor**

10.1 **Positive obligations:** The Mortgagor will:

- (a) pay or satisfy every obligation of the Mortgagor, whether present or future, actual or contingent, as principal or surety, or otherwise, for the payment or repayment, or delivery, of money, when due;
- (b) pay or satisfy every obligation of the Mortgagor, whether present or future, actual or contingent, as principal or surety, or otherwise, for the payment or repayment, or delivery, of money, when due under any mortgage having priority over this mortgage;
- (c) comply with all laws (including, but not limited to, the Resource Management Act 1991) and all governmental requirements and orders such that neither the Secured Property, nor the security interest nor the mortgage nor the assignment and transfer under this Security, are adversely affected;
- (d) keep the Secured Property in good condition and protect it from loss or damage and deliver up the Secured Property so that Liberty may conduct a valuation of it;
- (e) maintain with a reputable insurer insurance for the Secured Property's full replacement value (including, in respect of an interest in the Land, against natural disaster damage as defined in the Earthquake Commission Act 1993), adequate public liability insurance and all other insurances, in each case against such risks as it is prudent to insure against and promptly provide a copy of all policies

to Liberty at its request and ensure that each insurance policy notes Liberty's interest and names "Liberty Financial Limited" as loss payee under that policy;

- (f) promptly notify Liberty of any matter adversely affecting a material part of the Secured Property, and of any Default; and
- (g) do all other things which Liberty requires to enable Liberty to ensure that the Secured Property is subject to an effective security interest, mortgage or assignment and transfer (as applicable) having the priority required by Liberty including, but not limited to:
 - (i) promptly registering the mortgage under this Security pursuant to the Land Transfer Act 1952; and
 - (ii) subject to the rights of any prior mortgagee of the Mortgaged Property, depositing with Liberty all documents constituting or evidencing title to the Mortgaged Property and such other Secured Property as Liberty may require; and
 - (iii) assist Liberty in exercising any of Liberty's rights or powers under this Security, whether on enforcement of the security interest, mortgage or assignment and transfer (including, but not limited to, the sale of any of the Secured Property) or otherwise.

10.2 Negative obligations: The Mortgagor must not:

- (a) dispose of (including by way of a grant of a lease or licence), or permit the disposal of, any Secured Property, or permit to subsist any other security over any Secured Property;
- (b) permit any Secured Property to be subject to any right of set-off or combination of accounts (other than rights that arise solely by operation of law);
- (c) change the Mortgagor's name without first notifying Liberty of the

new name not less than 21 days before the change takes effect;

- (d) relocate the principal place of business of the Mortgagor outside New Zealand or (if the Mortgagor is a company) change its place of incorporation;
- (e) do, or omit to do, or allow to be done or omitted to be done, anything which could adversely affect the Secured Property, security interest, mortgage or assignment and transfer under this Security; or
- (f) make any deduction or withholding from (whether by way of set-off, counterclaim or otherwise), or attach any restriction or conditions to, any amount payable to Liberty.

11. Rights of Liberty

11.1 Rights: Liberty may:

- (a) do all things as Liberty thinks desirable to remedy any default by the Mortgagor or otherwise protect the Secured Property or the security interest, mortgage or assignment and transfer under this Security;
- (b) appropriate all amounts in respect of the Secured Money in any manner Liberty determines (including in any manner required to preserve any purchase money security interest), notwithstanding any rule of law, any purported appropriation made by the Mortgagor or any other person, or any other matter or circumstance;
- (c) apply all amounts received under any insurance on any Secured Property, at Liberty's option, in or towards reinstatement of that Secured Property or satisfaction of any Secured Money;
- (d) apply any amount owing by Liberty in or towards satisfaction of any Secured Money, and for such purpose may accelerate the date for payment of any amount owing by Liberty to the Mortgagor, notwithstanding the terms upon which such amount is owing; and
- (e) disclose any information Liberty may have concerning the Borrower, Mortgagor or any Relevant Person to a potential assignee or any other person with whom Liberty may wish to enter

into contractual relations in connection with any Relevant Document.

- 11.2 **No prejudice:** Liberty's rights under this Security are without prejudice, and in addition, to any other right to which Liberty is at any time entitled (whether under this Security or by law, contract or otherwise), and may be exercised by Liberty without prior notice to the Mortgagor or any other person.

12. Representations and warranties

- 12.1 The Mortgagor represents and warrants, each as a continuing representation and warranty through-out the term of this Security, that:

- (a) (if the Mortgagor is other than a natural person) the Mortgagor has the power, and has taken all necessary action to authorise the Mortgagor, to enter into, and comply with its obligations under, this Security; and
- (b) this Security constitutes legal, valid and binding obligations of the Mortgagor.

13. Default

- 13.1 **When security enforceable:** This Security becomes enforceable if Default occurs.
- 13.2 **Powers on enforcement:** At any time after a Default occurs, Liberty may:
- (a) despite any other provision of any Relevant Document, take action to recover the Outstanding Money or any part of it which is immediately due and payable upon your default, including a Discharge Administration Fee;
 - (b) take action to recover the Secured Money or any part of it, which is immediately due and payable upon your default;
 - (c) (whether or not a Receiver has been appointed) exercise any of the powers of a Receiver, or which a person would have if appointed as a Receiver under this Security, (including, but not limited to, exercising a power of sale, and/or, in the case of any Mortgaged Property, entering into possession); and

- (d) pay any expenses incurred in the exercise of any of such powers out of the revenue from, or proceeds of realisation of, the Secured Property.

14. Receiver

- 14.1 **Appointment of Receiver:** Liberty may (whether or not Liberty has exercised any other power):

- (a) at any time after a Default occurs; or
- (b) if the Mortgagor requests,

appoint any person or persons to be a Receiver of, and/or any income from, any Secured Property. Liberty may remove any Receiver and may appoint a new Receiver in place of any Receiver who has been removed, retired or died. Any Receiver appointed by Liberty is the agent of the Borrower, unless Liberty notifies the Borrower that the Receiver is to act as its agent. This means that the Borrower is responsible for anything done or not done by the Receiver and for the Receiver's pay and costs.

- 14.2 **Powers of Receiver:** In addition to, and without limiting or affecting, any other powers and authorities conferred on a Receiver (whether under the Receiverships Act 1993 or at law or otherwise), a Receiver has the power to do all things in relation to the property in respect of which the Receiver is appointed as if the Receiver, subject to all applicable laws, had absolute ownership of that property.

- 14.3 **Application of proceeds:** All amounts received by Liberty or any Receiver, whether in the exercise of that person's powers or otherwise, in respect of any Consents shall be applied in accordance with the provisions of the PPSA. All amounts received by Liberty or any Receiver, whether in the exercise of that person's powers or otherwise, in respect of any Mortgaged Property or any Other Property shall (subject to the claims of all secured and unsecured creditors (if any) ranking in priority over that Mortgaged Property or that Other Property) be applied in accordance with the provisions of the Receiverships Act 1993.

15. Protection of Liberty, Receiver and other persons

- 15.1 **Accountability:** If Liberty or a Receiver sells any Secured Property (whether

pursuant to this Security or otherwise), Liberty or the Receiver shall be accountable only for any purchase money which that person actually receives.

15.2 **No liability:** Liberty or a Receiver shall not be liable to account, or for any loss, as mortgagee in possession and may at any time give up possession of any Secured Property. Neither Liberty nor a Receiver shall be liable for any losses that may occur in, or as a result of, the exercise, purported exercise or non-exercise of any of their rights, powers or remedies.

15.3 **Indemnity:** Liberty and a Receiver shall each be indemnified against losses, expenses and liabilities resulting from the exercise of any rights or powers (including, but not limited to, losses, expenses and liabilities resulting from a mistake or error of judgment) out of:

(a) any revenue from, or

(b) proceeds of sale of,

the Secured Property.

15.4 **Protection of persons dealing with Liberty or Receiver:** No person dealing with Liberty or any Receiver, or with any person acting on behalf of any of them, shall:

(a) enquire whether any power which Liberty, the Receiver, or person acting on their behalf, as the case may be, is purporting to exercise have become exercisable (whether by a Default, the proper appointment of a Receiver, or otherwise), or otherwise as to any matter in connection with the exercise of any such power; or

(b) see to the application of any amount paid to Liberty, the Receiver, or person acting on their behalf, as the case may be.

16. Attorney

16.1 The Mortgagor irrevocably appoints Liberty, every officer of Liberty and every Receiver, individually, to be the Mortgagor's attorney ("Attorney") with full power to:

(a) (at the Mortgagor's expense) do anything which the Mortgagor agrees to do under this Security and anything which, in the Attorney's

opinion, is desirable to protect Liberty's interests under this Security (even if the Attorney has a conflict of duty in doing so, or has a direct or personal interest in the means or result of the exercise of any of the Attorney's powers); and

(b) delegate the Attorney's powers to any person for any period and to revoke a delegation,

and the Mortgagor ratifies anything done by the Attorney or any delegate in accordance with this clause.

17. Release and reinstatement, and Mortgagor's redemption of consents

17.1 **Release:** Liberty shall not be obliged to sign a release of this Security, or to release any Secured Property from this Security, unless Liberty is satisfied that:

(a) Liberty has received all of the Secured Money; and

(b) no payment received, or to be received, by Liberty may be avoided, or required to be repaid by Liberty, whether under any law relating to insolvency or otherwise.

17.2 **Reinstatement:** If any payment received or recovered by Liberty, a Receiver, or any other person on behalf of Liberty is or may be avoided, whether by law or otherwise, then (notwithstanding that Liberty may have signed a release pursuant to clause 17.1):

(a) such payment shall be deemed not to have affected or discharged the liability of the Mortgagor under this Security or any other security given by the Mortgagor in favour of Liberty and Liberty and the Mortgagor shall, to the maximum extent permitted by law, be restored to the position in which each would have been if such payment had not been received or recovered; and

(b) Liberty shall be entitled to exercise all rights which Liberty would have been entitled to exercise if such payment had not been received or recovered.

17.3 **Redemption of Consents:** At any time after a Default, but before Liberty sells the Consents, or is deemed to have taken the Consents in satisfaction of the Mortgagor's obligations, the Mortgagor may (unless the Mortgagor has otherwise agreed in writing

after the Default) redeem the Consents by tendering to Liberty, in cleared funds, an amount certified by Liberty as being equal to all the Secured Money as at the date such amount is tendered.

18. PPSA rights

18.1 **No consent or subordination:** Nothing in this Security shall be construed as:

- (a) an agreement to subordinate the security interest, mortgage or assignment and transfer under this Security in favour of any person; or
- (b) a consent by Liberty to any other security interest attaching to, or any other security subsisting over, any Secured Property.

18.2 **Verification statement:** The Mortgagor waives the right to receive a copy of the verification statement confirming registration of a financing statement or financing change statement relating to the security interest under this Security.

18.3 **Contracting out of PPSA rights:** The Mortgagor agrees that nothing in sections 114(1)(a), 133 and 134 of the PPSA shall apply to this Security, or the security under this Security, and waives the Mortgagor's right to:

- (a) object to Liberty's proposal to retain the Consents under section 121 of the PPSA;
- (b) (without affecting any other rights of Liberty) redeem the Consents under section 132 of the PPSA.

19. Substitution of Security

The Borrower may request substitution of an existing Security with a new security. This request must be made to Liberty in writing. Liberty may agree to this provided that the Borrower execute the security in a form to the satisfaction of Liberty, over such of the Borrower's interests in any property as Liberty may require, that the Borrower pay all costs arising from or in connection with the new security, including any substitution fee and the Discharge Administration Fee detailed in the Specific Terms, and the Borrower do anything else that Liberty may require.

20. Other securities

This Security is collateral to each other security (whenever executed or given)

which is at any time held by Liberty in respect of any Secured Money, and nothing in this Security shall prejudice any other security at any time held by Liberty. Liberty may exercise any of Liberty's rights under this Security and any such other security separately or concurrently.

21. Continuing security

This Security is a continuing security and shall operate irrespective of any intervening payment, settlement of account or other matter or thing whatever, until a release has been signed by Liberty and delivered to the Mortgagor.

22. Unit Titles

22.1 **Further obligations:** Where any Mortgaged Property is a stratum estate under the Unit Titles Act 2010 ("UTA"), the Mortgagor shall:

- (a) maintain a mortgage redemption policy pursuant to section 137(1)(b) of the UTA in the name of "Liberty Financial Limited" for an amount not less than the lesser of:
 - (i) the amount of the Secured Money from time to time; and
 - (ii) the market value as determined by Liberty from time to time of that Mortgaged Property; and
- (b) not vote on any resolution put at a meeting of the body corporate in respect of that Mortgaged Property requiring a unanimous vote for its passing without the prior consent of Liberty, and then the Mortgagor shall vote only as directed by Liberty.

22.2 **Additional Default:** In addition to the Defaults specified in clause 23.1 the security created under, and by, this Security becomes enforceable if any application is made under the UTA to cancel the unit plan in respect of any Mortgaged Property, or to settle any scheme affecting any Mortgaged Property, or for the appointment of an administrator of the body corporate relating to any Mortgaged Property, and such event shall also be a "Default" for the purposes of this Security.

SECTION 3 - GENERAL TERMS

23. Interpretation

23.1 Definitions:

In this Boost Loan Agreement:

"**assets**" of a person means the whole of that person's present and future undertaking, property, assets and revenues, including (if that person is a company) uncalled capital and called but unpaid capital, and "**asset**" means any of them.

"**Authority and Instruction**" means a document given by you to a Practitioner that authorises and instructs the Practitioner to register this mortgage as an electronic instrument and includes all documents and pages that are attached to the Authority and Instruction.

"**Boost Loan Agreement**" means the agreement between the Borrower, the Mortgagor and the Guarantor (if there is one) and Liberty (as varied, updated or replaced), which is comprised of this memorandum and the Specific Terms.

"**Borrower**" means the person or people specified as such in the Specific Terms. If more than one, then each of them severally and all of them jointly.

"**Brokerage Fee**" means a fee that is payable by the Borrower to a mortgage broker for services in connection with the application to Liberty and which is required to be collected and paid by Liberty to the mortgage broker on the Date of Advance.

"**business day**" means a day on which Banks are generally open for business in New Zealand.

"**CCCFA**" means the Credit Contracts and Consumer Finance Act 2003.

"**Collateral Security Fee**" means a fee, specified as such in the Specific Terms, that covers part of the administration costs that Liberty incurs for each extra Secured Property.

"**Consents**" means all the Mortgagor's resource consents which have been, or are from time to time issued, in relation to, or connection with, the Land, and all of the Mortgagor's rights at any time in

relation to those resource consents, and a reference to Consents includes any one of them.

"**Daily Default Interest Rate**" means the Default Interest Rate divided by 365 (or 366 in a leap year).

"**Date of Advance**" means the date set out in the Specific Terms and if no date is specified, then the date nominated by the Borrower or the borrower's solicitor as the date on which the Borrower wishes to receive the Loan Amount.

"**Default**" means:

- (a) the Borrower, Mortgagor or any Relevant Person breaches any term of any Relevant Document, which includes failing to pay any Secured Money on its due date;
- (b) the Borrower, Mortgagor or any Relevant Person breaches any term of any mortgage having priority over this mortgage, which includes failing to pay any moneys due under that prior mortgage on its due date or failing to meet any other obligation under that prior mortgage;
- (c) any representation made or any information provided by the Borrower, Mortgagor or any Relevant Person to Liberty is untrue in any material respect;
- (d) a material part of the Secured Property is damaged or destroyed;
- (e) any property the subject of any Security is at risk (as that term is defined in the Personal Property Securities Act 1999);
- (f) the Borrower, Mortgagor or any Relevant Person ceases, or threatens to cease, to carry on its business, becomes insolvent, is unable to pay its debts when they fall due, or is presumed unable to pay its debts under any law, or takes any step to benefit any of its creditors in expectation of insolvency, or stops or threatens to stop payments generally;
- (g) the Borrower, Mortgagor or any Relevant Person (being a natural person) dies;
- (h) any provision of any Relevant Document becomes ineffective or

- voidable (other than by performance, waiver by a party or as permitted by its terms) or becomes illegal, or the Borrower, Mortgagor or any Relevant Person makes any allegation or claim to that effect;
- (i) the Borrower, Mortgagor or any Relevant Person goes into liquidation or bankruptcy, or a receiver or receiver and manager is appointed in respect of the assets of the Borrower, Mortgagor or any Relevant Person;
- (j) (if the Borrower, Mortgagor or any Relevant Person is other than a natural person):
- (i) a material change occurs in its ownership, management or control;
- (ii) an order is made requiring it to pay any debts of any other entity;
- (iii) any step is taken for its dissolution or amalgamation;
- (iv) any step is taken, or recommendation made, to appoint a statutory manager under the Corporations (Investigation and Management) Act 1989 in respect of it, or an associated person (as that term is defined in that Act) of the Borrower, Mortgagor or any Relevant Person is declared at risk under that Act; or
- (v) any step is taken by its shareholders to adopt a constitution, or alter its constitution, in a manner that could, in the reasonable opinion of Liberty, adversely affect the interests of Liberty;
- (k) an event of default or similar event (whatever called) occurs under any agreement or arrangement to which the Borrower, Mortgagor or any Relevant Person is a party, other than this Security; or
- (l) any other event occurs which Liberty considers may materially adversely affect the value of the Secured Property or the Borrower's, Mortgagor's or any Relevant Person's ability to comply with all or any obligations under any Relevant Document.
- "Default Interest Rate"** means the rate of 4% above the Interest Rate from time to time.
- "Disclosure Date"** means the date specified in the Specific Terms as such.
- "dissolution"**, in relation to a person, includes that person's bankruptcy or, where that person is a company, its liquidation or removal from the register, and also includes any equivalent or analogous procedure.
- "Electronic Instrument"** is defined in the Land Transfer (Computer Registers and Electronic Lodgement) Amendment Act 2002.
- "Equalisation Fee"** means a fee, specified as such in the Specific Terms, that is payable to Liberty in relation to arrangements we may enter into to protect us in the event that you default in your obligations under this Boost Loan Agreement.
- "Expired Insurance Fee"** means a fee, specified as such in the Specific Terms, that covers part of our costs associated with determining the currency of insurance, including but not limited to, where you have not provided us with evidence of on-going valid insurance and, in some instances, paying the premium and debiting it to the loan account.
- "Guarantee"** means the Guarantee (if any) specified in the Specific Terms and any guarantee subsequently given to secure the Boost Loan Agreement.
- "Guarantor"** means any person who at any time has given a Guarantee and if more than one, then each of them severally and all of them jointly.
- "Instalment"** means any payment due to Liberty under this Boost Loan Agreement or any Security.
- "Interest Payment Date"** means each date on which interest is charged as outlined in the Specific Terms.
- "Interest Rate"** is the rate described as an Annual Interest Rate in the Specific Terms as varied from time to time in accordance with this Boost Loan Agreement and any

other interest rate that applies to the Outstanding Money.

"Land" means the land in the certificates of title specified in the memorandum of mortgage into which the provisions of this memorandum are incorporated, and a reference to Land includes any part of it.

"law" includes common or customary law and any constitution, decree, judgment, legislation, order, ordinance, regulation, by-law, statute, treaty or other legislative measure.

"Legal Fees" means the fee payable to Liberty's lawyers for documenting and settling the Boost Loan Agreement.

"Loan Advance" means the Loan Amount.

"Loan Amount" means at any time:

- (a) the amount specified in the Specific Terms as the Initial Unpaid Balance together with all Subsequent Advances (or so much of the Loan Amount that has not been repaid) and if the Borrower has more than one account, means, where the context requires, the aggregate of all Loan Amounts for all accounts; and
- (b) any interest, fees or other amounts that have been debited to any loan account.

"Loan-to-Value Ratio" means the percentage amount specified in the Specific Terms.

"Maturity Date" is specified in the Specific Terms.

"memorandum" means the whole of this memorandum including Sections 1, 2 and 3 as varied, updated or replaced.

"mortgage" means the security created by a Borrower or Guarantor in favour of Liberty incorporating whether expressly or implicitly the terms of Sections 2 and 3 of this memorandum.

"Mortgaged Property" means the Land and a reference to Mortgaged Property includes any part of it.

"Mortgagor" means the owner of any Secured Property and any person who gives Authority and Instruction to a Practitioner to register as an Electronic

Instrument, a mortgage against the Secured Property.

"Other Property" means all the Mortgagor's right, title and interest in all present and future insurance policies relating to the Mortgaged Property, all moneys payable to the Mortgagor that arise at any time in connection with the Mortgaged Property, and all the Mortgagor's consents (excluding Consents) and other documents or rights existing at any time in connection with the Mortgaged Property, and a reference to Other Property includes any part of it.

"Outstanding Money" means, at any time, the Loan Amount, interest (including default interest), costs and all other moneys payable under this Boost Loan Agreement and outstanding at that time.

"Payer" means any Borrower or Mortgagor who is obliged to make a payment under a Boost Loan Agreement or under this Security.

"Payment Date" means a date on which a payment is due to be made, as specified in the Specific Terms.

"Payments Required" are specified in the Specific Terms.

"person" includes an individual, firm, company, corporation, unincorporated body of persons, organisation or trust, and any governmental agency or authority, in each case whether or not having separate legal personality.

"PPSA" means the Personal Property Securities Act 1999.

"Practitioner" has the meaning defined in the Lawyers and Conveyancers Act 2006.

"Property Law Act Notice Fee" means a fee, specified as such in the Specific Terms, that covers part of the administrative costs associated with preparing and issuing a notice pursuant to sections 119 or 122 (or any amendments to or any replacement of these sections) of the Property Law Act 2007.

"Rates Arrears Fee" means a fee, specified as such in the Specific Terms, that covers part of the administrative costs associated with receiving notification of non-payment of rates from a local or water rating authority and corresponding with the Borrower or Mortgagor and, in some

instances, paying the outstanding amounts and debiting those to the loan account.

"Re-documentation Fee" means a fee payable as a result of any loan documents being required to be amended to reflect a change requested by the Borrower prior to the Date of Advance.

"Registration Fee" means a fee payable to a Government Department for the registration of any loan or security document.

"Receiver" means a receiver (as defined in section 2(1) of the Receiverships Act 1993) appointed under this Security, and includes a receiver appointed by Liberty of any income from any Secured Property.

"Relevant Agreement" means an agreement or arrangement between a Borrower, Guarantor or a Mortgagor and Liberty (whether or not other persons are parties to it) relating to any Secured Money and includes this Boost Loan Agreement.

"Relevant Documents" means this Security, each Relevant Agreement, and each guarantee, indemnity, security, assurance or undertaking issued, granted or given, at any time, whether directly or indirectly, in relation to any Secured Money.

"Relevant Person" means a person (other than the Liberty) who is a party to any Relevant Document.

"Liberty" means Liberty Financial Limited.

"Secured Money" means all amounts of any nature which the Mortgagor (whether alone, or jointly or jointly and severally with any other person (whether or not another Mortgagor)) is, or may at any time become, liable (whether actually or contingently) to pay or deliver to Liberty and a reference to Secured Money includes any part of it.

"Secured Property" means the Mortgaged Property, Consents and Other Property, and a reference to Secured Property includes any part of it.

"Security" means any security given or held by Liberty at any time as security for obligations under this Boost Loan Agreement and includes this mortgage, a guarantee or indemnity, a charge, an

encumbrance, a security interest, any interest in land, a lien or a pledge.

"Service Fee" means a fee, specified as such in the Specific Terms, that covers part of the administrative costs associated with maintaining the loan account.

"Specific Terms" means the document (or each document as the context requires) setting out the loan details, (including the Disclosure Statement) given to the Borrower and which together with this memorandum comprises the Boost Loan Agreement.

"Specified Rate" means, in relation to any amount, either:

- (a) if an Interest Rate applies, that rate: or
- (b) if an Interest Rate does not apply, the aggregate of 4% per annum and the per annum interest rate which Liberty determines as being Liberty's cost from time to time of funding that amount.

"tax" includes any present or future tax, levy, impost, duty, rate, deduction or withholding of any nature and whatever called, imposed or levied by any governmental agency or authority, together with any interest, penalty, charge, fee or other amount imposed or made on, or in relation to, any of the foregoing.

"this Security" means the all obligations mortgage (incorporating security over property relating to mortgaged land) into which the provisions of this memorandum are incorporated.

23.2 **Property Law Act 2007:** The covenants, conditions and powers implied in mortgages by Schedule 2 of the Property Law Act 2007 apply to this Security. To the extent that any of the provisions of Schedule 2 of the Property Law Act 2007 are in conflict with any of the provisions of this Security, the provisions of this Security will prevail.

23.3 **References:**

- (a) The expressions "attach", "purchase money security interest" and "security interest" have the respective meanings given to them under, or in the context of, the PPSA.
- (b) The expressions "electronic" and "electronic communication" and

"working day" have the respective meanings given to them in the CCCFA.

- (c) If there is more than one person who is the "Mortgagor", that term means all Mortgagors together and any combination of two or more Mortgagors. A reference to "Mortgagor" means any Mortgagor, and each Mortgagor shall be, and is, jointly and severally liable for the obligations of each other Mortgagor to Liberty.

23.4 Interpretation: Unless the context otherwise requires:

- (a) the singular includes the plural and vice versa, one gender includes other genders, and the expression "at any time" also means "from time to time";
- (b) references to a person include that person's successors, permitted assigns, executors and administrators (as applicable); and
- (c) references to any legislation include statutory regulations, rules, orders or instruments made pursuant to that legislation and any amendments, re-enactments, or replacements;

24. Notices

24.1 Service of Notices: Each notice to be given by a party to this Boost Loan Agreement or this Security to another may be given:

- (a) in accordance with sections 185 to 189 of the PPSA; and
- (b) where a notice is required to be given under the Property Law Act 2007, that notice must be given in accordance with sections 352 to 355 of that Act.

24.2 Appointment of Agent: if the Borrower or Mortgagor is not resident in New Zealand or is intending to be out of New Zealand for a period in excess of one month, the Borrower or the Mortgagor must appoint an agent for service of notices under section 355 of the Property Law Act 2007.

24.3 Electronic communication: Each Borrower and Guarantor consents to notices and communications from Liberty

being given in electronic form or by means of electronic communication, if applicable, including electronic communication that allows disclosure information to be accessed from a website or by means of the internet.

25. Costs and Expenses

25.1 Costs: All Liberty's costs, losses and other liabilities (including legal expenses on a full indemnity basis) incurred or sustained by Liberty in connection with:

- (a) the negotiation, preparation, signing, administration and release of this Boost Loan Agreement or this Security;
- (b) the exercise, enforcement or preservation, or attempted exercise, enforcement or preservation, of any right under this Security, or in suing for or recovering any Secured Money; and
- (c) the granting of any waiver or consent under, or the giving of any variation or release of, this Security,

are payable by the Borrower and the Mortgagor.

25.2 Stamp duty and taxes: The Borrower and the Mortgagor shall pay all stamp, documentary, transaction, registration and similar taxes (if any), which may be payable in connection with the signing, delivery, registration, performance, exercise of any right under, or enforcement or variation of, this Boost Loan Agreement or under any security.

25.3 Credit fees and charges: All credit fees and charges set out in the Specific Terms are payable to Liberty. The matters to which a credit fee or charge relates are set out in the definition of that fee in clause 23.1. All credit fees and charges are intended to reasonably compensate Liberty for:

- (a) the cost incurred by Liberty (including the cost of providing a service to the Borrower or the Mortgagor if the fee relates to that service); or
- (b) a reasonable estimate of the loss incurred by Liberty as a result of the matter to which the fee relates.

25.4 Changes to credit fees and charges: The amount of any credit fee or charge may

be amended at any time. Liberty may introduce new credit fees and charges at any time to reasonably compensate it for the matters set out in clause 25.3.

25.5 Notice of changes to Interest Rates and credit fees and charges: Any change to an Interest Rate or change to or introduction of a new credit fee or charge is the exercise of a power by Liberty and disclosure of that exercise of a power will be given to the Borrower within 5 working days of the date on which the change takes effect. Disclosure of Interest Rate and fee changes may be made by public notice in accordance with regulation 5 of the Credit Contracts and Consumer Finance regulations 2004.

26. Trustee

26.1 Further representation and warranty: If any Borrower or Mortgagor is entering into a Boost Loan Agreement or a Security as trustee of a trust, that person personally represents and warrants to Liberty that such entry is authorised by the trust deed of that trust and/or the Trustee Act 1956.

26.2 Further rights of Liberty: Liberty (in addition to any other rights which Liberty has under this Boost Loan Agreement or Security) shall:

- (a) have full recourse to all the assets of that trust;
- (b) be subrogated to all the Borrower's or Mortgagor's rights as trustee (including, but not limited to, being indemnified from those assets and by any other person (including any beneficiary of that trust)); and
- (c) (subject to clause 26.3) have recourse to the personal assets of the Borrower or Mortgagor.

26.3 Assets of limited liability trustee: If the Borrower or Mortgagor is identified in any Relevant Document as a limited liability trustee of the trust, then Liberty shall not have recourse to any of that Borrower's or Mortgagor's assets other than assets held by that Borrower or Mortgagor as trustee of that trust ("trust assets"), except where (but then only to the extent that) Liberty is unable to recover any Secured Money as a result of:

- (a) any breach of trust by that Borrower or Mortgagor (whether alone or with others);
- (b) any lack of capacity, power or authority of that Borrower or Mortgagor to enter into this Security or to incur indebtedness; or
- (c) any dishonesty of that Borrower or Mortgagor.

26.4 Retiring trustee: If the Borrower or Mortgagor wishes to retire as trustee, the Mortgagor shall:

- (a) notify Liberty in writing of that wish; procure that the incoming trustee or trustees of that trust sign, and deliver to Liberty, a variation of mortgage and in registrable form except only for signing by Liberty; and
- (b) procure that the incoming trustee or trustees of that trust sign, and deliver to Liberty, Liberty's standard variation of mortgage form and in registrable form except only for signing by Liberty.

27. Assignment

27.1 The Borrower shall not assign or transfer any of the Borrower's rights or obligations under any Relevant Document.

27.2 Liberty may assign all or any of its rights, and transfer all or any of its obligations, under any Relevant Document to any person or persons.

28. Miscellaneous Provisions

28.1 No Waiver: Any indulgence granted or concession made by Liberty to a party does not waive any of Liberty's rights under this Boost Loan Agreement and this Security, and no party will not be released from any obligations under this Boost Loan Agreement or this Security until such release has been expressly granted in writing by Liberty.

28.2 Certificates: A certificate provided by Liberty as to any amount or fact which might reasonably be expected to be within the knowledge of Liberty shall be sufficient evidence of that amount or fact.

28.3 Information Disclosure: The Borrower, Mortgagor and any Relevant Person each authorise Liberty to collect information about the Borrower, Mortgagor and any Relevant Person from any other person and

to disclose information about this Boost Loan Agreement, the Borrower's, Mortgagor's and any Relevant Person's payment history and any default to any person to whom Liberty thinks fit to make disclosure. The Borrower, Mortgagor and any Relevant Person each agree that Liberty may use any information provided in, or in connection with, this Boost Loan Agreement to assist Liberty to carry out Liberty's usual business activities.

- 28.4 **Conflict:** In the event of any conflict between any specific provision of the Specific Terms and a specific provision of the memorandum or any Security the specific provision of the Specific Terms shall prevail.
- 28.5 **Obligations independent:** Each of the obligations of the Mortgagor under clauses 4, 12, 15.3, 15.4, 16, 17.2, 18, 25.2, 26.1 and 28.9 shall constitute a continuing obligation, separate and independent from the Mortgagor's other obligations under this Security and shall survive payment of the Secured Money and release of this Security. It shall not be necessary for Liberty to incur any expense or make any payment before enforcing any of Liberty's rights in respect of any obligation of the Mortgagor under this Security.
- 28.6 **Indemnity:** The Mortgagor shall indemnify Liberty and any Receiver:
- (a) for all costs, losses and other liabilities incurred or sustained by

Liberty or the Receiver in relation to this Boost Loan Agreement or this Security and in exercising any right or recovering any Secured Money; and


- (b) against any claim by any person relating to the Secured Property, or the exercise by Liberty or the Receiver of any right or power under this Security.
- 28.7 **No waiver:** No delay in acting, or failure to act, by Liberty is a waiver of any of Liberty's rights, and Liberty shall not be liable to any person for any such delay or failure.
- 28.8 **No merger or marshalling:** Liberty's right to payment of any Secured Money (including under any negotiable instrument or other agreement or arrangement) shall not merge in the Mortgagor's obligation to pay that Secured Money under the Boost Loan Agreement or this Security. Liberty has no duty to marshal in favour of the Mortgagor or any other person.
- 28.9 **Partial invalidity:** An invalid provision of this Boost Loan Agreement or this Security shall not affect the enforceability of the remaining provisions of this Boost Loan Agreement or this Security.
- 28.10 **Governing law:** New Zealand law governs the Boost Loan Agreement and this Security, and the parties submit to the non-exclusive jurisdiction of the courts of New Zealand.

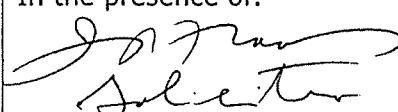
Dated this 25 day of March 2019


Execution

Executed on behalf of Liberty Financial Limited by:

In the presence of:

 Head of Legal
Liberty Financial
Limited

 Solicitor



Memorandum 2014/4318

Land Transfer Act 1952

Mortgage

Registered pursuant to Section
155A Land Transfer Act



Registrar-General of Land

Land Registry

(Abstract number/ date)

9689604.1 02/04/2014

"Particulars Entered in Register
Southland, Otago, Canterbury, Westland,
Marlborough, Nelson, Wellington, Hawkes
Bay, Gisborne, Taranaki, South Auckland and
North Auckland Land Registries.

For Registrar-General of Land"