

MORTGAGE LOAN AGREEMENT SPECIFIC TERMS



Get in touch | PO Box 4295, Shortland Street, Auckland 1072
phone 09 375 0700 | web libfin.co.nz

LOAN PRODUCT – PRIVATE PRODUCT

Prepared on ("Preparation Date")

The Mortgage Loan Agreement is comprised of two documents, namely:

- this document called Mortgage Loan Agreement Specific Terms (the "Specific Terms"); and
- the Memorandum of Mortgage (the "Memorandum").

Whenever we use the expression "this agreement" or "Mortgage Loan Agreement", we mean both the Specific Terms and the Memorandum.

Section 1 of the Memorandum contains terms that apply to the loan. Section 2 of the Memorandum contains terms that apply to each mortgage over the property that a Borrower or a Guarantor agrees to provide as security for the loan and any other amounts owing to us. Section 3 of the Memorandum has terms that affect the meaning and interpretation of, or apply generally to, Sections 1 and 2 of the Memorandum and the Specific Terms.

Some provisions in the Memorandum may not apply to or may conflict with the provisions set out in the Specific Terms. If there is any conflict between the provisions in the Specific Terms and the Memorandum, then the provisions in the Specific Terms apply and take precedence.

INDEPENDENT LEGAL ADVICE

We have agreed to make the advances recorded in this agreement based on information and representations made by the Borrower during the loan application that the Borrower has certified to be correct.

It is a condition precedent to making the advances that prior to signing the Specific Terms all Borrowers and Guarantors must sign an acknowledgement to be witnessed by their solicitors confirming:

- receipt of independent legal advice;
- that they are aware of the terms and conditions of the loan agreement and the financial obligations under it; and
- that they reasonably foresee that they will be able to meet their obligations without undue hardship.

IMPORTANT

The Mortgage Loan Agreement includes the information that is required to be disclosed under part 2 of the Credit Contracts and Consumer Finance Act 2003 (CCCFA). However, not all credit contracts are 'consumer credit contracts'. If this loan is not a consumer credit contract (as defined in sections 11 and 15 of the CCCFA), please be aware that disclosure information in the sections headed "RIGHT TO CANCEL", "WHAT TO DO IF YOU SUFFER UNFORESEEN HARDSHIP" and "FINANCIAL ADVICE PROVIDER EXCLUSION" do not apply to the Mortgage Loan Agreement and the provisions of Parts 1A, 2 and 3 of the CCCFA do not apply to the Mortgage Loan Agreement.

This document sets out the key information about your credit contract. You should read it thoroughly. You should keep a copy of the Mortgage Loan Agreement (being both the Specific Terms and the Memorandum) in a safe place. **If you do not understand anything in this document, you should ask your independent solicitor for advice.**

For the purposes of disclosure under Schedule 1 of the CCCFA, we have assumed pursuant to regulation 6 of the Credit Contracts and Consumer Finance Regulations 2004 that the effective date of this statement is the Date of Advance. However, information in the statement may change prior to the Date of Advance and if that occurs, we will give you disclosure of the changes as required by the CCCFA.

FULL NAMES AND ADDRESSES OF PARTIES

Creditor: This is the person or company providing you the credit.

Name:	Lender Name (referred to in the Mortgage Loan Agreement as "[Lender]", "we" and "us")
Trading Name:	Liberty Financial
Physical Address:	Level 8, 45 Queen Street, Auckland, 1010, New Zealand
Postal Address:	PO Box 4295, Shortland Street, Auckland, 1140, New Zealand
Fax:	09 375 0716
Email:	info@libfin.co.nz
Website:	www.libfin.co.nz
	You may send notices to us by:
	<ul style="list-style-type: none">• 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 addresses.

Financial Service Providers Register details	We are registered on the Financial Service Providers register as Secure Funding Limited under number FSP18221.
Mike Pero (New Zealand) Limited and Liberty Financial Limited:	This loan may include the branding of Liberty Financial Limited or the Mike Pero Group. Mike Pero (New Zealand) Limited, Secure Funding Limited and Liberty Financial Limited are all part of the Mike Pero Group. Mike Pero (New Zealand) Limited is not the creditor under this credit contract. Liberty Financial Limited's financial service provider registration number is FSP18523.

Borrower(s): (referred to in the Mortgage Loan Agreement as "**you**")

Name:	
Address:	
Email:	

Guarantor(s):

Name:	
Address:	
Email:	

CREDIT DETAILS

Initial unpaid balance	<p>\$</p> <p>This is the amount you will owe us as at the Date of Advance, which equals the Total Advance (being the total of the Loan Advance and the Rebateable Fee Advance). It accounts for all fees charged by [Lender] that either are payable on Date of Advance by deduction from the Total Advance or that have been charged and are already paid, as set out below.</p>
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Total advance (this is the amount that will be advanced by [Lender])	<p>\$</p> <p>This is the total amount to be advanced under the Mortgage Loan Agreement.</p> <p>The Total Advance (less the fees to be deducted as described below) will be made available to you or your solicitor after all the conditions set out in the Mortgage Loan Agreement are met, on a business day nominated by you or your solicitor (called the "Date of Advance").</p> <p>However, if the Date of Advance does not occur within 3 months of the Preparation Date, we will not be obliged to lend unless we agree otherwise with you in writing (see "Acceptance of Offer" below).</p> <p>The Total Advance is made up as follows:</p> <table> <tr> <th>Item</th><th>Amount</th></tr> <tr> <td>Loan Advance</td><td>\$</td></tr> <tr> <td>Rebateable Fee Advance</td><td>\$</td></tr> </table>	Item	Amount	Loan Advance	\$	Rebateable Fee Advance	\$
Item	Amount						
Loan Advance	\$						
Rebateable Fee Advance	\$						

Fees to be deducted	Item	Amount
(the fees that will be deducted by us from the amounts advanced to you)	Application Fee	\$
	This is a fee that covers part of the costs associated with considering and processing your application for credit and is due and payable at the time your application is submitted to us and is non-refundable.	
	Brokerage Fee	\$
	This is a third-party fee that is payable by the Borrower to a mortgage broker for he/she/its services in connection with the Borrower's application for a loan.	
	Valuation Fee	\$
	Reimburses us for the costs of arranging and obtaining a valuation of all or any Secured Property.	
	Rebateable Origination Fee	\$
	This fee is intended to compensate us in relation to the origination and funding of the loan that are not otherwise received by any other fees and which may not be recovered on early prepayment from the reinvestment of the moneys repaid.	

	<p>Legal Fees \$</p> <p>This fee is the cost we incur from our solicitor for their preparation of the loan documentation pack, issuance of those documents and settlement of the loan.</p> <p>Re-documentation Fee \$</p> <p>This fee is the cost we incur from our solicitors for the preparation of new documentation if there is a change to the loan before a loan is advanced.</p> <p>Collateral Security Fee \$</p> <p>This fee covers part of the administration costs that we incur when there is more than one Secured Property.</p>																										
Fees already paid (the fees that you have already paid to us)	<table> <tr> <th>Item</th><th>Amount</th></tr> <tr> <td>Application Fee</td><td>\$</td></tr> <tr> <td>This is a fee that covers part of the costs associated with considering and processing your application for credit and is due and payable at the time your application is submitted to us and is non-refundable.</td><td></td></tr> <tr> <td>Brokerage Fee</td><td>\$</td></tr> <tr> <td>This is a third-party fee that is payable by the Borrower to a mortgage broker for he/she/its services in connection with the Borrower's application for a loan.</td><td></td></tr> <tr> <td>Valuation Fee</td><td>\$</td></tr> <tr> <td>Reimburses us for the costs of arranging and obtaining a valuation of all or any Secured Property.</td><td></td></tr> <tr> <td>Legal Fees</td><td>\$</td></tr> <tr> <td>This fee is the cost we incur from our solicitor for their preparation of the loan documentation pack, issuance of those documents and settlement of the loan.</td><td></td></tr> <tr> <td>Re-documentation Fee</td><td>\$</td></tr> <tr> <td>This fee is the cost we incur from our solicitors for the preparation of new documentation if there is a change to the loan before a loan is advanced.</td><td></td></tr> <tr> <td>Collateral Security Fee</td><td>\$</td></tr> <tr> <td>This fee covers part of the administration costs that we incur when there is more than one Secured Property.</td><td></td></tr> </table>	Item	Amount	Application Fee	\$	This is a fee that covers part of the costs associated with considering and processing your application for credit and is due and payable at the time your application is submitted to us and is non-refundable.		Brokerage Fee	\$	This is a third-party fee that is payable by the Borrower to a mortgage broker for he/she/its services in connection with the Borrower's application for a loan.		Valuation Fee	\$	Reimburses us for the costs of arranging and obtaining a valuation of all or any Secured Property.		Legal Fees	\$	This fee is the cost we incur from our solicitor for their preparation of the loan documentation pack, issuance of those documents and settlement of the loan.		Re-documentation Fee	\$	This fee is the cost we incur from our solicitors for the preparation of new documentation if there is a change to the loan before a loan is advanced.		Collateral Security Fee	\$	This fee covers part of the administration costs that we incur when there is more than one Secured Property.	
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LOAN TERM AND FIXED INTEREST RATE PERIODS

Loan term and maturity date	<p>The loan will be for an initial term of six months (called the "Initial Fixed Interest Rate Period").</p> <p>Our discretion to extend the Loan Term</p> <p>You may elect to advise us and repay the loan on the expiry of the Initial Fixed Interest Rate Period. If you do not elect to repay the loan, the loan term can be extended at our discretion for further periods of six months each (each a "Fixed Interest Rate Period"), up to a maximum loan term of three years from the Date of Advance (the "Maturity Date"). We will advise you at least 30 days prior to the expiry of any Fixed Interest Rate Period of the conditions on which we may extend the loan term, otherwise the loan will fall due for repayment on the expiry of the Fixed Interest Rate Period (the "Expired Facility Date").</p>
Fixed interest rate periods	<p>The annual interest rate that applies to your loan for each Fixed Interest Rate Period will be a fixed rate. The Initial Fixed Interest Rate Period is set out above. After the expiry of the Initial Fixed Interest Rate Period every subsequent Fixed Interest Rate Period will have a term of six months. No Fixed Interest Rate Period can expire after the Maturity Date.</p> <p>If we have agreed to extend the loan term for a further Fixed Interest Rate Period and any relevant conditions to the extension of the loan term have been met, and you do not advise us that you have elected to repay the loan or repay the loan on expiry of the Fixed Interest Rate Period, we will rollover your loan for a further Fixed Interest Rate Period, provided such action will not exceed the Maturity Date.</p>

	We will confirm the new fixed interest rate and payment details within 5 working days following each interest rate change.
Repayment at end of fixed interest rate period	You have the right to repay the loan on the last day of any Fixed Interest Rate Period without incurring any break costs.
Expired facility interest rate	You agree that the Annual Interest Rate that will apply for the period (if any) from the Expired Facility Date to the actual date of repayment is % per annum.

PAYMENTS REQUIRED AND INTEREST

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

Total number of payments	Six payments over the Initial Fixed Interest Rate Period and (if applicable) six payments per subsequent Fixed Interest Rate Period.								
Timing of payments	<p>Frequency: Monthly after the Date of Advance (each a Payment Date)</p> <p>First Payment Date: One month after Date of Advance</p> <p>If in any given month there is no corresponding date, the Payment Date shall instead be on the last day of that month. If any Payment Date or other due date for payment is not a business day, payment must instead be made on the immediately preceding business day.</p> <p>On each Payment Date you must pay the relevant amount in cleared funds to our account as specified in writing by us.</p>								
Amount of payments	<p>During the Initial Fixed Interest Rate Period each payment is \$.</p> <p>During the Initial Fixed Interest Rate Period each payment will be equal to the amount of interest due in that month plus the Service Fee.</p> <p>If you choose to repay the loan at the expiry of the Initial Fixed Interest Rate Period:</p> <ul style="list-style-type: none"> the amount payable at the expiry of the Initial Fixed Interest Rate Period would be \$; the total amount of interest charged would be \$; and the total of all payments under the loan would be \$. 								
Amount of payments	<p>If you choose not to repay the loan at this time, and at our discretion we agree to extend the loan for a further Fixed Interest Rate Period, the interest rate will be reset for a six-month period, provided the Maturity Date is not exceeded. In each case the reset Annual Interest Rate will be fixed for the relevant period.</p> <p>After the Initial Fixed Interest Rate Period, the amount of each payment will be recalculated to an amount required to pay interest over that fixed rate term, at the applicable reset fixed Annual Interest Rate, plus the Service Fee, each month.</p> <p>If the loan period extends beyond the Maturity Date, whether this is with or without our consent, the payments will be recalculated to reflect the amount required to pay interest for the month at the Expired Facility Interest Rate plus the Service Fee.</p>								
Annual interest rate	<p>The Annual Interest Rate that applies to your loan is % per annum until the expiration of the Initial Fixed Interest Rate Period, but thereafter is subject to change in accordance with the Mortgage Loan Agreement.</p> <p>The above Annual Interest Rate only applies if the Date of Advance occurs within 30 days of the Preparation Date. If the Date of Advance does not occur within that period then the Annual Interest Rate applicable to this loan may be different to the rate disclosed above. If the Annual Interest Rate changes before the Date of Advance we will give you disclosure of the change as required by law.</p> <p>On each six-monthly rollover, the Annual Interest Rate will consist of a base rate that may be subject to change in accordance with market conditions, and a margin that is added for each successive six-month rollover within the three year loan term, as follows:</p> <table border="1"> <tr> <th>Term – description</th><th>Margin added to the base rate to arrive at the Annual Interest Rate</th></tr> <tr> <td>Date of Advance (covering months 0-6)</td><td>0% per annum</td></tr> <tr> <td>1st roll-over (covering months 7-12)</td><td>1.50% per annum</td></tr> <tr> <td>2nd roll-over (covering months 13-18)</td><td>2.00% per annum</td></tr> </table>	Term – description	Margin added to the base rate to arrive at the Annual Interest Rate	Date of Advance (covering months 0-6)	0% per annum	1st roll-over (covering months 7-12)	1.50% per annum	2nd roll-over (covering months 13-18)	2.00% per annum
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3rd roll-over (covering months 19-24)	2.50% per annum
4th roll-over (covering months 25-30)	2.50% per annum
5th roll-over (covering months 31-36)	3.00% per annum

As at the Preparation Date, the base rate for this private product loan is %.

If you do not repay the Loan Amount on the last day of any Fixed Interest Rate Period and we do not agree to extend the loan term, the interest rate that will apply until the loan is repaid will be the Expired Facility Interest Rate plus any default interest rate provisions that may apply.

Expired facility interest rate

The Annual Interest Rate that will apply for the period (if any) from the Expired Facility Date to the actual date of repayment is % per annum.

Method of charging interest

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 "Interest Bearing Unpaid Balance" is the balance of the loan less any Rebateable Fee Advance (unless the loan becomes due for payment as a result of you being in default, in which case such amounts are also included). The daily interest rate is calculated by dividing the Annual Interest Rate by 365 (or 366 in a leap year).

Interest date

Interest is charged to the loan on each Payment Date, until and including the Maturity Date.

FEES

Credit fees and charges

The following credit fees and charges are, or may become, payable under, or in connection with the Mortgage Loan Agreement (in addition to those fees and charges set out under "Credit Details" above and "Default Fees" below). All fees and charges may be changed (see clause 26.4 of the Memorandum).

Description	Amount	When it is due
Service Fee For our average costs associated with the maintenance and management of the loan, customer transactions and general customer services.	\$10.00	payable monthly in arrears and included in your payments
Discharge Administration Fee For our average administration costs associated with arranging the discharge of our mortgage over the Secured Property and providing a statement for the repayment of the loan. This fee is payable on our provision of a discharge and the repayment statement and is added to the total amount you must pay to discharge our mortgage.	\$150.00	on date of repayment of the loan
Discharge Legal Fees These are the costs our solicitor charges to complete a discharge of the mortgage.	to be advised on discharge	by you on date of repayment
Substitution Fee For our costs associated with assessing, considering and arranging the legal documentation for your request to substitute the current Secured Property for a new property to be given as security for this loan.	\$500.00	by you on release of mortgage
Collateral Security Fee Is a fee that covers part of the average administration costs that we incur for each extra Secured Property.	\$250.00 per additional property	by you if we agree to accept an additional property when a substitution of a new mortgage occurs

**Payment of a
rebateable
origination fee**

If the **Total Advances** section of the Credit Details above includes a Rebateable Fee Advance then, on the Date of Advance we will advance you the amount of that Rebateable Fee Advance, which will be automatically applied in payment of the Rebateable Origination Fee. This advance will form part of the Total Advance and the following provisions will apply to it:

- Interest will not be charged on the Rebateable Fee Advance at any time unless the loan becomes due for payment as a result of you being in default (see clause 1.5 of the Memorandum); and
- By signing the Specific Terms you irrevocably authorise and instruct us to apply the Rebateable Fee Advance towards payment of the Rebateable Origination Fee.

**Rebate date and
rebate condition**

We will credit your account with an amount equal to the Rebateable Origination Fee in repayment of that Rebateable Fee Advance if:

- The loan is repaid in full on the expiry of the Initial Fixed Interest Rate Period or on the expiry of any subsequent Fixed Interest Rate Period; and
- The loan has not been in arrears at any time prior to the full repayment.

CONTINUING DISCLOSURE

We 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

This is secured credit. By signing the Specific Terms you agree to give us a mortgage over the property listed below to secure payment of all amounts which you are or may become liable to us for, whether under the Mortgage Loan Agreement or otherwise.

If you fail to meet your commitments to us under the Mortgage Loan Agreement, or any other agreement between you and us, then to the extent of the Security, we will be entitled to repossess and sell the property listed below.

If the proceeds received from the sale are insufficient to repay what you owe us, you will remain liable for the amount outstanding.

Under the Memorandum, you are not permitted to give additional security over the property listed below to a person other than us 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 listed below.**

New first registered
mortgage over

Address:

Record of Title:

Mortgagor:

Priority Amount: \$ plus interest

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

**Security over
deposit**

You have requested us to retain a sum equal to the instalments payable during the Initial Fixed Interest Rate Period in reserve on your behalf and to apply this amount progressively to the payment of the instalments as they fall due during the Initial Fixed Interest Rate Period. The following provisions will apply:

- As security for this loan you will deposit, as a deduction from the Loan Amount, the sum of \$ to a non-interest bearing account with us;
- You authorise and irrevocably instruct us to deduct the loan payments for the Initial Fixed Interest Rate Period and any other sums due under the Mortgage Loan Agreement from this deposit;
- You agree that we are retaining the funds on deposit and accordingly the amount will not reduce the unpaid daily balance of the loan;
- In consideration of us agreeing to advance a sum equal to the instalments payable during the Initial Fixed Interest Rate Period the Annual Interest Rate for this loan includes an increase of 0.50% per annum to % per annum during the Initial Fixed Interest Rate Period;
- If you elect to repay the loan in full prior to the expiration of the Initial Fixed Interest Rate Period then the unapplied balance of the funds will be applied by us on the date of full repayment towards the unpaid balance of the Loan; and

	<ul style="list-style-type: none"> If you decide prior to signing this agreement that you do not want us to advance this amount and hold that sum on deposit please do not sign this agreement, but instead contact us and we will issue replacement documentation excluding this option. Please note that you will be required to pay our solicitor's costs of \$230.00 for preparation of new loan documents which will be reissued to your solicitor.
Loan-to-Security Percentage	% If the Outstanding Money exceeds the Loan-to-Security Percentage of the value we place on the Secured Property we may require you to provide additional security in accordance with clause 8.2 of the Memorandum.
Charge over all property upon default	To further protect our interests under the Mortgage Loan Agreement, the Borrower charges to us all of his/her/its interests in: (a) any real property owned by the Borrower and not described above as either a new or existing security; and (b) any shares and units held by the Borrower in any entity which owns real property; in either case as at the date of this agreement as security for the Borrower's obligations under the Mortgage Loan Agreement. The charge granted by this provision will become immediately and automatically effective if a Default (as defined in the Memorandum) occurs.

DEFAULT INTEREST AND DEFAULT FEES

Default interest rate	The Default Interest Rate is the aggregate of the Interest Rate from time to time and 6% per annum. Further information about how we calculate default interest and when it applies is set out in clause 4 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 Is a fee that covers our average administrative costs for work associated with a payment dishonour.	\$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 Is a fee that covers our average administrative costs associated with the administration and remediation of an account that has gone into arrears.	\$95.00	by you immediately upon default – the Default Administration Fee will be debited to your account on a Monthly Payment Date when you have been in default at any time since the preceding Monthly Payment Date.
	Property Law Act Notice Fee Is a fee that covers part of the administrative costs we incur when we prepare or instruct the preparation of a default notice required by sections 118, 119 or 122 (or any amendments to or replacements of these sections) of the Property Law Act 2007.	\$185.00	by you when we prepare a notice required by sections 118, 119 or 122 (or any amendments to or replacements of these sections) of the Property Law Act 2007.
	Expired Insurance Fee Is a fee that covers part of the administrative costs associated with corresponding with the insurer of the Secured Property and the Borrower or Mortgagor in relation to the currency of insurance and, in some instances, paying the premium and debiting it to the loan account.	\$50.00	by you when your insurance on the Secured Property expires.

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.
Is a fee 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.		

PREPAYMENT

Full or partial prepayment	<p>If you prepay the loan in full ("full prepayment") or in part ("partial prepayment") before the expiry of the Fixed Interest Rate Period (or the loan is prepaid in full or in part in connection with a Default before the expiry of the Fixed Interest Rate Period), we may charge you a fee to compensate us for any loss resulting from the prepayment.</p> <p>The amount you may have to pay to compensate us for the loss in respect of a full prepayment is calculated using the formulas specified in regulations 9 or 11 (as applicable) of the Credit Contracts and Consumer Finance Regulations 2004 (the Regulations). In addition, you will also have to pay our Discharge Administration Fee and the Discharge Legal Fee on a full prepayment.</p> <p>The amount you may have to pay to compensate us for the loss in respect of a partial prepayment is calculated using a method that is consistent with the formula specified in regulations 9 or 11 (as applicable) of the Regulations but modified as appropriate to account for the part prepayment.</p> <p>Fees charged on prepayment can be large, and we recommend that you contact us for the amount of these fees before making any prepayment.</p> <p>No amount prepaid may be redrawn. If there is any conflict between this clause and the Memorandum this clause prevails.</p>
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RIGHT TO CANCEL (CONSUMER CREDIT CONTRACTS ONLY)

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

Time limits for cancellation

- If the Specific Terms and the Memorandum are handed to you directly you must give notice that you intend to cancel within 5 working days after you receive those documents.
- If the Specific Terms and the Memorandum 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 Specific Terms and the Memorandum 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 us or an employee or agent of ours; or
- posting the notice to us or an agent of ours; or
- emailing the notice to our email address (specified on the front of the Specific Terms); or
- sending the notice to our fax number (specified on the front of the Specific Terms).

You must also, within the same time, return to us any advance received by you under the contract.

What you may have to pay if you cancel

If you cancel the contract, we can charge you the amount of any reasonable expenses we 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 we can also charge you interest for the period from the day you received the advance until the day you repay the advance.

UNFORSEEN HARDSHIP (CONSUMER CREDIT CONTRACTS ONLY)

If you are unable to reasonably 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:
 - **an** extension of the term of the contract (which will reduce the amount of each payment due under the contract); or
 - 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 or be able to consider your application.

DISPUTE RESOLUTION

If you have a complaint or a dispute, we recommend that you contact us and discuss it with us first. 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

OPERATIVE PROVISIONS

- **Loan offer:** We offer this loan to you on the terms and conditions set out in the Specific Terms and in the Memorandum.
- **Joint and several liability:** Each person included as the Borrower is jointly and severally liable to us for all of the Borrower's obligations under the Mortgage Loan Agreement and each reference in the Mortgage Loan Agreement to the Borrower is to be construed as a reference to each of them individually and any number of them jointly.
- **Guarantee:** The Guarantor guarantees the obligations of the Borrower under the Mortgage Loan Agreement to us pursuant to the guarantee and indemnity referred to below.
- **Guarantors to sign deed of guarantee:** The Guarantor may also be required to execute a separate deed of guarantee and indemnity guaranteeing all of the obligations of the Borrower in the form acceptable to us.
- **Agreement to pay fees and charges:** The Borrower will pay us all credit fees and charges and default fees and charges as they fall due.
- **All money owing is "Secured Money":** All monies owing to us from time to time, whether under the Mortgage Loan Agreement, any other agreement or otherwise, are Secured Moneys (as defined in the Memorandum).
- **Agreement to mortgage:** By signing the Specific Terms, the persons named in the Security section above as Mortgagor(s) agree that, if the relevant mortgages are not already in place, they will sign every document required to create or authorise the registration of the mortgage against the Secured Property listed in that section.
- **Overseas investment warranty:** If you are purchasing the Secured Property, you warrant to us that consent for the purchase is not required under the Overseas Investment Act 2005 or that you have obtained the required consent under that Act. If we are concerned that this warranty is incorrect then we can withdraw the loan offer, and we will have no obligation to lend to you.
- **Acknowledgement of copy:** Each Borrower and each Guarantor acknowledge receipt of a copy of the Mortgage Loan Agreement, including the Specific Terms and the Memorandum, for the purposes of initial disclosure under the Credit Contracts and Consumer Finance Act 2003.
- **Complete agreement:** The terms of the Mortgage Loan Agreement (other than terms implied by law) are the terms in the Specific Terms and the Memorandum. If there is any conflict between the Specific Terms and the Memorandum then the Specific Terms prevail.

ADDITIONAL PROVISIONS

- **Date of Advance:** The date on which the funds in payment of the advance are made available to you or your solicitor.
- **Purpose:** You must apply the Loan Amount for the purpose of purchasing the property at .

- **Purpose:** You must apply the Loan Amount for the purpose of refinancing the property at .
- **Conditions Precedent:**
- **Limited Liability Trustee Borrower:**

If you have been named above as a Limited Liability Trustee Borrower, then:

- your liability to us is not personal and unlimited but will be limited to the amount that may be satisfied by your, or our indemnity from the trust property at the time of the enforcement of such indemnity; and
- where you are not entitled to be indemnified or fully indemnified from the assets of the trust and we are unable to recover from the trust property pursuant to section 86 of the Trusts Act 2019, then the limitation of liability above does not apply and instead you will be personally liable to us up to the amount that would have been indemnified from the trust property had the indemnity not been lost.

SIGNED by Liberty:	By its attorney: _____ Signature	
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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 Preparation 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 Preparation Date, then, unless we have advised you in writing to the contrary, the Mortgage Loan Agreement is at an end and we are not committed to make any advances to you.

Your Acknowledgements

By signing this document, each party (other than us):

- accepts the offer.
- declares that all information they have given to us is accurate and not misleading and are aware that we are relying on the information.
- acknowledges that before signing this document they received and read a copy of the Specific Terms (including the Disclosure Statement) and the attached Memorandum.
- declares that they do not sign this document as trustee, unless they have advised us in writing.
- consents to us communicating with them in an electronic form and providing disclosure in an electronic form to the email address specified in this agreement or to an electronic address that you have provided us for that purpose.
- (if a Borrower) consents to us giving to each guarantor or prospective guarantor:
 - a copy of the Mortgage Loan Agreement;
 - a copy of any notice to us;
 - a copy of each loan account statement; and
 - any other information relating to the loan.
- acknowledges that each security given or to be given secures all moneys owing to us from time to time, whether under the Mortgage Loan Agreement, any other agreement or otherwise.
- declares that they understand that the mortgaged property will be at risk if they default under the Mortgage Loan Agreement.
- agrees to notify us promptly in writing if they change address.
- confirms that, except as previously disclosed to us, they 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.
- agrees to advise us if their GST registration status changes.

- (If they are purchasing the Secured Property) warrants that consent for the purchase is not required under the Overseas Investment Act 2005 or that you have obtained the required consent under that Act.

DATED:

SIGNED by
the
Borrower:

Signature:

(If the Borrower is a company, this must be signed by at least one director 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 the Mortgage Loan Agreement when it is required to do so.)

SIGNED by
the
Guarantor:

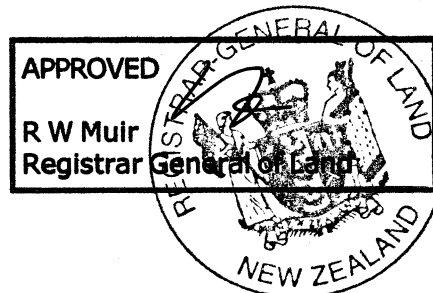
Signature :

(If the Guarantor is a company, this must be signed by at least one director 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.)

MEMORANDUM OF MORTGAGE

FORM OF REGISTRABLE MEMORANDUM

SECTION 209 LAND TRANSFER ACT 2017



Memorandum Number

2022/ 4359

BARCODE

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

Mortgage – All obligations

Person executing Memorandum

Liberty Financial Limited and Secure Funding 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:

- agree to borrow money from Liberty

(you will do this by signing a document called "Mortgage Loan Agreement Specific Terms"); or
- 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 in full in either the Mortgage Loan Agreement Specific Terms or the mortgage.

If you are in any doubt as to the nature or effect of the Mortgage Loan Agreement, the Security or any other document that you are asked to sign, Liberty recommends that you obtain legal advice before you sign the Mortgage Loan Agreement Specific Terms.

Some of the expressions used in this document are defined terms. The meaning of these defined terms is set out in clause 24.

HOW YOU GIVE LIBERTY A MORTGAGE

You will have agreed to give Liberty a mortgage when you sign the Mortgage Loan Agreement Specific Terms. 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 a mortgage as an Electronic Instrument against the Secured Property and the Practitioner has registered that Electronic Instrument.

This document does not on its own create the mortgage nor does it contain all of the terms of the Mortgage Loan Agreement. The terms of the mortgage are set out in:

- the Mortgage Loan Agreement Specific Terms; and
 - this Memorandum, which in accordance with clause 24.2 includes terms and conditions implied by law into a mortgage of land.
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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 it that each has been duly authorised and executed; and
 - (b) confirmation that any conditions in respect of the Mortgage Loan Agreement and each Relevant Document have been satisfied.
- 1.2 The Loan Amount will be advanced 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.
- 1.4 If the Specific Terms provide for subsequent advances, then, unless the Specific Terms provide otherwise, the provisions of clauses 1.1 to 1.3 apply to each subsequent advance to the extent that they are relevant.
- 1.5 **Rebateable Fee Advance:** The following provisions only apply to any advance referred to in the Specific Terms as a Rebateable Fee Advance:
 - (a) Liberty will make an advance of the Rebateable Fee Advance on the date specified in the Specific Terms;
 - (b) a Rebateable Fee Advance will be applied on the date it is advanced to pay a rebateable fee which is due for payment;
 - (c) no interest accrues or is payable on a Rebateable Fee Advance unless the loan becomes due for payment as a result of a Default; and
 - (d) if, on the Rebate Date set out in the Specific Terms for that Rebateable Fee Advance the Rebate Condition has been met, Liberty will credit the Loan Account with an amount equal to each Rebateable Fee Advance in repayment of that Rebateable Fee Advance.

2. Payments and Interest Charges

- 2.1 The Borrower agrees to repay to Liberty the Outstanding Money in accordance with the 'payments required and interest' section of the Specific Terms and otherwise as set out in the Mortgage Loan Agreement and with full payment of the loan occurring no later than the Maturity Date. Liberty may change the amount of the payments so that full payment of the loan occurs no later than the Maturity Date. Any change in the amount of the payments will be notified to the Borrower.
 - 2.2 Interest charges for each Loan Account are calculated daily on the unpaid balance of that Loan Account on the basis of a 365 day year (or a 366 day year in a leap year). However, if the Specific Terms include a Rebateable Fee Advance then interest charges are calculated daily on the Interest Bearing Unpaid Balance of the loan on the basis of a 365 day year (or a 366 day year in a leap year) and not on any other unpaid balance.
 - 2.3 Interest is debited to a Loan Account on each Interest Date for the period beginning with the immediately preceding Interest Date (or the Date of Advance, as the case may be) and ending on the day preceding the next Interest Date.
 - 2.4 The Payments Required, as set out in the Specific Terms, may change if the Interest Rate changes in accordance with clause 3 and the Specific Terms.
 - 2.5 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.
 - 2.6 Except as otherwise specifically provided in the Mortgage Loan Agreement, all amounts payable by the Borrower to Liberty under the Mortgage Loan Agreement are payable on demand and are secured by the Security.
 - 2.7 If Liberty requests, the Borrower must give Liberty a direct debit authority, which authorises it to debit the loan payments from the Borrower's designated account. The Borrower must maintain sufficient funds in the designated account to meet the debits of the payments as they fall due. Notwithstanding the Borrower's provision of a direct debit authority to Liberty, the Borrower remains responsible for ensuring that the payments are made to Liberty in accordance with clause 2, as they fall due.
- ### 3. Interest Rates
- 3.1 **Variable Interest Rate:** When the Interest Rate set out in the 'payments required and interest' section of the Specific Terms is a variable rate, the Interest Rate that applies to the Loan Account is that rate unless it is changed in accordance with clauses 3.3 and 3.4 or it is switched to a fixed rate in accordance with clauses 3.6 and 3.7 below.
 - 3.2 Changes to variable rates for the Loan Account will occur at Liberty's discretion. This means that when the Interest Rate is a variable rate, Liberty can

decide to change the Interest Rate to a new variable rate at any time. The new variable rate will be a rate from the range of rates available for new loans in respect of the applicable Loan Product. However, Liberty is not required to change the Interest Rate that applies to the Loan Account.

- 3.3 If Liberty changes the Interest Rate that applies to a Loan Account, Liberty will give notice of the change as required by law. The new Interest Rate will be effective on the date Liberty specifies in its notice to the Borrower and payments will change for that Loan Account from the next Payment Date following the date of that change (or from such other date as Liberty may notify to the Borrower).

- 3.4 **Fixed rates:** If in respect of a Loan Account the Interest Rate set out in the Specific Terms is stated to be a fixed interest rate then, except as provided for in clause 3.5:

- (a) the clauses 3.1 – 3.3 will not apply during the Fixed Interest Rate Period;
- (b) the Interest Rate for that Loan Account will not change during the Fixed Interest Rate Period;
- (c) on the expiry of the Fixed Interest Rate Period, the Interest Rate will revert to a variable rate, from Liberty's published variable rate range for that Loan Product, that it determines after assessing the risk factors as described on Liberty's website;
- (d) this change to the Interest Rate will be effective from the first day after the end of the relevant Fixed Interest Rate Period and payments will change from the next Payment Date following the date of the change in the Interest Rate.

- 3.5 Despite clause 3.4, if the Loan Product is specified as a Private Product in the Specific Terms and Liberty agrees to extend the loan for a further Fixed Interest Rate Period then on the expiry of the Fixed Interest Rate Period the loan will rollover and the Interest Rate will be calculated by adding together the applicable Private Product base rate plus a Margin as set out in the Specific Terms. If the loan is not rolled over to a further Fixed Interest Rate Period, then the Expired Facility Interest Rate will apply to the loan.

- 3.6 As long as the loan is not in Default and if fixed rates are available for the Loan Product, the Borrower may request to change the Interest Rate from a variable interest rate to a fixed interest rate at any time. Liberty may, but is not bound to, agree to change the Interest Rate to a fixed interest rate on such conditions as it considers appropriate.

- 3.7 Liberty may require the Borrower to pay a fee called the Interest Rate Switching Fee as set out in the Specific Terms for the change from a variable to a fixed interest rate.

4. **Default interest and default fees payable**

- 4.1 If the Borrower fails to fulfil any payment obligation under the Mortgage Loan Agreement or any Security, then Liberty may charge default interest

to the Loan Account. Default interest is calculated daily by applying the Daily Default Interest Rate to the amount which is due but unpaid at the end of each day. However, if the repayment of the loan is accelerated as a result of Default under the Mortgage Loan Agreement, default interest does not accrue on the amount payable early as a result of the acceleration of the loan. Liberty will continue to charge default interest until all overdue amounts (including the default interest charges) are paid. Default interest will be debited to each Loan Account in accordance with clause 2.3.

- 4.2 If the Borrower fails to fulfil any payment obligation under the Mortgage Loan Agreement or any Security then the Borrower may be required to pay default fees as disclosed in the Specific Terms. Liberty may vary the default fees from time to time and will give notice of the change as required by law.

5. **Representations and warranties**

- 5.1 The Borrower represents and warrants, each as a continuing representation and warranty, that:

- (a) the Borrower has the capacity and power to enter into the Mortgage Loan Agreement, and
- (b) if applicable, the Borrower has taken all necessary action to authorise the signing of the Mortgage Loan Agreement; and
- (c) the Borrower is legally bound by the obligations in the Mortgage Loan Agreement.

6. **Enforcement upon Default**

- 6.1 If Default occurs:

- (a) any default fees due in relation to the Default will be debited as they fall due, which means that the applicable default fees will be added to the loan balance and interest will accrue daily and be debited to the Loan Account at monthly intervals until the debited fees and interest are paid in full;
- (b) subject to the expiry of any applicable notice period required by law, all Outstanding Money and Secured Money, notwithstanding any other provision of any Relevant Document, shall be able to be called up as immediately due and payable; and
- (c) Liberty may enforce the Security.

7. **Increased costs and illegality and market change**

- 7.1 If, by reason of a change in law or the interpretation or application of any law or compliance by Liberty with any directive binding on it, or any other circumstances affecting the New Zealand domestic funding market or the availability to lending institutions in New Zealand of finance, Liberty is unable, or it becomes impracticable or illegal for Liberty, to make available or continue the loan under the Mortgage Loan Agreement, Liberty may, by notice to the

Borrower, require all Outstanding Money to be paid in full, such prepayment to be effected immediately (or at the expiration of such period as Liberty shall at its discretion specify).

7.2 Gross-up: If:

- (a) a Payer is required by law to make any deduction or withholding from any amount paid or payable to Liberty; or
- (b) Liberty is required by law to make any payment on or in relation to any amount received or receivable by Liberty in respect of the Secured Money, whether on account of tax (other than tax on overall net income of Liberty) or otherwise,

then, except to the extent otherwise provided in any Relevant Agreement:

- (c) the Payer shall ensure that any such deduction or withholding does not exceed the legal minimum and shall pay the amount required to be so deducted, withheld or paid to the relevant authority before the date on which penalties attach thereto;
- (d) the amount payable by the Payer in respect of which that deduction, withholding or payment is required to be made shall be increased to the extent necessary to ensure that after that deduction, withholding or payment is made Liberty receives and retains (free from any liability in respect of any such deduction, withholding or payment) a net amount equal to the amount which Liberty would have received and so retained had no such deduction, withholding or payment been made; and
- (e) the Payer shall promptly deliver to Liberty the receipt issued by the applicable authority evidencing that such deduction or withholding has been made.

SECTION 2. - SECURITY TERMS

8. Secured Property

8.1 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 the mortgage arising 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 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.

8.2 **Top-up of security:** If the Outstanding Money exceeds the Loan-to-Security Percentage 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; and
- (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 documents and signing documents to confirm Liberty's interest in the additional Security).

9. Payment of Secured Money and interest

9.1 Unless expressed otherwise in any Relevant Agreement, the Mortgagor will 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) For the avoidance of doubt, all amounts payable to Liberty under any Security (including, but not limited to, all costs and all amounts payable under any indemnity), and all remuneration payable to any Receiver, form part of the Secured Money.

10. Clarification of Secured Money

10.1 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:

- (c) guarantees to Liberty, and indemnifies Liberty in respect of, each other

Mortgagor's principal indebtedness or obligations; and

- (d) 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.

11. Obligations of the Mortgagor

11.1 Positive obligations: The Mortgagor must:

- (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) 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, are adversely affected;
- (c) keep the Secured Property in good condition and protect it from loss or damage;
- (d) maintain with a reputable insurer insurance for the Secured Property's full replacement value (including, in respect of an interest in 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;
- (e) ensure that each insurance policy notes Liberty's interest and names Liberty 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 a mortgage in the Secured Property pursuant to the Land Transfer Act 2017; 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 the 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.

11.2 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;
- (b) permit to subsist any other mortgage or security interest over any Secured Property without Liberty's prior written consent (which may be withheld in its absolute discretion), except where the Loan Product is specified as a Boost Loan in the Specific Terms and where the prior interest is a first mortgage to Liberty under a separate but collateral Mortgage Loan Agreement;
- (c) 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);
- (d) change the Mortgagor's name without first notifying Liberty of the new name not less than 21 days before the change takes effect;
- (e) relocate outside New Zealand (or if the Mortgagor is a company change the principal place of business of the Mortgagor or its place of incorporation);
- (f) do, or omit to do, or allow to be done or omitted to be done, anything which could adversely affect the Secured Property and/or the Security; or
- (g) 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.

12. Rights of Liberty

12.1 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;
- (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.

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

13. Representations and warranties

13.1 The Mortgagor represents and warrants, each as a continuing representation and warranty throughout the term of the mortgage, 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, the Mortgage; and
- (b) the mortgage constitutes legal, valid and binding obligations of the Mortgagor.

14. Default

14.1 **When security enforceable:** The Mortgage Loan Agreement and the Security becomes enforceable if Default occurs.

14.2 **Powers on enforcement:** At any time after a Default occurs, Liberty may (notwithstanding any other provision of any Relevant Document and subject to the expiry of any applicable notice period required by law):

- (a) take action to recover the Outstanding Money or any part of it, including any applicable default fees and, if applicable, break costs (calculated in accordance with the Specific Terms) as a debt immediately due and payable;
- (b) take action to recover the Secured Money or any part of it as a debt immediately due and payable;
- (c) exercise any of the powers of a mortgagee in respect of any Mortgaged Property (including, but not limited to, exercising a power of sale, appointing a receiver, and 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.

14.3 **Powers to apply for assistance:** Without derogating from any of the powers set out in clause 14.2, Liberty may apply under section 200 of the Property Law Act 2007 to a court for all or any of the orders set out in section 200(3) of that Act and any sale pursuant to an order of the court will be prima facie evidence of Liberty's satisfaction of the duty of care imposed by section 176 of the Property Law Act 2007.

15. Receiver

15.1 **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.

15.2 **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.

15.3 **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.

16. Protection of Liberty, Receiver and other persons

16.1 **Accountability:** If Liberty or a Receiver sells any Secured Property (whether pursuant to the mortgage or otherwise), Liberty or the Receiver shall be accountable only for any purchase money which that person actually receives.

16.2 **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.

16.3 **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.

16.4 **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.

17. Attorney

17.1 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 the mortgage and anything which, in the Attorney's opinion, is desirable to protect Liberty's interests under the mortgage (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.

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

18.1 **Release:** Liberty shall not be obliged to sign a release of the Mortgage, or to release any Secured Property from the Mortgage, 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.

18.2 **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 this clause 18.1):

- (a) such payment will be deemed not to have affected or discharged the liability of the Mortgagor under the mortgage or any other security given by the Mortgagor in favour of Liberty and Liberty and the Mortgagor will, 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 will be entitled to exercise all rights which Liberty would have been entitled to exercise if such payment had not been received or recovered.

18.3 **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.

19. PPSA rights

19.1 **No consent or subordination:** Nothing in this Memorandum will be construed as:

- (a) an agreement to subordinate the security interest, mortgage or assignment and transfer under the mortgage 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.

19.2 **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 the Mortgage.

19.3 **Contracting out of PPSA rights:** The Mortgagor agrees that nothing in sections 114(1)(a), 133 and 134 of the PPSA will apply to the Mortgage, or the security under the Mortgage, 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.

20. Substitution of Security

20.1 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:

- (a) the Borrower executes the security in a form to the satisfaction of Liberty, over

such of the Borrower's interests in any property as Liberty may require;

- (b) the Borrower pays all costs arising from or in connection with the new security and any credit fees detailed in the Specific Terms, and
- (c) the Borrower does anything else that Liberty may require.

21. Other securities

- 21.1 The mortgage 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 the mortgage shall prejudice any other security at any time held by Liberty. Liberty may exercise any of Liberty's rights under the mortgage and any such other security separately or concurrently.

22. Continuing security

- 22.1 The Mortgage is a continuing security and will 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.

23. Unit Titles

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

- (a) pay all amounts due to the body corporate in respect of the Mortgaged Property and comply with the rules of the body corporate; 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 must vote only as directed by Liberty.

- 23.2 **Additional Default:** In addition to a Default the security created under, and by, the mortgage 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 will also be a "Default" for the purposes of the mortgage.

SECTION 3 - GENERAL TERMS

24. Interpretation

- 24.1 Definitions:

In the Mortgage 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 the mortgage as an electronic instrument and includes all documents and pages that are attached to the Authority and Instruction.

"**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.

"**break costs**" means, in relation to a part or full prepayment or any payment made to Liberty in connection with a Default, the amount calculated in accordance with the method specified in the Prepayment section of the Specific Terms.

"**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.

"**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 divided by 366 in a leap year).

"**Date of Advance**" means the date set out in the Specific Terms and if no date is described, 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) any representation made, or any information provided, in relation to the Mortgage Loan Agreement to Liberty is untrue in any material respect;
- (c) a material part of the Secured Property is damaged or destroyed;
- (d) any property the subject of any Security is at risk (as that term is defined in the Personal Property Securities Act 1999);
- (e) 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;
- (f) the Borrower, Mortgagor or any Relevant Person (being a natural person) dies;
- (g) 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;

- (h) 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;
- (i) (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;
- (j) 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 Mortgage Loan Agreement; or
- (k) 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 described in the Default Interest and Default Fees section of the Specific Terms or as changed from time to time in accordance with this agreement.

"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 Act 2017.

"Expired Facility Interest Rate" means the fixed interest rate that applies after the Maturity Date as specified in the Specific Terms and only applies if

the Specific Terms include an Expired Facility Interest Rate.

"Fixed Interest Rate Period" means the period or periods (if any) described as a fixed interest rate period in the Specific Terms, or period in which a fixed rate applies to any part of the Outstanding Money, or such other period to which Liberty may agree.

"Guarantee" means the Guarantee (if any) specified in the Specific Terms and any guarantee subsequently given to secure the Mortgage Loan Agreement.

"Guarantor" means any person who at any time has given a Guarantee. If more than one, then each of them severally and all of them jointly.

"Interest Bearing Unpaid Balance" only applies to the Loan Product that includes a Rebateable Fee Advance and means the unpaid balance of the loan less the amount of any Rebateable Fee Advance unless the loan becomes due for payment as a result of the Borrower being in Default in which case it includes the amount of any Rebateable Fee Advance.

"Interest Date" means each date on which interest is charged as outlined in the Specific Terms.

"Interest Rate" is the rate described as an Interest Rate in the Specific Terms for each Loan Account and as varied from time to time in accordance with the Mortgage Loan Agreement.

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

"Liberty" means the party described as the creditor in the Specific Terms, who is either Liberty Financial Limited or Secure Funding Limited.

"Loan Account" means each loan account set out in the 'payments required and interest' section of the Specific Terms and if there is more than one it means each of those accounts or both of those accounts, as the context requires.

"Loan Amount" means at any time:

- (a) the amount specified in the Specific Terms as the Total Advance together with all further advances (if any) and if the Borrower has more than one account, means, where the context requires, that one loan advance or the aggregate of all loan advances for all Loan Accounts; and
- (b) any interest, fees or other amounts that have been debited to any loan account.

"Loan Product" means the applicable loan product for the Mortgage Loan Agreement as set out on the first page of the Specific Terms.

"Loan-to-Security Percentage" means the percentage amount specified in the Specific Terms.

"Margin" means the interest rate margin that is specified in the 'payments required and interest'

section of the Specific Terms, which when added to the applicable named interest rate for the Loan Product determines the Interest Rate.

"Maturity Date" is the date specified in the Specific Terms.

"Memorandum" means the whole of this memorandum of mortgage document registered as 2022/4359 on the Land Registry as varied, updated or replaced.

"Mortgage 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.

"Mortgaged Property" means property that is subject to a mortgage given by a Borrower or a Guarantor in favour of Liberty to secure the obligations of this Mortgage Loan Agreement (and includes an agreement to mortgage and a registered mortgage into which the provisions of this Memorandum are incorporated) and a reference to Mortgaged Property includes any part of it.

"Mortgagor" means the owner of any 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), all fees due, all costs and all other moneys payable under the Mortgage Loan Agreement and outstanding at that time.

"Payer" means any Borrower or Mortgagor who is obliged to make a payment under the Mortgage Loan Agreement or under the mortgage.

"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.

"Rebateable Fee Advance" means an advance to be made for the purpose of funding the payment

by the Borrower of a rebateable fee as set out in the Specific Terms.

"Rebate Condition" means the condition or conditions set out in the Specific Terms which if met, will result in Liberty crediting the Borrower's loan account with the amount of a Rebateable Fee Advance.

"Rebate Date" means the date or dates set out in the Specific Terms on which Liberty will credit the Borrower's loan account with the amount of a Rebateable Fee Advance if the relevant Rebate Condition has been met.

"Receiver" means a receiver (as defined in section 2(1) of the Receiverships Act 1993) appointed under the Mortgage, 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 the Mortgage Loan Agreement.

"Relevant Documents" means the mortgage, each Relevant Agreement, and each 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 Liberty) who is a party to any Relevant Document.

"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" or "the Security" means:

- (a) all security documents given or held by Liberty as security for obligations under the Mortgage Loan Agreement and includes this mortgage, a guarantee, an indemnity, a lien, a pledge and a charge or any one of them; and
- (b) also includes Liberty's rights and interests in any security document and all rights implied by law.

"Specific Terms" means the Mortgage Loan Agreement Specific Terms (or each one of them as the context requires) which, together with this Memorandum, comprise the Mortgage 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 6% per annum and the per annum interest rate which Liberty reasonably 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.

24.2 Property Law Act 2007: The covenants, conditions and powers implied in mortgages by Schedule 2 of the Property Law Act 2007 apply to the Mortgage. 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 the mortgage, the provisions of this Mortgage Loan Agreement will prevail.

24.3 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.

24.4 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.

25. Notices

25.1 Service of Notices: Each notice to be given by a party to the Mortgage Loan Agreement or the mortgage 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.

25.2 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.

25.3 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.

26. Costs and Expenses

26.1 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 the Mortgage Loan Agreement or the mortgage;
- (b) the exercise, enforcement or preservation, or attempted exercise, enforcement or preservation, of any right under the Mortgage, 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, the mortgage,

are payable by the Borrower and the Mortgagor.

26.2 Stamp duty and taxes: The Borrower and the Mortgagor must pay all 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, the Mortgage Loan Agreement or any security.

26.3 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 the Specific Terms. 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.

26.4 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 26.3.

- 26.5 **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.

27. Trustee

- 27.1 **Further representation and warranty:** If any Borrower or Mortgagor is entering into a Mortgage Loan Agreement or a Security as trustee of a trust, that person personally represents and warrants to Liberty that:

- (a) the trustees have unanimously resolved to enter into this agreement;
- (b) the loan is for the benefit of the trust; and
- (c) the trustees have the right to be fully indemnified out of trust property for the obligations incurred in the Mortgage Loan Agreement.

- 27.2 **Further rights of Liberty:** Liberty (in addition to any other rights which Liberty has under the Mortgage Loan Agreement or Security) will:

- (a) have full recourse to the trust property;
- (b) be subrogated to all the Borrower's or Mortgagor's rights as trustee (including, but not limited to, being indemnified from the trust property and by any other person (including any beneficiary of that trust)); and
- (c) (subject to clause 27.3) have recourse to the personal assets of the Borrower or Mortgagor.

- 27.3 **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 property"), 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 Mortgage or to incur indebtedness; or
- (c) any dishonesty of that Borrower or Mortgagor.

- 27.4 **Retiring trustee:** If the Borrower or Mortgagor wishes to retire as trustee, the Mortgagor must:

- (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.

28. Assignment

- 28.1 The Borrower must not assign or transfer any of the Borrower's rights or obligations under any Relevant Document.

- 28.2 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.

29. Changes Liberty can make

- 29.1 Liberty may change any of the terms of the Mortgage Loan Agreement at any time (except the amount of a fixed interest rate during a Fixed Interest Rate Period) for example (but without limitation) Liberty may change:

- (a) the amount of any interest rates (including the default interest rates);
- (b) the amount, frequency, the time or dates for payments;
- (c) the method of calculation of any payment;
- (d) the amount, frequency, time for payment or method of calculation of any fee or charge; and
- (e) the credit fees or the default fees that apply to this mortgage.

- 29.2 However, when deciding whether to change the terms of the Mortgage Loan Agreement, Liberty will act reasonably and in respect of its legitimate business interests. Where it needs to, Liberty comply with relevant legislation, for example the Credit Contracts and Consumer Finance Act 2003 and will give the Borrower notice in accordance with law when a change is made.

30. Miscellaneous Provisions

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

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

- 30.3 **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 the Mortgage 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, the Mortgage Loan Agreement to assist Liberty to carry out Liberty's usual business activities.

30.4 **Conflict:** In the event of any conflict between any specific provision of the Specific Terms and a specific provision of this Memorandum or any Security the specific provision of the Specific Terms will prevail.

30.5 **Obligations independent:** Each of the obligations of the Mortgagor under clauses 5, 13, 16, 17, 18, 19, 26, 27 and 30.6, shall constitute a continuing obligation, separate and independent from the Mortgagor's other obligations under the mortgage and shall survive payment of the Secured Money and release of the mortgage. 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 the mortgage.

30.6 **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 the Mortgage Loan Agreement or the mortgage 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 the mortgage.

30.7 **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.

30.8 **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 Mortgage Loan Agreement or the mortgage. Liberty has no duty to marshal in favour of the Mortgagor or any other person.

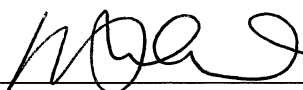
30.9 **Partial invalidity:** An invalid provision of the Mortgage Loan Agreement or the mortgage shall not affect the enforceability of the remaining provisions of the Mortgage Loan Agreement or the mortgage.

30.10 **Governing law:** New Zealand law governs the Mortgage Loan Agreement and the mortgage, and the parties submit to the non-exclusive jurisdiction of the courts of New Zealand.

Dated this 19th day of April 2022

Execution


Executed on behalf of Liberty Financial Limited by: *its attorney:*



Nicola Jane Robertson

In the presence of: Sophie Alexandra Leigh, Law Clerk, Level 22,
120 Albert Street, Auckland
Sophie Leigh

Executed on behalf of Secure Funding Limited by: *its attorney:*



Nicola Jane Robertson

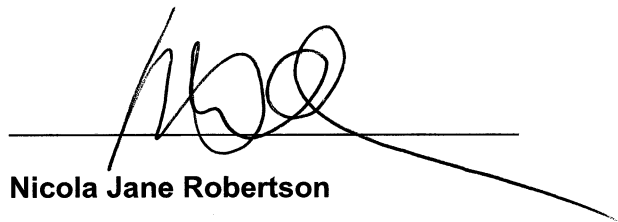
In the presence of: Sophie Alexandra Leigh, Law Clerk, Level 22,
120 Albert Street, Auckland
Sophie Leigh

Certificate of non-revocation of power of attorney

I, **Nicola Jane Robertson** of Auckland, Solicitor, certify —

1. That by deed dated 13 April 2022, Liberty Financial Limited of Auckland appointed me its attorney.
2. That I have not received notice of any event revoking the power of attorney and to the best of my knowledge and belief no such notice has been received by any employee or agent of Liberty Financial Limited.

Signed at Auckland this 19th day of April 2022.



Nicola Jane Robertson

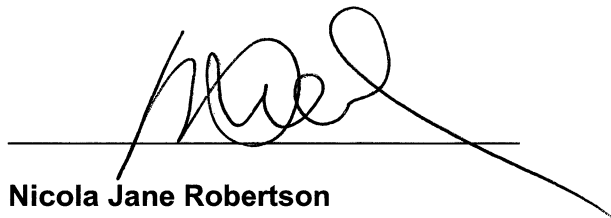
Certificate of non-revocation of power of attorney

I, **Nicola Jane Robertson** of Auckland, Solicitor, certify —

2. That by deed dated 1 April 2022, Secure Funding Limited of Auckland appointed me its attorney.

- 2 That I have not received notice of any event revoking the power of attorney and to the best of my knowledge and belief no such notice has been received by any employee or agent of Secure Funding Limited.

Signed at Auckland this 19th day of April 2022.



A handwritten signature in black ink, appearing to read 'NJR', is written over a horizontal line. The signature is fluid and cursive.

Nicola Jane Robertson

Memorandum 2022/4359

Land Transfer Act 2017

Mortgage

Registered pursuant to Section 1209 Land
Transfer Act 2017



Registrar-General of Land

Land Registry

(2022/4359)

12447600.1
4/5/2022

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

A handwritten signature in black ink, appearing to be "JL", is written over the text of the box.

For Registrar-General of Land"