

Sample Only, Subject to Copyright

Sample Instalment Warrant Trust Updated 15 Dec 2009



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THIS DEED is dated on the day referred to in the *Schedule*.

PARTIES: The **Lender**. (*Lender*)

The **Borrower**. (*Borrower*)

The **Security Trustee**. (*Security Trustee*)

BACKGROUND

- A. The *Borrower* intends to acquire the *Asset* with the legal title to that *Asset* being held by the *Security Trustee* as Trustee for the *Borrower* who will acquire the beneficial interest in the *Asset*.
- B. The *Asset* is an investment of the *Borrower's* that is not a prohibited acquisition in that it is not being acquired from a related party of the *Superannuation Fund* within the meaning of section 66(1) Superannuation Industry (Supervision) Act 1993 (or otherwise prohibited by any other section or law from being acquired by the *Borrower*) unless it is an acquisition that falls within one of the exceptions referred to in that Act.
- C. The investment is one that is consistent with the *Borrower's* investment strategy formulated and given effect to by the *Borrower*.
- D. The *Borrower* has requested the *Lender* to make the loan to the *Borrower* to assist the *Borrower* to acquire the *Asset*.
- E. The *Lender* has agreed to lend to the *Borrower* the *Principal Sum* referred to in the *Schedule* on the terms set out in this Deed for the purposes of the acquisition of the *Asset*.
- F. The *Security Trustee* will have legal title to the *Asset* in its capacity as a Trustee for the *Borrower*.
- G. The *Principal Sum* shall be applied to the cost of acquiring the *Asset* and the balance of funds required to acquire the *Asset* shall be provided from the *Borrower's* funds.
- H. This Deed and the acquisition of the *Asset* and *Loan* shall meet the requirements of Section 67(4A) Superannuation Industry (Supervision) Act 1993.
- I. The *Borrower* has a right under this Deed to acquire legal ownership of the *Asset* by making one or more payments after acquiring a beneficial interest in the *Asset*.
- J. The *Borrower* has the power to enter into this Deed under the governing rules of the *Superannuation Fund* and has carried out such actions as may be necessary to bind the *Borrower* to the provisions of this Deed.
- K. The parties agree to the provisions of this Deed.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1. In this Deed, unless otherwise indicated by the context:

(a) *Borrower* means the *Borrower* named in the Schedule in their capacity as Trustee of the *Superannuation Fund* named in the Schedule.

(b) *Drawdown Date* means the *Drawdown Date* referred to in the *Schedule*.

(c) *Default Event* means:

(i) the *Borrower* fails to repay the *Loan*, interest or any other moneys when due in accordance with this Deed;

(ii) the *Borrower* fails to duly and punctually perform or comply with any of its obligations under this Deed;

(iii) any representation or warranty made by the *Borrower* in connection with this Deed proves to have been incorrect or misleading when made;

(iv) the *Borrower* becomes insolvent or subject to any arrangement, assignment or composition, or protected from any creditors or otherwise unable to pay their debts when they fall due or if the *Borrower* is a body corporate, an application is made for an order, a meeting is convened to consider a resolution, a resolution is passed or an order is made that the *Borrower* be wound up or otherwise dissolved and/or that an administrator, a liquidator or provisional liquidator of the *Borrower* be appointed;

(v) there occurs an event which is or may be, in the *Lender's* opinion have a material adverse effect on the *Borrower's* ability to make payments under this Deed;

(vi) the *Borrower* fails to duly and punctually perform or comply with any of its obligations under this Deed or otherwise breaches any of the terms or conditions of this Deed and that default is not remedied within 5 days after written notice from the *Lender* requiring rectification of the breach;

(vii) a representation or warranty made by the *Borrower* under this Deed or one or more of the provisions appearing under the heading "BACKGROUND" is found to have been materially incorrect or materially misleading when made or at the date of this Deed;

(viii) a government, governmental agency, department, commission, or other instrumentality seizes, confiscates, or compulsorily acquires the *Asset*;

(ix) proceedings are taken that under which the *Asset* may be the subject of any order or ruling by a court or tribunal that may adversely affect the *Lender's* rights under this Deed.

(x) if the *Borrower*:

(A) ceases to be the trustee of the trust of the *Self Managed Superannuation Fund* or any step is taken to appoint another trustee of the trust, in either case without the *Lender's* consent; or

(B) an application or order is sought or made in any court for:

(i) the *Borrower's* removal as trustee of the *Self Managed Superannuation Fund*;

(ii) property of the *Self Managed Superannuation Fund* to be brought into court or administered by the court or to be brought under its control;

- (iii) property a notice is given or meeting summoned for the Borrower's removal as trustee of the trust or for the appointment of another person as trustee jointly with the Borrower.
- (d) *Lender* means the Lender named in the *Schedule*.
- (e) *Purchase Price* means the *Purchase Price* referred to in the *Schedule*.
- (f) *Principal Sum* means the *Principal Sum* referred to in the *Schedule*.
- (g) *Period* means the period referred to in the *Schedule*.
- (h) *Schedule* means the *Schedule* forming part of this Deed.
- (i) *Secured Monies* means the *Principal Sum*, interest and expenses and all costs and liabilities incurred by the *Lender* including stamp duty and goods and services taxes in connection with this Deed and in connection with the security and in connection with the enforcement of this Deed and any other money properly payable by the *Borrower* to the *Lender* under this Deed.
- (j) *Asset* means the *Asset* referred to in the *Schedule*
- (k) *Security Trustee* means the *Security Trustee* named in the *Schedule*.
- (l) *Specified Rate* means the Specified Rate referred to in the *Schedule*.
- (m) *Superannuation Fund* means the *Superannuation Fund* named in the *Schedule*.
- (n) *Purchase Price* means the price of the *Asset* referred to in the *Schedule* and stamp duty (if any) and any other costs that are required to be paid in order to acquire the *Asset* and register the *Asset* in the name of the *Security Trustee* (if registration is necessary to give effect to this Deed)

1.2. In this Deed, unless otherwise indicated by the context:

- (a) words importing the singular include the plural and vice versa;
- (b) headings are for convenience only and do not affect interpretation of this Deed;
- (c) a reference to a clause, paragraph or schedule is a reference to a clause, paragraph or schedule of this Deed;
- (d) where any word or phrase is given a definite meaning in this Deed, any part of speech or other grammatical form of that word or phrase has a corresponding meaning;
- (e) an expression importing a natural person includes a body corporate, partnership, joint venture, association or other legal entity;
- (f) a reference to a statute, statutory provision or regulation includes all amendments, consolidations or replacements thereof;

- (g) a reference to a party to a document includes that party's legal personal representatives, successors and permitted assigns;
- (h) a covenant or agreement on the part of or for the benefit of two or more persons binds or benefits them jointly and severally; and
- (i) a reference to a body, whether statutory or not;
 - (i) which ceases to exist; or
 - (ii) whose powers or functions are transferred to another body;

is a reference to the body which replaces it or which substantially succeeds to its powers or functions.

2. LOAN

- 2.1 The *Lender* will lend to the *Borrower* the *Principal Sum* referred to in the *Schedule* on the *Drawdown Date* referred to in the *Schedule* subject to the first clause appearing under the heading "SECURITY INTEREST" and to their being no *Default Event*.
- 2.2 The *Borrower* agrees to the terms of this Deed.
- 2.3 The parties agree that the *Principal Sum* must be applied solely towards the *Purchase Price* of the *Asset*.
- 2.4 The *Borrower* must also pay all other expenses and costs required to purchase the *Asset*.
- 2.5 The *Lender* will subject to this Deed draw the *Principal Sum* in such manner as the *Borrower* in writing directs.

3. REPAYMENT OF THE PRINCIPAL SUM

Principal Sum

- 3.1. The *Principal Sum* must be repaid by the *Borrower* to the *Lender* on a date that is not later than the *Repayment Date* referred to in the *Schedule*.
- 3.2. Despite any other provision, the *Borrower* may repay the *Principal Sum* or any part of it at any time prior to the *Repayment Date* together with interest calculated to the date of such repayment only.

4. PAYMENT OF INTEREST

4.1 Interest:

4.1.1 is payable at the *Specified Rate* and that rate shall be either a *fixed* rate if that is specified in the *Schedule* or a *variable* rate if that is specified in the *Schedule*.

4.1.2 commences on the *Drawdown Date*.

4.1.3 is payable for the *Period* which may be yearly, quarterly or monthly in arrears as specified in the *Schedule* and the first payment of interest is payable on the first day of the next *Period* after the *Drawdown Date*.

4.1.4 for each *Period* accrues daily and is calculated for each *Period* on the balance of the *Principal Sum* outstanding each day.

4.2 If interest is fixed the *Specified Rate* may not be varied unless the parties to this Deed agree in writing.

4.3 If interest is *variable* the *Specified Rate* will vary as follow:

4.3.1 if the "Cash Rate Target" (being the percentage (or maximum percentage) specified by the Reserve Bank of Australia as the Cash Rate Target) changes after the Drawdown Date then the *Specified Rate* varies (whether up or down) as from the date of change of the Cash Rate Target by the same number.

4.3.2 For clarity, if for example, the *Specified Rate* on the Drawdown of 1 April 2008 is 8.5% and the Cash Rate Target on that date is 7.25% and the Cash Rate Target increases by .25 to 7.50% on 1 May 2008 then the *Specified Rate* becomes, on 1 May 2008, 8.75%.

Division 7A

4.4 However, despite any other provision of this Deed (but subject always to the paragraphs appearing under the following headings: "LIMITED RECOURSE" and "Section 67(4A) SUPERANNUATION INDUSTRY (SUPERVISION) ACT, 1993" and "LIABILITY OF SECURITY TRUSTEE" -if:

4.4.1 the *Borrower* is at any relevant time a shareholder or associate of the *Lender*; or

4.4.2 there exists such other relationship between any relevant parties or persons such that the provisions of Division 7A of the Income Tax Assessment Act 1936 ("*ITAA 1936*") must be complied with to ensure that that the loan made under this Deed is not deemed a dividend under that Division 7A, then, unless the parties to this Deed agree in writing otherwise:

(a) The *Borrower* must pay interest, calculated on the daily balance of the unpaid *Principal Sum* for each *Year of Income* after the year in which the *Loan* is made for the term of the loan;

(b) The rate of interest for an *Income Year* is equal to the greater of the *Specified Rate* and the benchmark interest rate for that *Income Year* as defined in section 109N of the *ITAA 1936*;

(c) The *Borrower* must, where required by Section 109E, make *Minimum Yearly Repayments* to the *Lender* in accordance with section 109E of the *ITAA 1936*, for the term of the loan and those payments must be paid on or before the last day of each *Year of Income*; and

(d) The *Borrower* must repay and finally discharge the *Loan*, including any interest accrued and unpaid on the *Loan* and all other amounts payable under this Deed and unpaid to the *Lender*, on or before the *Repayment Date*.

4.5 For the purpose of this provision "*Year of Income*" means the period of 1 July to 30 June; *Loan* means the loan of the *Principal Sum* made pursuant to this Deed; "Minimum Yearly

Repayment" means the minimum yearly repayment to be made by the *Borrower* in accordance with section 109E, ITAA 1936.

5. LIMITED RECOURSE

5.1 Despite any other provision of this Deed, the *Lender's* rights against the *Borrower* are limited to the *Lender's* rights and remedies against the *Asset* and the *Lender* has no recourse against the *Borrower*.

5.2 Without limiting the provisions of the previous paragraph the *Lender* must not:

5.2.1 exercise any right of set-off against the *Borrower*; or

5.2.2 seek an Order that the *Borrower* be wound up or otherwise dissolved or that an administrator, liquidator or provisional liquidator of the *Borrower* be appointed;

5.2.3 seek or appoint an Order for the appointment of a receiver, receiver and manager or similar officer for all or any part of the assets or revenues of the *Borrower* other than the *Asset*;

5.2.4 levy or enforce any execution, distress, attachment or similar process against all or any part of the business, assets or revenues of the *Borrower* other than the *Asset*;

5.2.5 obtain a judgment against the *Borrower* for the payment of money or damages, unless and to the extent only that it is necessary to enable the *Lender* to preserve or enforce its rights against the *Asset*.

5.2.6 do anything or omit to do anything that would amount to a failure by any relevant party to meet the requirements of Section 67(4A) Superannuation Industry (Supervision) Act, 1993.

6. SECURITY TRUST

6.1. The *Borrower* having paid for the *Asset*, the *Security Trustee* holds the *Asset* on trust for the *Borrower* who acquires the beneficial interest in the *Asset*. If there is more than one *Borrower* then it is held for the *Borrower* as joint tenants.

6.2. If the *Security Trustee* enters into a contract for the purchase of the *Asset* the rights of the *Security Trustee* under that contract relating to the *Asset* and all rights and entitlements and income from the *Asset* are held on Trust for the *Borrower*.

6.3. The Trust shall be known by the name referred to in the *Schedule*.

6.4. The *Security Trustee* must, subject to this Deed, deal with the *Asset* in such manner as the *Borrower* directs and without limitation must hold on trust for the *Borrower* all income and other receipts and documents of title and leases in respect of the *Asset*.

6.5. Nothing in this Deed entitles the *Security Trustee* to beneficial ownership of the *Asset* and the *Security Trustee* must not assign or delegate its powers nor deal in any manner with the *Asset* except as permitted by this *Deed*.

6.6. The *Borrower* is presently entitled to the income of the *Asset*.

7. SECURITY INTEREST

- 7.1 On or before the *Drawdown Date* the *Security Trustee* will, to secure the *Secured Monies* and any other money payable by the *Borrower* to the *Lender* under this Deed, execute such security documents over the *Asset* as the *Lender* requires including, as the *Lender* may require and without limitation, a mortgage or other charge of the *Asset*.

8. RIGHT OF BORROWER TO TRANSFER OF ASSET

- 8.1 The *Security Trustee* must deal with the *Asset* in such manner as the *Borrower* directs, subject to this Deed.
- 8.2 Subject to the SIS Act and in particular section 67(4A), by making one or more payments after acquiring the beneficial interest, the *Borrower* is entitled to have transferred to the *Borrower* (or such nominee(s) as the *Borrower* may specify in writing to the *Security Trustee*) the *Asset*.
- 8.3 The *Security Trustee & Lender* must do all things necessary to give effect to the preceding paragraph and to extinguish any charge or mortgage in favour of the *Lender* in respect of the *Asset* and take all such action and sign all such documents as may be necessary and as may be reasonably required by the *Borrower* to transfer legal ownership in accordance with that provision and the *Borrower* must pay all necessary costs in order to give effect to this provision.
- 8.4 Upon any repayment of the *Secured Monies* the *Lender* must give written notice to the *Security Trustee* that such payment has been made.

9. SECURITY TRUSTEE

- 9.1 The *Security Trustee* must act on any instruction or direction that is not inconsistent with any other provision of this Deed in respect of the *Asset* received from the *Borrower* or the *Borrower's* authorised agent.
- 9.2 An instruction or direction may be given by the *Borrower* verbally or in writing.
- 9.3 The *Security Trustee* will not incur liability or be responsible by reason of the *Security Trustee* acting on or carrying out, an instruction or direction given in accordance with this provision.
- 9.4 The *Security Trustee* may hold any documents of title relating to the *Asset* to the extent that they are not required to be held by the *Lender*.

10. LIABILITY OF SECURITY TRUSTEE

Indemnity

- 10.1 The *Borrower* indemnifies the *Security Trustee* against any loss suffered as a result of any actions or claims arising out of the *Security Trustee* acting as *Security Trustee* under this Deed except for liabilities arising from the gross negligence or dishonesty of the *Security Trustee* or its officers or a wilful act or omission that is known to the *Security Trustee* or its officers to be a breach of trust.

Liability

- 10.2 The *Security Trustee* is not liable for any act or omission under this Deed unless they arise from the *Security Trustee's* or its officers gross negligence or dishonesty or arising from a wilful act or omission that is known to the *Security Trustee* or its officers to be a breach of trust.
- 10.3 Despite any other provision of this Deed, the *Borrower* is not liable nor liable to indemnify the *Security Trustee* in relation to any liability that would amount to a breach by the *Borrower* of the clause headed "LIMITED RECOURSE" or a breach or a failure to comply with Section 67(4A) Superannuation Industry (Supervision) Act 1993.

11. TRUSTEESHIP OF THE SUPERANNUATION FUND

- 11.1 The *Borrower* agrees that that until the *Lender* has been paid the *Secured Monies* as provided in this Deed, or until the *Lender* has exercised its right of recourse to the *Asset*, whichever is the earlier, the *Borrower* will not without the prior written consent of the *Lender* cease to be the trustee of the *Superannuation Fund* named in the *Schedule* or permit its holding of that office to be terminated or do anything which would disqualify it from holding that office.
- 11.2 The *Borrower* agrees with the *Lender* that it will, within 7 days of being requested by the *Lender* so to do, furnish to the *Lender* a Statutory Declaration made by the *Borrower* or if the *Borrower* is a company, a director of the *Borrower* stating:
- 11.2.1 whether or not since the date of this Deed there has been any amendment of or modification to the Deed governing the Trust and, if so, giving full particulars thereof;
- 11.2.2 whether or not the *Borrower* is still the Trustee of the *Superannuation Fund* and, if not, giving full particulars of its ceasing to be such trustee.

12. REPLACEMENT OF SECURITY TRUSTEE

- 12.1 Subject to Section 67(4A) Superannuation Industry (Supervision) Act, 1993, if the *Lender* and *Borrower* agree in writing, the *Security Trustee* may be replaced by a replacement *Security Trustee*.
- 12.2 The retiring *Security Trustee* is released from their rights, duties and powers on the date of that appointment and the replacement *Security Trustee* shall have on their appointment, the rights, duties and powers of the *Security Trustee* under this Deed.
- 12.3 The retiring *Security Trustee* shall deliver to the *Lender* and *Security Trustee* such documents signed by the *Security Trustee* required by the *Lender* and the *Borrower* necessary to transfer to the replacement *Security Trustee* the *Asset* and to give effect to those provisions.

13. Section 67(4A) SUPERANNUATION INDUSTRY (SUPERVISION) ACT, 1993

- 13.1 The provisions of this Deed are subject to Section 67(4A) Superannuation Industry (Supervision) Act, 1993 and each party shall co-operate and to the extent necessary on each party's part, do all such things or refrain from doing such things as may be necessary to ensure compliance by the *Borrower* with that Section.

13.2 This provision will prevail over any inconsistent provision and the parties agree that this Deed shall be interpreted accordingly.

14. DEFAULT EVENT

14.1 If a *Default Event* occurs the *Lender* may if it so determines and despite any waiver of and without limiting its other rights including its rights under any mortgage or charge of the *Asset*:

14.1.1 declare by written notice to the *Borrower* and to the *Security Trustee* that there has been a *Default Event* and in that case the *Principal Sum*, interest and all other money payable under this Deed by the *Borrower* to the *Lender* becomes immediately due and payable without further action;

14.1.2 direct the *Security Trustee* to sell the *Asset* and to do all acts and things necessary and ancillary to sale of the *Asset* and exercise all rights, powers and remedies that the *Lender* is entitled to do or exercise in relation to any Mortgage including, without limitation, the power to take possession of the *Asset* and/or sell or contract to sell the *Asset* on such terms as the *Lender* determines.

14.2 If following a *Default Event*, the *Security Trustee* at the direction of the *Lender*, sells the *Asset*, the proceeds of sale must be applied firstly in satisfaction of the costs and expenses incurred or payable by the *Lender* or the *Security Trustee* in connection with the sale of the *Asset*, then in satisfaction of costs incurred and arising from the *Borrower's* default, then in satisfaction of interest, then in satisfaction of any other monies payable by the *Borrower* under this Deed and then in payment of the *Principal Sum*., If after such sale a balance remains this amount shall be held for the *Borrower* and that sum shall be paid to the *Borrower* in full discharge of all liability of the *Lender* to the *Borrower*.

14.3 If there is a shortfall of any amount after the sale of the *Asset* then in accordance with this Deed the *Borrower* is released from any liability to pay any such shortfall.

14.4 It is not incumbent on the *Lender* to give any notice of its rights under this agreement or the security to the *Borrower* or to enforce the *Lender's* security or to take any steps or proceedings to enforce the security, unless the *Lender* thinks fit and the *Lender* is not liable for any omission to give any notice or for any delay in enforcing the security.

14.5 The *Lender* is not answerable for any involuntary losses or irregularities which may occur in, or by, the exercise or non-exercise of any of the powers, rights or remedies conferred on the *Lender* by this agreement or the security.

14.6 If pursuant to this Deed, the doing or execution of any act, matter or thing by the *Borrower* is dependant upon the consent or approval of the *Lender* that consent or approval may be given on terms or may be withheld by the *Lender* in its discretion, unless this Deed provides otherwise.

15. WARRANTIES

15.1 The *Borrower* warrants that it is the Trustee of the *Superannuation Fund* and enters into this Deed in that capacity and that:

(a) the *Superannuation Fund* benefits from this Deed;

- (b) the *Borrower* is liable under this Agreement in its personal capacity and as trustee of the *Superannuation Fund*;
- (c) the *Borrower* has the power to enter into and comply with the *Borrower's* obligations under this Deed;
- (d) the *Borrower* is able to pay its debts as and when they become due and payable;
- (e) if the *Borrower* is a body corporate it is a constitutional corporation within the meaning of the Superannuation Industry (Supervision) Act 1993;
- (f) all resolutions have been passed as are required by law and the governing rules of the *Superannuation Fund* and any other action necessary to authorise the execution and performance of this Deed has been taken and this Deed will constitute the legal, valid, binding and enforceable obligations of the *Borrower* in accordance with their respective terms;
- (g) the *Borrower* in entering into and performing its obligations under this Deed does not violate in any respect any statute, decree, rule or regulation or any determination, order or award of any court or any governmental, judicial or public body or authority applicable to the *Borrower*;
- (h) no Default Event has occurred and continues to subsist.

15.2 The representations and warranties in this provision will survive the execution of this Deed and will be deemed to be repeated (updated as appropriate) on each date that a payment is due under this Deed.

15.3 The *Security Trustee* and the *Lender* warrant respectively that they each have the power to enter into and perform their obligations under this Deed, that they are respectively duly incorporated in accordance with their constituent documents if they are a body corporate and that in entering into and performing their respective obligations under this Deed they do not violate in any respect any statute, decree, rule or regulation or any determination, order or award of any court or any governmental, judicial or public body or authority applicable to them respectively.

16. INSURANCE

The *Borrower* will pay for and the *Security Trustee* will insure and keep insured the *Asset* to the extent that it is of an insurable nature and the rent (if any) against loss or damage by fire or any other risk that the *Lender* may require to be insured against in the full insurable value in the name of the parties for their respective rights and interests and the *Borrower* will punctually pay all premiums and sums necessary for effecting and keeping up every such insurance and give to the *Lender* every policy and receipt relating to that insurance and comply with the terms of that insurance.

17. NOTICES

17.1 A notice or other communication required or permitted to be given by one party to another must be in writing and:

17.1.1 Delivered personally;

17.1.2 Sent by pre-paid mail to the address of the addressee specified in this Deed; or

17.1.3 Sent by facsimile transmission to the facsimile number of the addressee with acknowledgment of receipt from the facsimile machine of the addressee.

17.2 A notice or other communication is taken to have been given (unless otherwise proved):

17.2.1 If mailed, on the second Business Day after posting; or

17.2.2 If sent by facsimile before 4 pm on a Business Day at the place of receipt, on the day it is sent and otherwise on the next Business Day at the place of receipt.

17.3 A party may change its address for service by giving notice of that change in writing to the other parties.

18. WAIVER OR VARIATION

18.1 A party's failure or delay to exercise a power or right does not operate as a waiver of that power or right.

18.2 The exercise of a power or right does not preclude:

18.2.1 its future exercise; or

18.2.2 the exercise of any other power or right.

18.3 The variation or waiver of a provision of this Deed or a party's consent to a departure from a provision by another party will be ineffective unless in writing executed by the parties.

19. GOVERNING LAW AND JURISDICTION

19.1 This Deed is governed by the laws of the State or Territory of the residence or registered office, in the case of a body corporate, of the *Borrower*.

19.2 Each party irrevocably submits to the non-exclusive jurisdiction of the courts of the State or Territory of the residence or registered office of the *Borrower*.

20. FURTHER ASSURANCE

Each party will from time to time do all things (including executing all documents) necessary or desirable to give full effect to this Deed.

21. COUNTERPARTS

This Deed may be executed in any number of counterparts each of which will be an original but such counterparts together will constitute one and the same instrument and the date of the Deed will be the date on which it is executed by the last party.

22. WHOLE AGREEMENT

In relation to the subject matter of this Deed:

22.1 this Deed is the whole agreement between the parties; and

22.2 this Deed supersedes all oral and written communications by or on behalf of any of the parties.

23. SEVERANCE

If any part of this Deed is invalid or unenforceable or is inconsistent with the paragraph headed "SECTION 67(4A) Superannuation Industry (Supervision) Act, 1993", this Deed does not include it. The remainder of this Deed continues in full force.

24. NO MERGER

Nothing in this Deed merges, extinguishes, postpones, lessens or otherwise prejudicially affects any right, power or remedy that a party may have against another party or any other person at any time.

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SCHEDULE

PARTIES:

Lender:

Lender Company Pty Ltd
A.C.N. 000 999 860
Unit 4
4 Gladstone Road
Castle Hill NSW 2154

Borrower:

JONES Bill
6 Prince Street
Smithville NSW 2000

JONES Betty
6 Prince Street
Smithville NSW 2000

Security Trustee:

Security Trustee Pty Ltd
A.C.N. 058 086 169
Unit 4
4 Gladstone Road
Castle Hill NSW 2154

Date of Deed:

Asset: Unit 1, 12 Harris Street, Smithville NSW 2000

Drawdown Date:

Name of this Trust: Sample Instalment Warrant Trust Updated 15 Dec 2009

Period: Quarterly unless the Lender, the Borrower and the Security Trustee agree in writing otherwise.

Purchase Price: \$300,000.00

Principal Sum (Amount of Loan): \$250,000.00

Repayment Date: 15 years from the Drawdown Date
However despite this Repayment Date, if the provisions appearing under the sub-heading **Division 7A** apply (so that the loan made under this Deed is not deemed a dividend under that Division 7A) and subject to those provisions under that sub-heading then the repayment date is such that the maximum term is 25 years if:

(i) 100% of the value of the loan is secured by a mortgage over real property that has been registered in accordance with a law of a State or Territory; and

(ii) when the loan is first made, the market value of that real property (less the amounts of any other liabilities secured over that property in priority to the loan) is at least 110% of the amount of the loan.

If the provisions of (i) and (ii) are not met then the maximum term is 7 years.

Specified Rate: 9.00% Variable

Superannuation Fund: Jones Superannuation Fund

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EXECUTED AS A DEED

Executed for and on behalf of

Security Trustee Pty Ltd
A.C.N. 058 086 169

in accordance with Section 127(1) of the Corporations Act 2001 by authority of the Directors:

.....
Director Secretary

.....
OR Sole Director and Secretary

Signed Sealed and Delivered by
JONES, Bill
in their capacity as Borrower in the presence of:

.....
Signature of Witness Signature

.....
Name of Witness

Signed Sealed and Delivered by
JONES, Betty
in their capacity as Borrower in the presence of:

.....
Signature of Witness Signature

.....
Name of Witness

Sample Only - Subject to Copyright

Executed for and on behalf of

Lender Company Pty Ltd
A.C.N. 000 999 860

in accordance with Section 127(1) of the Corporations Act 2001 by authority of the Directors:

.....
Director

.....
Secretary

.....
OR Sole Director and Secretary

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