



Companies House

MR01(ef)

Registration of a Charge

Company name: **AEROSPACE LOGISTICS LIMITED**

Company number: **01435045**

Received for Electronic Filing: **05/07/2013**



Details of Charge

Date of creation: **27/06/2013**

Charge code: **0143 5045 0006**

Persons entitled: **SANTANDER UK PLC AS SECURITY TRUSTEE**

Brief description: **THE SECURITY INCLUDES FIXED CHARGES OVER ALL PRESENT AND FUTURE ASSETS OF AEROSPACE LOGISTICS LIMITED, WHICH MAY INCLUDE LAND, SHIPS, AIRCRAFT OR INTELLECTUAL PROPERTY.**

Contains fixed charge(s).

Notification of addition to or amendment of charge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **REBECCA KITCHENER**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1435045

Charge code: 0143 5045 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th June 2013 and created by AEROSPACE LOGISTICS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th July 2013 .

Given at Companies House, Cardiff on 5th July 2013



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

General security deed

Aerospace Logistics Limited

Santander UK plc as security trustee

Version: 1

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General security deed

Dated 27 JUNE 2013

Parties

Grantor **Aerospace Logistics Limited registered number 01435045**
of 1 Paper Mews, 330 High Street, Dorking, Surrey, RH4 2TU

Secured Party **Santander UK plc as security trustee for each Group Member**
of 298 Deansgate, Manchester, M3 4HH

Agreed terms

1 Definitions and interpretation

1.1 Definitions

In this document:

Term	Definition
Accession	has the meaning given to that term by the PPSA.
Account	has the meaning given to that term by the PPSA.
Account Debtor	has the meaning given to that term by the PPSA.
ADI	has the meaning given to that term by the PPSA.
ADI Account	has the meaning given to that term by the PPSA.
Advance	has the meaning given to that term by the PPSA.
ASIC	means Australian Securities and Investments Commission.
Associate	(a) in the context of a body corporate includes: <ul style="list-style-type: none"> (i) a director, secretary and shareholder of the body corporate; (ii) a body corporate that is a Related Body Corporate; (iii) a director, secretary and shareholder of that Related Body Corporate; (iv) the trustee of any Trust under which the persons described in clauses (a)(i), (ii) and (iii) or any of them, may benefit; (v) any person who is a Related Party for the purposes of section 228 Corporations Act; and (vi) in the particular matter to which the Associate reference relates, any person or persons with

Term	Definition
	whom the body corporate: (A) is acting or proposes to act in concert; or (B) is or proposes to become associated, whether formally or informally; and (b) in the context of a natural person includes: (i) the spouse, brother, sister, lineal ancestor and lineal descendant of the natural person; (ii) the trustee of any Trust under which the persons described in clause (b)(i) or any of them may benefit; (iii) in the particular matter to which the reference relates, any other person or persons with whom the natural person: (A) is acting or proposes to act in concert; or (B) is or proposes to become associated, whether formally or informally; and (iv) an entity controlled by the persons referred to in clauses (i), (ii) and (iii) above.
ASX	means ASX Limited ACN 008 624 691.
Attach	has the meaning given to that term by the PPSA.
Attorney	means an attorney appointed under this document or any Finance Document.
Authorisation	includes a consent, Authorisation, approval, Licence, permit, franchise, permission, filing, Registration, resolution, direction, declaration or exemption.
Authorised Officer	means as it relates to a corporation any director or secretary and any person whose title includes the word 'manager'. The term also includes a party's lawyer.
Bankruptcy Act	means <i>Bankruptcy Act 1966</i> (Cth).
Business Day	means a day that is not a Saturday, Sunday or public holiday being a day on which banks are open for general banking business in Brisbane.
Charged Property	means the Personal Property described in item 2 of the Schedule and Other Property.
Chattel Paper	has the meaning given to that term by the PPSA.
Claim	means any claim, action, proceeding or demand made against the party concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.
Commercial Consignment	has the meaning given to that term by the PPSA.
Company	has the meaning given to that term by the PPSA.
Contamination	means, for any Environment, the presence in, on or under the Environment of a substance (including a chemical, a mineral or any natural or human produced substance) at a concentration above the concentration at which the substance is naturally present (respectively) in, on or under the Environment or

Term	Definition
	Environment in the same locality.
Control	has the meaning given to that term by the PPSA.
Controller	has the same meaning given to that term by the Corporations Act.
Corporations Act	means <i>Corporations Act 2001</i> (Cth).
Currency	has the meaning given to that term by the PPSA.
Deal With	means deal with property in any way including offer for sale, grant an option, create or Dispose Of a right, render or permit to be subject to an Encumbrance, convert, deposit, compromise, and allow a counterclaim to arise. Dealing has a corresponding meaning.
Debtor	means the party described in item 1 of the Schedule.
Description	has the meaning given to that term by the PPSA.
Directive	includes any present or future directive, regulation, request, requirement, rule or credit restraint program of any Government Agency or of any self-regulating organisation (but, if not having the force of law, only if compliance with the directive is in accordance with the general practice of persons to whom the directive is intended to apply).
Dispose Of	means sell, transfer, assign, alienate, surrender, dispose of, deposit, Lease, part with possession of and enter into any agreement or arrangement to do or allow any of these things, including granting Possession or Control of the Charged Property to any person other than the Secured Party. Disposal has a corresponding meaning.
Document of Title	has the meaning given to that term by the PPSA.
Encumbrance	means: <ul style="list-style-type: none"> (a) any Security Interest or a preferential or adverse interest of any kind; (b) a right of any person to purchase, occupy or use assets (including under a hire purchase agreement, option, Licence, Lease, or agreement to purchase); (c) a right to set-off or right to withhold payment of a deposit or other money; (d) an easement, restrictive covenant, caveat or similar restriction over property (except, in the case of Land, a covenant noted on the certificate of title to the Land concerned); (e) an agreement to create any of the items referred to in paragraphs (a) to (d) above or to allow any of those items to exist; (f) a notice under section 255 Tax Act (1936), subdivision 260-A in schedule 1 <i>Taxation Administration Act 1953</i> (Cth) or any similar legislation; or (g) any other right (including without limitation under a trust or agency arrangement) of a creditor to have its Claims satisfied prior to other creditors with, or from the

Term	Definition
	proceeds of, or by recourse to any asset and includes any agreement, arrangement or deed conferring such a right.
Enterprise	has the meaning given to that term by the PPSA.
Environment	means all components of the earth, including: <ul style="list-style-type: none"> (a) Land, air, climate and water; (b) any layer of the atmosphere; (c) flora and fauna; (d) any organic or inorganic matter; (e) any living organism (including humans); (f) any human made or modified structure or area; (g) the aesthetic characteristics of the components of the earth, including appearance, sound, odour, taste or texture; and (h) natural ecosystems that include any of the components referred to (a) to (g) above.
Environmental Approval	means an Authorisation under an Environmental Law.
Environmental Law	means any legislation or common law (including the tort of negligence): <ul style="list-style-type: none"> (a) authorising or controlling the use of Land, air, or water, or the erection, placement or removal of structures and buildings; (b) about the storage, handling or transport of dangerous goods, hazardous material, asbestos or waste; (c) relating to occupational health and safety; (d) that has as one of its purposes, objectives or effects the protection or enhancement of the Environment; or (e) about Contamination or Pollution.
Environmental Notice	means any written or unwritten requirement (including a direction, notice, Claim, action, judgment, order, demand or Licence) from any Government Agency to take any action (including the payment of money) or refrain from taking any action, in respect of the Charged Property or its use in connection with any Environmental Law.
Event of Default	has the meaning set out in clauses 14.1 and 31.2.
Expenses	has the meaning given to that term by the PPSA.
Facility	means the credit facility where the Secured Party has offered or agreed to give Financial Accommodation to the Debtor or the Grantor or to any other person at the request of the Grantor in consideration of which the Grantor has agreed to enter into this document.
Finance Document	means any document which at any time is entered into with or in favour of the Secured Party to secure the performance of an obligation relating to the Secured Money including the payment of the Secured Money. The term includes any offer letter, loan agreement or facility agreement, this document and any other

Term	Definition
	document the Grantor and Secured Party agree is a Finance Document for the purpose of this document or any other Finance Document.
Financial Accommodation	means any financial accommodation or form of financial accommodation including: <ul style="list-style-type: none"> (a) an Advance, loan, forbearance, or payment; (b) a deferred purchase price; (c) discounting, or drawing, accepting, endorsing, or becoming in any way liable under, a bill of exchange, cheque, promissory note, warrant or other Negotiable Instrument at the request of or for the benefit of another party; (d) giving or allowing credit; (e) giving or paying money under a Guarantee; and (f) giving financial accommodation by way of: <ul style="list-style-type: none"> (i) entering into or performing a Lease; (ii) purchasing, or giving value for a right or asset; or (iii) creating, assuming or undertaking a liability.
Financial Indebtedness	means indebtedness, whether present or future, secured or unsecured, or actual or contingent arising under, or as a result of any Financial Accommodation.
Financial Property	has the meaning given to that term by the PPSA.
Financing Change Statement	has the meaning given to that term by the PPSA.
Financing Statement	has the meaning given to that term by the PPSA.
Fixtures	has the meaning given to that term by the PPSA.
Force Majeure	includes fire, storm, flood, earthquake, explosion, accident, war, act of a public enemy, rebellion, insurrection, sabotage, epidemic, labour dispute, electrical failure, telecommunications failure and an act of God.
Future Advance	has the meaning given to that term by the PPSA.
General Law	has the meaning given to that term by the PPSA.
Goods	has the meaning given to that term by the PPSA.
Government Agency	means: <ul style="list-style-type: none"> (a) a government, government department or other body; (b) a government, semi-governmental or judicial person; or (c) a person (whether autonomous or not) who is charged with the administration of a law.
Group	means Santander UK plc (registered number 2294747) and each of its Subsidiaries for the time being.
Group Member	means each member of the Group.
GST	has the meaning given to that term in the GST Act.

Term	Definition
GST Act	means <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
Guarantee	<p>means a guarantee, indemnity, letter of credit, letter of comfort giving rise to legal liabilities, or any other obligation whatever called and of whatever nature:</p> <ul style="list-style-type: none"> (a) to pay, to purchase, or to give funds (whether by the advance of money, the purchase of or subscription for shares or other securities, the purchase of assets, rights or services, or otherwise) for the payment or discharge of; (b) to indemnify against the consequences of default in the payment of; or (c) otherwise to be responsible for, <p>any obligation or indebtedness of any other person.</p>
Improvements	means all buildings, Fixtures, fences or other structures at any time on the Charged Property and includes all carpets, floor coverings, light fittings, blinds, curtains, building materials, plant, machinery, fittings and other like things of any nature at any time forming part of or attaching to those Improvements or the Charged Property.
Insolvency Event	<p>means any of the following events:</p> <p>if:</p> <ul style="list-style-type: none"> (a) an application is filed for the winding up of the party (a winding up application) and the winding up application is not dismissed or withdrawn within ten Business Days of that application being filed; or (b) an order is made for the winding up of the party and the winding up is not stayed indefinitely or terminated within ten Business Days of the winding up order being made; (c) if the party's shareholders pass a resolution for its winding up; (d) if a Receiver, Controller or similar person is appointed to, or the holder of a Security Interest takes (or appoints an agent to take) Possession of, any property of the party; (e) if a provisional liquidator is appointed to the party; (f) if: <ul style="list-style-type: none"> (i) the party is placed into administration (as defined in section 9 Corporations Act) or enters into a deed of company arrangement (as defined in section 9 Corporations Act); or (ii) the party, or any other person takes any step towards placing the party into administration or towards entering into a deed of company arrangement; (g) if the party: <ul style="list-style-type: none"> (i) advises the other party that it is financially unable to proceed with or meet any of its obligations under this document;

Term	Definition
	<ul style="list-style-type: none"> (ii) without the written consent (not to be unreasonably withheld) of the other party, suspends payment of its debts other than as the result of a failure to pay a debt or Claim which is the subject of a genuine dispute; (iii) ceases or threatens to cease to carry on all or a material part of its business; (iv) is or states that it is unable to pay its debts as and when they fall due and payable; or (v) is taken to fail to comply with a statutory demand under section 459F Corporations Act;
(h)	<p>if the party, without the consent of the other party:</p> <ul style="list-style-type: none"> (i) begins negotiations with one or more of its creditors seeking a general readjustment or rescheduling of its indebtedness to one or more of its creditors; (ii) takes any steps toward entering into, or enters into, any compromise or arrangement with one or more of its creditors under part 5.1 Corporations Act; or (iii) makes any assignment or enters into any arrangement or composition generally for the benefit of one or more of its creditors;
(i)	<p>if the party:</p> <ul style="list-style-type: none"> (i) commits an act of bankruptcy under section 40 Bankruptcy Act; or (ii) is made bankrupt;
(j)	<p>if the party becomes or takes any step that could result in the party becoming an insolvent under administration (as defined in section 9 Corporations Act);</p>
(k)	<p>if the party enters into or takes any step that could result in the party entering into a personal insolvency agreement under part X Bankruptcy Act;</p>
(l)	<p>if the party enters into or takes any step that could result in the party entering into a debt agreement under part IX Bankruptcy Act;</p>
(m)	<p>if execution is levied against the party by a creditor;</p>
(n)	<p>if any matter relating to the party becomes subject to a direction under, or has effect as if it were a direction under, section 14 <i>Australian Securities and Investment Commission Act 2001</i> (Cth), or to an investigation under, or taken to be under, <i>Australian Securities and Investment Commission Act 2001</i> (Cth);</p>
(o)	<p>if any event happens in Australia or any other country or territory in respect of a party that is similar to any of the events or circumstances referred to in this definition, unless:</p> <ul style="list-style-type: none"> (i) the event takes place as part of a solvent reconstruction, amalgamation, merger or consolidation on terms approved by the other

Term	Definition
	party before it takes place; and (ii) the implementation of the reconstruction, amalgamation, merger or consolidation complies with the terms of the approval.
Intangible Property	has the meaning given to that term by the PPSA.
Intellectual Property	has the meaning given to that term by the PPSA.
Intellectual Property Licence	has the meaning given to that term by the PPSA.
Interest	has the meaning given to that term by the PPSA.
Inventory	has the meaning given to that term by the PPSA.
Investment Entitlement	has the meaning given to that term by the PPSA.
Investment Instrument	has the meaning given to that term by the PPSA.
Land	has the meaning given to that term by the PPSA.
Lease	means an agreement or arrangement under which property is or may be used, occupied, retained, operated or managed by a Lessee for consideration (of whatever form) payable or given by the Lessee including a lease, Licence, charter, hire purchase or hiring arrangement.
Lessee	means a person who uses, occupies, retains, operates or manages property under a Lease.
Licence	has the meaning given to that term by the PPSA.
Livestock	has the meaning given to that term by the PPSA.
Located	has the meaning given to that term by the PPSA.
Material Adverse Effect	means a material adverse effect on: (a) the Grantor's or a Security Provider's financial condition or business; (b) the Grantor's or a Security Provider's ability to perform and comply with its relevant obligations under this document or any Finance Document; (c) the value of the Charged Property; or (d) the Secured Party's rights or interests under this document or any Finance Document.
Negotiable Instrument	has the meaning given to that term by the PPSA.
Other Property	means all of the Grantor's present and after acquired rights and interests in land and any other property which is not Personal Property.
Perfected	has the meaning given to that term by the PPSA. Perfect has a corresponding meaning.
Permitted Encumbrance	means: (a) an Encumbrance: (i) created with the Secured Party's prior written consent; or (ii) permitted, with the Secured Party's prior written

Term	Definition
	consent, to subsist, over all or any part of the Charged Property, subject to and in accordance with the conditions (if any) that the Secured Party may attach to the consent;
	(b) liens or charges arising over the Charged Property by operation of law in the ordinary course of business (other than those not discharged when due);
	(c) a Purchase Money Security Interest; or
	(d) an Encumbrance provided for by one of the following transactions if the transaction does not secure payment or performance of an obligation:
	(i) a transfer of an Account or Chattel Paper;
	(ii) a Commercial Consignment; or
	(iii) a PPS Lease.
Permitted Financial Indebtedness	means: (a) Financial Indebtedness provided by the Secured Party under the Finance Documents; and (b) Financial Indebtedness that has been disclosed to the Secured Party and consented to in writing by the Secured Party.
Personal Property	has the meaning given to that term by the PPSA.
Pollution	means the release, emission or discharge into the Environment of a substance which directly or indirectly causes or has the potential to cause damage or harm to any aspect of the Environment, and includes: (a) pollution of air; (b) pollution of water; (c) noise; and (d) pollution of Land.
Possession	has the meaning given to that term by the PPSA.
Potential Event of Default	means any condition, act or event which, with the giving of any notice, the lapse of any period of time or the fulfilment of any requirement or any combination of these things could become an Event of Default.
PPS Lease	has the meaning given to that term by the PPSA.
PPSA	means <i>Personal Property Securities Act 2009</i> (Cth).
PPSA Information	means any information or documents (including copies of such documents) which are in existence or may be entered into in the future, of the kind mentioned in section 275(1) PPSA.
Proceeds	has the meaning given to that term by the PPSA.
Purchase Money Security Interest	has the meaning given to that term by the PPSA.
Receiver	means any receiver or receiver and manager appointed under this document or any Finance Document.
Recipient	has the meaning given to that term in the GST Act.

Term	Definition
Register	has the meaning given to that term by the PPSA.
Registration	has the meaning given to that term by the PPSA.
Related Body Corporate	has the meaning given to that term by section 9 Corporations Act.
Related Party	means an Associate and a Related Body Corporate.
Required Currency	means the Currency in which an obligation or liability under this document or any Finance Document is due.
Secured Money	<p>means all amounts and liabilities which the Debtor or the Grantor owes to the Secured Party at any time including:</p> <ul style="list-style-type: none"> (a) all amounts which the Secured Party has lent or agreed to lend or provide: <ul style="list-style-type: none"> (i) to the Debtor or the Grantor; or (ii) to someone else at the request of the Grantor; (b) all amounts which the Debtor or the Grantor is or may at any time be liable to pay the Secured Party for any reason including in respect of any orders, drafts, cheques, promissory notes, bill of exchange, letters of credit, Guarantees, bonds and other instruments; (c) all amounts which at any time are owing but not presently payable or are owing upon a contingency by the Debtor or the Grantor to the Secured Party for any reason; (d) all amounts which are payable to the Secured Party under this document or under any Finance Document; and (e) any other monies including interest, stamp duty, legal fees, liquidated or unliquidated damages and any liability under a judgment or court order against the Debtor or the Grantor in favour of the Secured Party. <p>The term includes Future Advances.</p>
Security Agreement	has the meaning given to that term by the PPSA.
Security Interest	<p>in relation to:</p> <ul style="list-style-type: none"> (a) any Personal Property, has the meaning given to that term by the PPSA; and (b) any other property means any security for the payment of money or performance of obligations including a mortgage, charge, lien, pledge, trust, power, or title retention or flawed deposit arrangement.
Security Provider	means any person other than the Grantor and the Secured Party who enters into a Finance Document. The term includes the Debtor.
Serial Number	has the meaning given to that term by the PPSA.
Subsidiary	means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.
Supplier	means the entity making the Supply.

Term	Definition
Supply	has the meaning given to that term in the GST Act.
Tax	includes any tax, levy, duty, charge, impost, fee, deduction and withholding however it is described, that is assessed, levied, collected or imposed by law or by a Government Agency, together with any related interest, penalty, fine or other charge, or other amount imposed in respect of any of the above.
Tax Act (1936)	means <i>Income Tax Assessment Act 1936</i> (Cth).
Tax Invoice	has the meaning given to that term in the GST Act.
Taxable Supply	has the meaning given to that term in the GST Act.
Title Documents	means all documents proving or evidencing ownership of the Charged Property, including a Document of Title.
Trust	means the trust (if any) by which the Grantor holds the Charged Property, whether or not that trust is set out expressly in this document.
Void Payment	means any payment made to the Secured Party by or on behalf of the Grantor which is subsequently avoided, conceded or compromised as being void or voidable under any law relating to insolvency or the protection of creditors or to any other matter or event.

1.2 Interpretation

In this document:

- (a) a singular word includes the plural and vice versa;
- (b) a word which suggests one gender includes the other genders;
- (c) a reference to a clause, schedule, annexure or party is a reference to a clause of, and a schedule, annexure or party to, this document and references to this document include any schedules or annexures;
- (d) a reference to a party to this document or any other document or agreement includes the party's successors, permitted substitutes and permitted assigns;
- (e) if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (f) a reference to a document or agreement (including a reference to this document) is to that document or agreement as amended, supplemented, varied or replaced;
- (g) a reference to legislation or to a provision of legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;

- (h) if any day on or by which a person must do something under this document is not a Business Day:
 - (i) if the act involves a payment, the person must do it on or by the next Business Day unless that day falls in the following month, in which case, the previous Business Day; and
 - (ii) in any other case, the person must do it on or by the previous Business Day;
- (i) a reference to a person includes a corporation, trust, partnership, unincorporated body, Government Agency, or other entity whether or not it comprises a separate legal entity;
- (j) a reference to 'month' means calendar month;
- (k) this document is not to be interpreted against the interests of a party merely because that party proposed this document or some provision in it or because that party relies on a provision of this document to protect itself;
- (l) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (m) a reference to '\$' or 'dollar' is to Australian Currency;
- (n) a reference to time is to Brisbane time (unless otherwise agreed in writing);
- (o) the meaning of any general language is not restricted by any accompanying example, and the words 'includes', 'including', 'such as' or 'for example' (or similar phrases) do not limit what else might be included;
- (p) if a party to this document consists of more than one person, or a term is used in this document to refer to more than one party:
 - (i) an obligation of those persons is joint and several; and
 - (ii) a right of those persons is held by each of them severally;
- (q) if a party is prohibited from doing anything, that party is also prohibited from:
 - (i) allowing or causing it to be done; and
 - (ii) doing or omitting to do anything which results in it happening; and
- (r) words and expressions used in this document which have been defined in the PPSA are to be interpreted in accordance with their meanings in the PPSA unless otherwise defined in this document or unless the context otherwise requires.

2 Receipt of value

The Grantor acknowledges having received valuable consideration from the Secured Party for the giving of this document.

3 Obligations secured

3.1 Security Interest in Charged Property

The Grantor grants a Security Interest in the Charged Property to the Secured Party as security for:

- (a) the payment of the Secured Money to the Secured Party; and
- (b) the performance of all obligations under this document and any Finance Document.

3.2 Charge over Other Property

The Grantor charges by way of fixed charge all of the Grantor's present and future interest in, and all of the Grantor's rights in relation to, the Other Property.

4 Secured Money

4.1 Payment of Secured Money

The Grantor must pay the Secured Money in full to the Secured Party or to anyone else the Secured Party directs in writing:

- (a) at the times and in the way agreed in writing between the Grantor and the Secured Party (including, for example, in any Finance Document); or
- (b) otherwise, the Grantor must pay the Secured Money when the Secured Party demands.

4.2 No set off or deduction

The Grantor must make all payments of the Secured Money without any deductions, set-off or counterclaims and in immediately available funds.

5 Title Documents

Where Title Documents exist:

- (a) the Grantor must deliver and leave them with the Secured Party unless the Secured Party agrees that a person who has the benefit of a Permitted Encumbrance will hold them; and
- (b) the Grantor acknowledges that the Secured Party may be required to deliver the Title Documents to a third party for registration purposes and that the Secured Party may not be in a position to return the Title Documents to the Grantor.

6 Representations and warranties

6.1 Grantor's representations and warranties

The Grantor represents and warrants to the Secured Party that:

- (a) the Grantor has good title to, or has a right or interest in, the Charged Property and has the right to grant a Security Interest in the Charged Property under this document;
- (b) if the Grantor is a corporation, it is properly incorporated and validly exists under the laws of the place where it was incorporated;
- (c) the Grantor has power to enter into this document and do everything contemplated by this document and all necessary action has been taken and Authorisations obtained to make sure this document is legally binding on the Grantor and to enable the Grantor to carry out all of its obligations under this document;
- (d) no Event of Default or Potential Event of Default has occurred;
- (e) the Grantor has not breached any laws or any existing Encumbrance which may have a Material Adverse Effect on the Grantor or any Security Provider;
- (f) an Insolvency Event that relates to the Grantor or any Security Provider has not occurred;
- (g) no litigation or other proceeding before any court, judicial or administrative authority, or arbitrator is:
 - (i) taking place or pending; or
 - (ii) is likely to be commenced or threatened to the best of the Grantor's knowledge, against the Grantor or any Security Provider or against the Grantor's or any Security Provider's assets, which could have a Material Adverse Effect on the Grantor or any Security Provider;
- (h) all information given by the Grantor or any Security Provider to the Secured Party (including in any financial statements) is true and accurate and not misleading;
- (i) the Grantor and each Security Provider:
 - (i) has complied with all Tax laws in all jurisdictions in which they are subject to Tax;
 - (ii) have paid all Taxes due and payable by them; and
 - (iii) have no material Claims relating to Taxes made against them;
- (j) other than already disclosed to the Secured Party in writing, the Grantor and all Security Providers do not act as trustee of any Trust and are the sole beneficial owners of the Charged Property;
- (k) the Grantor has complied with all Environmental Laws relating to the Charged Property;

- (l) every Environmental Approval required in relation to the Charged Property has been issued, is current and has been complied with in all material respects;
- (m) the Grantor has not received, and is not aware of the issue of or of any occupier of the Charged Property receiving, any Environmental Notice;
- (n) all of the Grantor's assets are unencumbered except:
 - (i) by a Finance Document in the Secured Party's favour; or
 - (ii) by a Permitted Encumbrance;
- (o) the Grantor has possession of the Charged Property and if requested, will deliver Possession of the Charged Property to the Secured Party;
- (p) the Grantor has Control of all ADI Accounts, Investment Entitlements, Investment Instruments, letters of credit and Negotiable Instruments which form part of the Charged Property and, if requested, will do all things necessary and enter into any agreement requested by the Secured Party to deliver Control in those to the Secured Party;
- (q) the Grantor has registered on the Register every Security Interest that it holds in the Charged Property and will maintain each registration at all times while the Secured Money is outstanding;
- (r) the Grantor has not granted Possession or Control over the Charged Property to any person other than the Secured Party;
- (s) the Grantor has given the Secured Party all Serial Numbers in relation to the Charged Property and those Serial Numbers are correct; and
- (t) the Grantor benefits by signing this document.

6.2 Finance Documents

The representations and warranties in clause 6 are in addition to any other representations and warranties contained in a Finance Document.

6.3 Repetition

The representations and warranties in clause 6 are taken to be repeated (by reference to the then current circumstances) on each date from the date of this document until the date on which all Secured Money has been paid in full and all obligations of the Grantor under this document and any Finance Document have been discharged in full.

6.4 Reliance on representations and warranties

The Grantor acknowledges that:

- (a) the Secured Party has incurred obligations under this document and any Finance Document in reliance on the representations and warranties given by the Grantor and each Security Provider; and
- (b) the Grantor has not entered into this document or any Finance Document in reliance upon and the Grantor will not rely on any representation, warranty, promise or statement made by the Secured Party or any person on the Secured Party's behalf at any time,

unless the representation, warranty, promise or statement is in writing and signed by the Secured Party's Authorised Officer.

6.5 Secured Party's liability

The Grantor acknowledges that:

- (a) the Secured Party's obligations are limited to those which are expressly set out in this document or any Finance Document;
- (b) the Secured Party is not liable for any change in interest rates, currencies or exchange rates; and
- (c) the Secured Party is not liable or responsible to the Grantor for any information, advice or opinion given by the Secured Party about interest rates, currencies or exchange rates, even if they have been given incorrectly or negligently.

7 Grantor's undertakings

Until the whole of the Secured Money is repaid in full, the Grantor agrees as follows:

- (a) the Grantor must maintain its corporate existence if it is a corporation;
- (b) the Grantor must comply with all laws at any time in force and all mandatory requirements of any Government Agency;
- (c) the Grantor must promptly pay all Taxes for which it is liable, including those assessed against the Charged Property;
- (d) the Grantor must do all things necessary to ensure that no Event of Default occurs;
- (e) the Grantor must obtain, provide the Secured Party with a copy of, and promptly renew upon expiry, all Authorisations required for the:
 - (i) Grantor observing its obligations under this document and any Finance Document;
 - (ii) Secured Party enforcing any of its rights, powers or remedies under this document, any Finance Document or at law;
 - (iii) Grantor carrying on its business; and
 - (iv) use or ownership of the Charged Property;
- (f) the Grantor must not incur any Financial Indebtedness (other than Permitted Financial Indebtedness) without the Secured Party's written consent;
- (g) the Grantor must not allow anything to be done in derogation of the Secured Party's rights or powers under this document or any Finance Document; and
- (h) the Grantor must not change its name or business trading name without the Secured Party's prior written consent, or change its place of incorporation (if the Grantor is a corporation) or its principal place of business to a place outside Australia.

8 Charged Property

8.1 Attachment

The parties acknowledge that the Security Interest created by this document Attaches to the Charged Property in accordance with the PPSA and the parties confirm that they have not agreed that any Security Interest will Attach at any later time.

8.2 Grantor's obligations relating to Charged Property

The Grantor must:

- (a) register on the Register every Security Interest that they hold in the Charged Property:
 - (i) as soon as such Security Interest becomes registrable under the PPSA; and
 - (ii) maintain each registration at all times while the Secured Money is outstanding;
- (b) carry on and maintain the Grantor's business in a proper and efficient way;
- (c) prepare and maintain proper and adequate books and records;
- (d) pay all Taxes assessed against the Charged Property when due;
- (e) comply with the terms and conditions of any Lease to which the Grantor is a party;
- (f) exercise any of the Grantor's legal rights the Secured Party reasonably requires the Grantor to exercise;
- (g) comply with the Grantor's payment obligations under any agreement for the purchase of Charged Property;
- (h) comply with the Grantor's obligations under any Encumbrance and Permitted Encumbrance;
- (i) comply with all restrictive and other covenants affecting the Charged Property or its use or enjoyment;
- (j) protect the Charged Property at the Grantor's expense including, if necessary, defending any legal proceedings involving the Charged Property;
- (k) keep the Charged Property in good working order and condition and carry out repairs, servicing, maintenance and replacement as the manufacturer recommends or is required to maintain any warranty or otherwise as the Secured Party requires;
- (l) renew or replace, when worn out or destroyed, all present or future property used in connection with the Charged Property;
- (m) Claim or join with the Secured Party in Claiming purchase money or compensation in relation to a resumption or acquisition by a Government Agency of the Charged Property;
- (n) promptly notify the Secured Party of any change in the details of the Charged Property or any significant further acquisition of Charged Property and notify the Secured Party immediately on any acquisition of Serial Numbered Goods;

- (o) not allow the Charged Property to become an Accession to, or commingled with, property not covered by this document or to be affixed to any Land;
- (p) deposit any rents, profits, payments or other Proceeds (including from Account Debtors or an insurance claim) relating to the Charged Property into an account nominated by the Secured Party at the Secured Party's election; and
- (q) execute and deliver any documents or instruments and do all other things reasonably required by the Secured Party to give effect to this document and to confirm and Perfect the Secured Party's Security Interest, including:
 - (i) providing Serial Numbers and other details of the Charged Property;
 - (ii) delivering Possession or Control of the Charged Property to the Secured Party to perfect its Security Interest or to defeat the Security Interest of a third party; and
 - (iii) providing all necessary information to register any Financing Statement, Financing Change Statement or notice in relation the Secured Party's Security Interest and each Finance Document and ensure that those Security Interests have priority over all other Security Interests.

8.3 Grantor's undertakings relating to Charged Property

The Grantor must not, without the Secured Party's prior written consent:

- (a) sign or allow to exist any Encumbrance over or affecting the Charged Property other than a Permitted Encumbrance or as permitted by clause 8.4(a);
- (b) apply for or obtain any money, goods or services from any person or fail to pay any amount owed to any person which might lead to:
 - (i) an Encumbrance or liability being imposed on the Charged Property; or
 - (ii) this document or any Finance Document being in any way postponed or prejudicially affected;
- (c) surrender or allow to be surrendered any of the Charged Property to a Government Agency or any other person or:
 - (i) compromise with, or agree on the purchase money or compensation payable by, a Government Agency; or
 - (ii) give a release to a Government Agency,

in relation to a resumption or acquisition by a Government Agency of the Charged Property;
- (d) deposit monies with any person in circumstances where those monies are or may become subject to any right of set-off, counterclaim or right of combination;
- (e) as it relates to a Related Party of the Grantor:
 - (i) give or agree to any Financial Accommodation to or at the request of;
 - (ii) allow to remain outstanding any Financial Indebtedness from;

- (iii) pay, repay or otherwise satisfy or discharge any Financial Indebtedness owing to;
 - (iv) acquire any asset for more than a fair market value from; or
 - (v) Dispose of any asset at less than a fair market value and for cash consideration to,
- a Related Party of the Grantor;
- (f) if the Secured Party has made a demand on the Grantor under this document or any Finance Document, the Grantor must not declare or pay a dividend until the demand is satisfied in full; or
 - (g) if the Grantor is a Company, the Grantor must not call up or receive in advance of calls any of the uncalled capital or uncalled premiums of the Grantor or apply that capital or those premiums anywhere other than towards payment of the Secured Money.

8.4 Grantor's dealings with the Charged Property

The Grantor must not, without the Secured Party's prior written consent, do (or attempt to do) any of the following in respect of the Charged Property:

- (a) Deal With any of the Charged Property, except Inventory in the ordinary course of its ordinary business in which case the Secured Party's Security Interest will extend to the Proceeds received in respect of that Inventory;
- (b) move or transfer, or allow to be moved or transferred, any of the Charged Property outside of Australia;
- (c) factor, discount, assign, allow any right of set-off (however described) in respect of or otherwise Dispose Of any of the Grantor's book debts, monetary claims or revenues; or
- (d) change any Serial Numbers or seek any replacement or substitute Title Documents.

8.5 Security Interest in Accounts

- (a) Any Security Interest in an Account created under this document will take effect as a transfer of the Account.
- (b) The Grantor's transfer of the Proceeds of any of the Grantor's Goods that the Secured Party has allowed the Grantor to Deal With under clause 8.4(a) is in consideration for the Secured Party permitting the dealing that gave rise to the Proceeds.

9 Notice and information

9.1 Grantor's obligation to notify

The Grantor must notify the Secured Party in writing of:

- (a) every occurrence of an Event of Default or Potential Event of Default as soon as the Grantor becomes aware of it;
- (b) every change, event or set of circumstances which would cause any representation, warranty or undertaking in this document or in any Finance Document to be false or misleading in any way, as soon as the Grantor becomes aware of it;

- (c) every acquisition or resumption by a Government Agency of any of the Charged Property, and every proposal by a Government Agency to resume or acquire any of the Charged Property, as soon as the Grantor becomes aware of the resumption, acquisition or proposal (as the case may be);
- (d) the particulars and location of any Charged Property (including Serial Numbers and changes to Serial Numbers) on request by the Secured Party or promptly upon the particulars of the Charged Property changing; and
- (e) at least 14 days before:
 - (i) the Grantor (or if the Grantor is a trust or partnership, the trust or the partnership) changes its name;
 - (ii) the Grantor relocates its principal place of business outside Australia or, if it is a corporation, changes its place of registration or incorporation;
 - (iii) any ABN or ARSN allocated to the Grantor (or if the Grantor is a trust or partnership, the trust or the partnership) changes, is cancelled or otherwise ceases to apply to it (or if it does not have an ABN, ARBN or ARSN, one is allocated, or otherwise starts to apply, to it); and
 - (iv) the Grantor becomes trustee of a trust or a partner in a partnership.

9.2 Grantor's obligation to give information

- (a) The Grantor must:
 - (i) promptly give the Secured Party, the Secured Party's employees, professional advisers and agents all information about the Grantor's and any Security Provider's business and affairs as the Secured Party may require from time to time;
 - (ii) give to the Secured Party as soon as they are available and, in any event, by no later than three months after the relevant annual balance dates for the Grantor's and any Security Provider's accounts, copies of the Grantor's and any Security Provider's annual profit and loss accounts and balance sheets as at the relevant balance date;
 - (iii) give to the Secured Party copies of all reports, accounts, notices and circulars issued by the Grantor or a Security Provider to their members as and when issued; and
 - (iv) promptly give to the Secured Party any other financial or operating information which the Secured Party may reasonably require from time to time about the Grantor, a Security Provider or any Charged Property, including a current, full and complete inventory of any Charged Property specifying the value and location of each item.
- (b) The Secured Party may employ any professional adviser, agent or consultant, at the Grantor's cost, to assess any information or material given to the Secured Party under this document or to exercise the Secured Party's rights under this document.

10 Insurance

10.1 Grantor's obligation to insure

The Grantor must:

- (a) insure and keep insured all of the Charged Property of an insurable nature against risk of loss or damage by fire and all other risks (including business interruption and loss of rent) that the Secured Party stipulates with underwriters the Secured Party approves:
 - (i) in an amount satisfactory to the Secured Party in each case; or
 - (ii) for full insurable value;
 (whichever is the greater) and with:
 - (iii) the Secured Party's interest noted by endorsement on the policy; or
 - (iv) if the Secured Party directs, in the Secured Party's joint name with the Grantor for each of their rights and interests;
- (b) take out and maintain with underwriters (approved by the Secured Party), employer's indemnity insurance, public risk and other insurances:
 - (i) which a prudent person would take out and maintain for a business similar to the Grantor's business; or
 - (ii) which the Secured Party stipulates;
- (c) immediately deliver the insurance policies referred to in clauses 10.1(a) and 10.1(b) to the Secured Party (unless the Grantor is unable to do so under the terms of a Permitted Encumbrance which has priority over this document, in which case copies will suffice) and, on request, deliver to the Secured Party certificates of currency for those insurance policies;
- (d) punctually pay all premiums and sums necessary (including stamp duty) for taking out and maintaining every insurance policy;
- (e) promptly on request, deliver to the Secured Party the receipt for any premium or sum so paid;
- (f) immediately after they are made, deliver to the Secured Party all variations, alterations and additions to any existing insurance policies and all additional or substitute insurance policies (unless the Grantor is unable to do so under the terms of a Permitted Encumbrance which has priority over this document, in which case copies will suffice); and
- (g) immediately after it occurs, notify the Secured Party of any occurrence which gives or might give rise to a Claim or right to Claim under any insurance policy.

10.2 Grantor's undertakings

The Grantor must not:

- (a) do or allow to be done anything which might cause any insurance policy to be prejudiced or rendered void, voidable or unenforceable;
- (b) without the Secured Party's written consent, cause, or take any steps to bring about, the cancellation of, a material change or reduction in the cover given under any insurance policy;
- (c) take out any other insurance over the Charged Property other than:
 - (i) with the Secured Party's interest endorsed on the policy; or
 - (ii) jointly in the Secured Party's name with the Grantor if the Secured Party requests; or
- (d) make, enforce, settle or compromise a Claim or do anything inconsistent with the Secured Party's rights or powers under clause 15.

10.3 Compliance

The Grantor must at all times, until this document is fully discharged, comply with all obligations and conditions relating to insurance of the Charged Property:

- (a) contained in or implied by any Permitted Encumbrance; or
- (b) contained in or implied by any Lease from which any part of the Charged Property is derived.

11 Grantor's obligations to give access

The Grantor must:

- (a) ensure that all the Grantor's books, records, and accounts are available for inspection at all reasonable times by the Secured Party, the Secured Party's employees, professional advisers, agents, and other persons on the Secured Party's behalf;
- (b) allow and give reasonable assistance to the Secured Party, the Secured Party's employees, professional advisers, agents or other persons on the Secured Party's behalf, to inspect and take copies of or extracts from all books, vouchers and other documents relating in any way to the Grantor's business transactions;
- (c) allow or procure for the Secured Party, the Secured Party's employees, professional advisers or agents, or other persons on the Secured Party's behalf, full and unfettered access upon reasonable notice, to any Land or building:
 - (i) occupied by the Grantor; or
 - (ii) forming or containing any part of the Charged Property;

- (d) allow the Secured Party and its employees, professional advisers, agents, contractors, consultants and workmen, free access at all times, to the Charged Property:
 - (i) to examine the state of repair, order and condition of the Charged Property;
 - (ii) to find out whether the Grantor has Possession, Control or ownership of rights in the Charged Property;
 - (iii) to do any act or thing which the Grantor should have done under this document or any Finance Document;
 - (iv) to make right, to the extent possible, any Event of Default; or
 - (v) to exercise any of the Secured Party's rights, powers or remedies; and
- (e) do any combination of the above and give reasonable assistance to those persons to do any or all of the above.

12 Secured Party's actions under PPSA

12.1 Authority to take steps to Perfect Security Interest

The Grantor authorises the Secured Party to:

- (a) file all Financing Statements and other documents; and
- (b) do all things (including completing and adding schedules to this document for further identifying the Charged Property),

which are necessary to Perfect and continue the Secured Party's Security Interest, to protect and preserve the Charged Property and to realise the Secured Party's Security Interest.

12.2 Secured Party may recover disclosure costs

If the Secured Party receives a request for information under the PPSA, the Grantor must reimburse the Secured Party on demand for any costs or expenses it incurs in complying with the request for information.

12.3 Copy of document and Financing Statement

The Grantor:

- (a) acknowledges receiving a copy of this document; and
- (b) waives all rights to receive a copy of any Financing Statement, Financing Change Statement or verification statement filed in respect of this document.

13 Indemnities by the Grantor

13.1 Indemnity relating to Event of Default

The Grantor indemnifies the Secured Party from and against all Claims which may be made or brought against the Secured Party arising out of any Event of Default or Potential Event of Default whether or not a mistake, oversight, error of judgment, omission, or any other behaviour

on the Secured Party's part or on the part of the Secured Party's employees, agents, an Attorney or Receiver caused or contributed to the Claim.

13.2 Indemnity relating to Payment of Secured Money

The Grantor indemnifies the Secured Party against and must pay to the Secured Party on demand all losses, costs, Claims and Expenses which the Secured Party may sustain or incur or suffer as a result of any payment of the Secured Money or any part of the Secured Money being made to the Secured Party on a day other than the due date for payment.

13.3 Indemnity relating to foreign Currency

(a) If:

- (i) the Grantor or a Security Provider makes a payment to the Secured Party or a Receiver; or
- (ii) the Secured Party or a Receiver receives or recovers any money under this document or any Finance Document,

in a Currency other than the Required Currency, the Grantor's obligations under this document or that Finance Document are discharged. The discharge will only be to the extent that the Secured Party may, upon receipt of payment, purchase sufficient Required Currency (after the payment of all costs of exchange and related Expenses) with the Currency received or recovered in accordance with the Secured Party's usual banking procedures.

- (b) If the amount of the Required Currency purchased is, after deducting all costs of exchange and other related Expenses, less than the relevant sum owing or payable under this document or any Finance Document, the Grantor:
 - (i) indemnifies the Secured Party from any loss suffered as a result of that discrepancy; and
 - (ii) must pay to the Secured Party on demand, the amount of that discrepancy.

13.4 Continuing indemnities

Each indemnity the Grantor gives in clause 13:

- (a) is a separate and independent obligation;
- (b) has effect despite any time, waiver, or other indulgence granted to the Grantor; and
- (c) survives the discharge or termination of this document.

14 Event of Default

14.1 Meaning of Event of Default

Any one or more of the following events is an Event of Default:

- (a) the Grantor or a Security Provider fails to pay the Secured Money when due;

- (b) the Grantor or a Security Provider fails to perform or observe another obligation imposed on them by this document or a Finance Document;
- (c) a Finance Document or any Encumbrance created or entered into by the Grantor or a Security Provider becomes enforceable;
- (d) an Insolvency Event occurs to the Grantor or a Security Provider;
- (e) without the Secured Party's written consent, the Grantor or a Security Provider creates or attempts to create an Encumbrance (other than a Permitted Encumbrance) which might rank in priority to or equally with this document or any Finance Document;
- (f) any execution is issued or levied against the Grantor, a Security Provider or any Charged Property and is not stayed or satisfied within five Business Days;
- (g) any statement, representation or warranty made to the Secured Party by or on behalf of the Grantor or a Security Provider or made in a certificate, report or opinion given or delivered to the Secured Party and:
 - (i) which induced the Secured Party to enter into a Finance Document;
 - (ii) which induced the Secured Party to provide any Financial Accommodation; or
 - (iii) which the Secured Party relied on in agreeing to provide or to continue to provide any Financial Accommodation,

proves to be incorrect or misleading in any respect which the Secured Party considers to be material;
- (h) an undertaking given by or on behalf of the Grantor or any Security Provider to the Secured Party or the Secured Party's lawyers is not complied with promptly and in accordance with its terms and, unless otherwise specified, within five Business Days of the giving of the undertaking;
- (i) a condition contained in or implied by this document or a Finance Document (whether or not it is within the Grantor's control) is not satisfied in accordance with its terms;
- (j) any Financial Accommodation is used for a purpose other than that for which it was given;
- (k) without the Secured Party's written consent, the Grantor or a Security Provider Deals With any of the Charged Property other than Inventory in the ordinary course of its ordinary business;
- (l) without the Secured Party's written consent, the Grantor or a Security Provider that is a corporation:
 - (i) reduces or attempts to reduce its share capital;
 - (ii) buys or acquires shares in itself or incurs liabilities relating to the purchase or acquisition of shares in itself, or attempts to do so; or
 - (iii) becomes a party to a self-acquisition scheme;
- (m) without the Secured Party's written consent, the Grantor or a Security Provider that is a Company makes an alteration or amendment to its constitution which may, in the

Secured Party's opinion, detrimentally affect the Secured Party's Interests under this document or any Finance Document;

- (n) where, at the relevant time, the Grantor or a Security Provider is a Company (other than a Company whose shares are listed by ASX or an exchange subsidiary of ASX), any one or more of the following events occurs without the Secured Party's written consent:

- (i) the registration of the transfer of any share or stock;
- (ii) a dealing with the beneficial interest in any share or stock;
- (iii) the issue or allotment of any new share or stock; or
- (iv) any other action,

and as a result the persons who at the date of this document together beneficially hold or control more than 50% of the voting, income and capital participation rights in the Grantor or a Security Provider (as the case may be) will hold less than that percentage of the voting, income and capital participation rights in the Grantor or the Security Provider;

- (o) without prejudice to clause 14.1(n), the composition of the board of directors of the Grantor or a Security Provider changes without the Secured Party's written consent, which in the Secured Party's opinion is detrimental to the Secured Party's interests under this document or any Finance Document;

- (p) this document or any Finance Document, or a clause of this document or any Finance Document, is:

- (i) found or declared by any person other than the Secured Party; or
- (ii) alleged or conceded by the Grantor,

to be void, voidable or unenforceable, or any person becomes entitled to terminate, rescind, or avoid all or any part of this document or any Finance Document;

- (q) there is in the Secured Party's opinion a Material Adverse Effect;

- (r) any other event occurs or any circumstances arise which, in the Secured Party's opinion, prejudices the Grantor's or any Security Provider's ability to meet any one or more of its obligations under this document or a Finance Document;

- (s) any liability or obligation under an Environmental Notice or Environmental Law arises in respect of the Charged Property or its use and:

- (i) if the liability or obligation is capable of satisfaction, the Grantor does not promptly notify the Secured Party and then:
 - (A) if applicable, comply with the Environmental Notice; and
 - (B) take any other reasonable steps to satisfy the liability or obligation, within a reasonable time after notifying the Secured Party; or
- (ii) the liability or obligation is not capable of satisfaction; and

- (t) any Investment Instruments which are listed on any stock exchange cease to be listed or the listing is suspended other than temporarily.

14.2 Consequences of Event of Default

The Secured Money is deemed to be immediately due and payable upon the occurrence of an Event of Default without needing to give any demand or notice.

14.3 Enforcement

The Secured Party may do any one or more of the following at any time after the occurrence of any Event of Default, without needing to give any demand or notice (including any notice under the PPSA) to the Grantor or a Security Provider:

- (a) enforce this document;
- (b) enforce any Finance Document;
- (c) exercise or enforce all or any of the Secured Party's rights, powers or remedies:
 - (i) conferred by law;
 - (ii) under or arising in connection with this document or any Finance Document; or
 - (iii) arising in any other way whatever.

15 Secured Party's powers

15.1 Secured Party's powers after Event of Default

The Secured Party may, at any time after the occurrence of any Event of Default:

- (a) do all acts and things and exercise or enforce all rights, powers and remedies of a Secured Party or an absolute owner relating to the Charged Property, including all the rights of a Secured Party under the PPSA or otherwise conferred by law;
- (b) take or enter into Possession of, collect or get in (or any combination of these actions) the Charged Property to the exclusion of the Grantor;
- (c) require that any rents, profits, payments or other Proceeds (including from Account Debtors) relating to the Charged Property are paid to the Secured Party or at the Secured Party's election, are held by the Grantor on trust for the Secured Party;
- (d) carry on or concur in carrying on the Grantor's business which forms part of the Charged Property, in the Grantor's or the Secured Party's name or otherwise;
- (e) manage the Charged Property;
- (f) use all Authorisations, brand, trade and business names or, marks or other Intellectual Property or Intellectual Property Licences used or which may be used as part of the Charged Property;
- (g) have access to and use the Grantor's premises, plant, equipment and accounting and other services and the services of the Grantor's employees and agents for any purpose;

- (h) operate accounts in the Grantor's name (whether alone or jointly) to the Grantor's exclusion, withdraw any money standing to the credit of that account and sign, draw, or endorse Negotiable Instruments in the Grantor's name;
- (i) perform, observe, carry out, enforce specific performance of, exercise, or refrain from exercising the Grantor's rights and powers under, or otherwise obtain the benefit of, vary or rescind all contracts, arrangements, rights forming part of the Charged Property, and instruments entered into or held by the Grantor, or entered into in exercise of the powers or authorities conferred by clause 15 in the Grantor's name or otherwise, including with respect to any Financial Property;
- (j) make any arrangement or compromise which the Secured Party thinks fit;
- (k) do all things necessary to perform or to observe any of the Grantor's obligations under this document or any Finance Document;
- (l) do all things and pay all money necessary to make good, to the Secured Party's satisfaction, any breach or default inherent in an Event of Default;
- (m) where any of the Secured Money remains contingent, invest, deposit or hold the Charged Property in any form or in any mode of investment that the Secured Party thinks fit and with a similar power to vary, transpose or reinvest those investments or deposits from time to time until that part of the Secured Money ceases to be contingent;
- (n) pursue Account Debtors and do all things which the Secured Party thinks necessary to recover or protect any of the Charged Property;
- (o) take proceedings at law or in equity in the Grantor's name or otherwise which the Secured Party considers necessary relating to this document or the Charged Property;
- (p) complete, pull down, rebuild, alter or add to, (or any combination of these things) any building, erection, development or project on any Land or any Interest in it which forms part of the Charged Property;
- (q) convert, liquidate, restructure or reduce the whole or any part of the Charged Property;
- (r) expend money for the exercise or attempted exercise of any or any combination of the above rights, powers, remedies, authorities and discretions (which money will then form part of the Secured Money);
- (s) pay off any Encumbrance (including a Permitted Encumbrance) and, at the Grantor's cost, take a transfer or assignment of that Encumbrance and, if the Secured Party chooses, any ancillary or collateral Guarantee to that Encumbrance, for the benefit of the Secured Party and, relating to that paying off:
 - (i) the Grantor is indebted to the Secured Party in an amount equal to the amount paid by the Secured Party;
 - (ii) that debt is immediately payable to the Secured Party and forms part of the Secured Money and interest will accrue on the outstanding amount of that debt at the rates applicable to the Secured Money;
 - (iii) the Secured Party need not enquire whether the money claimed to be owing under or relating to the Encumbrance or any prior Encumbrance is actually owing;

- (iv) the person holding or having the benefit of the prior Encumbrance need not enquire whether there is any money owing under this document or any Finance Document; and
- (v) the Grantor authorises and directs any person holding or having the benefit of a prior Encumbrance to give the Secured Party any information the Secured Party may require relating to the prior Encumbrance, including the state of accounts under that prior Encumbrance;
- (t) give any Financial Accommodation for the Grantor's account or obtain Financial Accommodation from any other person, for any purpose which, and on the terms and conditions that the Secured Party considers necessary relating to any of the Secured Party's rights, powers or remedies or the Charged Property;
- (u) in the Grantor's name or otherwise, secure the payment or repayment of any Financial Indebtedness relating to any Encumbrance over the Charged Property and irrespective of whether that Encumbrance will rank in priority to, equally with or after this document or any Finance Document;
- (v) sell or concur in selling (whether or not the Secured Party has taken Possession of the Charged Property) any part of the Charged Property:
 - (i) either by public auction, private treaty, option or tender;
 - (ii) in full or in part;
 - (iii) for cash or on credit;
 - (iv) with power to allow the whole or any part of the purchase money to remain owing on a mortgage of the property sold, on any other Encumbrance or without any Encumbrance; and
 - (v) subject to any conditions that the Secured Party chooses;
- (w) sever the Grantor's Fixtures and sell them;
- (x) Lease in the Grantor's name or otherwise the whole or any part of the Charged Property for any term, at the rent and on the terms that the Secured Party chooses or end, renew, surrender or accept the surrender of a Lease of the Charged Property;
- (y) on any sale or Lease under clause 15 or under any statute, sell or Lease the whole or any part of the Charged Property with any other property (whether real or personal) Encumbered by the Grantor or any other person, by one contract and at one price, or at one rent or in any manner that the Secured Party chooses, with full power to apportion all costs, expenses and purchase money or rents between the properties sold or Leased;
- (z) promote the formation of any Company with a view to that Company purchasing or acquiring the whole or any part of the Charged Property or assuming the Grantor's obligations or both;
- (aa) employ managers, solicitors, professional advisers, consultants, officers, agents, auctioneers, workmen and servants for any purpose set out in clause 15 at the remuneration the Secured Party thinks fit;

- (bb) give effectual receipts for all money or assets received in the exercise of any power conferred by clause 15, which receipts will exonerate any person paying or handing over money or assets from all liability to:
 - (i) see to the application of that money or assets;
 - (ii) enquire whether the Secured Money or any part of it has become payable; and
 - (iii) see to the propriety or regularity of any act or appointment under this document;
- (cc) enter into and execute documents or agreements on behalf of the Secured Party or the Grantor for any purpose relating to this document or any Finance Document (including to sign, to accept or to endorse cheques and other Negotiable Instruments);
- (dd) delegate any of the powers and authorities conferred on the Secured Party under clause 15 to any person the Secured Party approves;
- (ee) do any other act and thing as the Secured Party thinks expedient in the Secured Party's interests or incidental to any of the rights, powers, remedies, authorities and discretions referred to in or conferred by clause 15;
- (ff) conduct, defend or compromise, in the Grantor's name or otherwise on any terms, any proceedings, Claim or dispute relating to the Charged Property or this document and sign any document relating to that action;
- (gg) do any one or more of the following:
 - (i) appoint in writing any one or more persons to be a Receiver of the Charged Property, the income and Proceeds of the Charged Property or both with all or any of the rights, powers, remedies, authorities and discretions referred to in clause 15;
 - (ii) remove the Receiver or those Receivers; and
 - (iii) if any Receiver is removed, retires or dies, appoint another in their place or, if the Secured Party chooses, in the case of removal or retirement, reappoint that person;
- (hh) make calls on the Grantor's members in respect of any uncalled capital or any uncalled premiums which form part of the Charged Property; and
- (ii) exercise any voting or other rights or powers relating to any Investment Instruments which form part of the Charged Property and do all things relating to those Investment Instruments which the Secured Party thinks necessary, including:
 - (i) causing itself to be registered as the holder of any Investment Instruments, or as the person entitled to any rights, in order to hold those Investment Instruments or rights as the Secured Party under this document; and
 - (ii) completing in favour of any person (including the Secured Party itself) who is purchasing the Investment Instruments under the powers given to the Secured Party by this document or by law, any transfer or any other document signed by or on behalf of the Grantor.

15.2 Secured Party's powers at any time

The Secured Party may at any time, do one or both of the following:

- (a) give up Possession or Control of the whole or any part of the Charged Property; or
- (b) terminate any Receivership.

16 Receivers

16.1 Appointment of Receiver

Every Receiver has, subject to any limitation or restrictions set out in the document under which the Receiver is appointed:

- (a) power in the name and on behalf of and at the Grantor's cost to do or omit to do anything which the Grantor or an absolute owner could do or have done relating to the Charged Property;
- (b) (with the Secured Party's consent) all the powers conferred by law on Secured Parties in Possession or Control of Charged Property as those powers are varied and extended and applicable to the Secured Party under this document;
- (c) all the rights and powers conferred by law or under statute (including the Corporations Act) on Receivers; and
- (d) all the rights, powers, remedies, discretions and privileges available to or conferred on the Secured Party under this document (other than the power to appoint Receivers).

16.2 Appointment of further Receiver

A Receiver is the Grantor's agent and the Grantor is alone responsible for the Receiver's acts and defaults. If at any time, a resolution is passed or an order is made for the Grantor's winding up, the Receiver will to the extent required by law, cease to be the Grantor's agent and may, if the Secured Party notifies the Receiver in writing, become the Secured Party's agent. The Secured Party may, despite that resolution or order, exercise power to appoint a further Receiver under clause 15.1(gg)(i) at or after that time.

16.3 Powers of Receiver

The obligations, prohibitions and restrictions set out in or implied by this document are not to be interpreted as limiting any rights, powers, remedies or discretions exercisable by a Receiver appointed under this document who is, or who is deemed under this document to be, the Grantor's agent.

16.4 Joint and several appointments

If two or more persons are appointed to be a Receiver under this document, those persons may be appointed jointly, severally or jointly and severally as the Secured Party may, in the instrument of appointment, stipulate. In the absence of any stipulation, the appointment is deemed to have been made jointly and severally.

16.5 Receiver's remuneration

The Secured Party may fix the remuneration of any Receiver appointed under this document at an amount agreed between the Secured Party and the Receiver or, in the absence of agreement, at a rate the Secured Party decides.

17 Exercise of powers

17.1 Notice of exercise of power

The Secured Party or a Receiver will, before exercising a right, power or remedy under this document (or any Finance Document) or conferred by law:

- (a) give any notice or demand; and
- (b) allow any time to elapse,

which they are required by law to give. If any notice, demand or requirement that time elapse which is otherwise applicable by law is able to be waived or negated by agreement, it is waived and negated. If any requirement that time elapse is not able to be waived or negated but is, or the time period involved is, able to be shortened, the time period which must elapse is fixed as the longer of one day and the minimum period required by law.

17.2 Exercise of power

- (a) If the Secured Party or any Receiver Disposes Of or Deals With or attempts to Dispose Of or Deal With any of the Charged Property (with or without any other property) under or in purported exercise of any of the Secured Party's or the Receiver's (as the case may be) rights, powers, remedies or authorities under this document or any Finance Document, no Lessee, purchaser or any other person involved with any Disposal or Dealing:
 - (i) need enquire whether there has been a default by the Grantor or any Security Provider under this document or any Finance Document or otherwise as to the propriety or regularity of the Dealing or Disposal; or
 - (ii) is affected by express or constructive notice that the Dealing or Disposal is unnecessary or improper.
- (b) Despite any irregularity or impropriety, that Disposal or Dealing or attempted Disposal or Dealing is deemed to be authorised and is valid.

17.3 Receiver's and Secured Party's liability

- (a) The Secured Party, any Receiver or any of the Secured Party's or Receiver's employees, professional advisers, agents or other persons on their behalf, will not by reason of entering the Charged Property be liable to account as Secured Party in Possession or for anything except actual receipts by the Secured Party or the Receiver (as the case may be).
- (b) The Secured Party or any Receiver is not liable or answerable for or in connection with any omission or delay or for any irregularity or involuntary loss which occurs as a result of or in connection with the exercise or non-exercise or attempted or purported exercise of any of the rights, powers, remedies, authorities or discretions of or conferred on the Secured Party or a Receiver under this document or any Finance Document or otherwise.

18 Receipt and application of money

18.1 Receipt of money

- (a) The Secured Party may credit any money received, recovered or realised or available for receipt by the Secured Party under this document or any Finance Document to any suspense account.
- (b) The Secured Party may keep the money in that account for as long as the Secured Party thinks fit, accruing interest at the rate the Secured Party thinks fit or negotiates, until the Secured Party, at the time or times the Secured Party thinks fit, applies the money in reduction or discharge of the Secured Money.

18.2 Application of money

- (a) If section 140 PPSA applies, any amount, personal property or proceeds (within the ordinary meaning of that term) received by the Secured Party or any Receiver as a result of enforcing a Security Interest in the Charged Property will be applied in accordance with section 140 PPSA.
- (b) If section 140 PPSA does not apply, any money received by the Secured Party or any Receiver after the enforcement of this document or any Finance Document will, when the Secured Party decides to apply it, be applied in the following order:
 - (i) in payment of amounts which become owing or payable under clause 13;
 - (ii) in payment of all Expenses incurred in or incidental to the appointment of any Receiver, and the exercise of the powers of, and all Expenses debts and liabilities of the Receiver or the Secured Party;
 - (iii) in payment of any Receiver's remuneration;
 - (iv) in payment of any Encumbrances that have a higher priority than the Secured Party;
 - (v) towards the discharge of the Secured Money;
 - (vi) in reduction or discharge of Permitted Encumbrances that have a lower priority than the Secured Party; and
 - (vii) the surplus (if any) to or to the credit of an account in the name of the Grantor.
- (c) The surplus (if any) referred to in clause 18.2(b)(vii) will not carry interest and the Receiver or the Secured Party may pay that surplus to the credit of an account in the Grantor's name in the Secured Party's books or in the Grantor's name at any ADI. Upon the crediting of the surplus, the Secured Party and the Receiver are under no further liability in respect of that surplus.

18.3 Method of application

- (a) In applying any money under clause 18 towards payment of the Secured Money:
 - (i) the Grantor's account is credited only with that part of the money actually received by the Secured Party;

- (ii) any credit will date from the time of receipt (as decided by the Secured Party); and
 - (iii) the Secured Party may apply that money towards payment of any part of the Secured Money as the Secured Party sees fit.
- (b) Clause 18.3(a) will apply even though, in the exercise of any power of sale, the Secured Party or the Receiver may have transferred the Charged Property and taken an Encumbrance to secure the unpaid balance of the purchase money.

19 Exercise of rights and consent

19.1 No obligation to give reasons or consent

The Secured Party and a Receiver may:

- (a) exercise any right, power, remedy or authority;
- (b) give or decline to give any consent; or
- (c) make or decline to make any decision,

under this document, in the Secured Party's or the Receiver's absolute discretion. The Secured Party or the Receiver does not need to give reasons for the decision or for declining to give a decision. The Secured Party or the Receiver is not liable for any loss arising out of any delaying, declining or omission to exercise any right, power, remedy or authority, to give any consent, or to make any decision.

19.2 Secured Party's exercise of rights

The Secured Party does not need to resort to any Finance Document before exercising the Secured Party's rights under this document. Subject to the mandatory requirements of any law, the Grantor may not require the Secured Party to marshal or consolidate:

- (a) this document with any other Finance Document or Encumbrance; or
- (b) any other Finance Document or Encumbrance with this document.

19.3 Certificates

- (a) The Secured Party may give the Grantor a certificate about a matter or an amount payable in connection with this document and any Finance Document. The certificate is evidence of the matter or amount unless it is proved to be incorrect.
- (b) The Secured Party may rely on certificates given by any other person with a Permitted Encumbrance as to the amount that is owed to them.

20 Contracting out of PPSA

Where the Charged Property is not used predominantly for personal, domestic or household purposes, the Grantor agrees that the following sections of the PPSA do not apply:

- (a) section 95 (notice of removal of accession), to the extent that it requires the Secured Party to give a notice to the Grantor;

- (b) section 118 (enforcing security interests in accordance with land law decisions), to the extent that it allows a Secured Party to give a notice to the Grantor;
- (c) section 121(4) (enforcement of liquid assets – notice to grantor);
- (d) section 125 (obligation to dispose of or retain collateral);
- (e) section 130 (notice of disposal), to the extent that it requires the Secured Party to give a notice to the Grantor;
- (f) section 132(3)(d) (contents of statement of account after disposal);
- (g) section 132(4) (statement of account if no disposal);
- (h) section 142 (redemption of collateral); and
- (i) section 143 (reinstatement of security agreement).

21 Confidentiality

21.1 Disclosure

Each party agrees not to disclose information in connection with a Finance Document (including the existence or contents of any Finance Document or the exercise of any rights under a Finance Document) that is not publicly available except if the information is:

- (a) disclosed with the prior consent of the other party to this document (which must not be unreasonably withheld);
- (b) disclosed to:
 - (i) a Receiver appointed under a Finance Document;
 - (ii) officers, employees, auditors, legal or other advisers of the Grantor or the Secured Party;
 - (iii) any Related Party of the Grantor or Secured Party; or
 - (iv) any person in connection with an exercise of rights or a dealing with rights or obligations under this document (including steps such as negotiating with any potential assignee of the Secured Party's rights or other person who is considering contracting with the Secured Party or a Receiver in connection with this document),

providing the recipient of the information agrees to act consistently with clause 20(d);
- (c) expressly permitted or required to be disclosed under a Finance Document; or
- (d) subject to clause 21.2, is information which the disclosing party reasonably believes is required by any law or stock exchange to be disclosed.

21.2 PPSA confidentiality agreement

- (a) Each party agrees to keep the PPSA Information in strict confidence and not disclose that information, except in circumstances required by section 275(7)(b) or (e) PPSA, provided

that where section 275(7)(b) or (e) require such disclosure, the party that is required to disclose the information gives all available notice to the other party to allow that party to legally challenge the required disclosure and takes all available steps (whether required by the other party or not) to maintain such PPSA Information in confidence.

- (b) Each party agrees not to authorise the disclosure of any PPSA Information to any third party under section 275(7)(c) PPSA or request information under section 275(7)(d) PPSA unless the other party to this document explicitly agrees.

22 Continuing security

This document is a continuing security and is not considered as wholly or partially discharged by:

- (a) the payment at any time in the future of any of the Secured Money;
- (b) any settlement of account; or
- (c) any other matter or thing whatever,

and applies to the present and any future balance of the Secured Money.

23 Secured Party's rights

23.1 Preservation of Secured Party's rights

The Secured Party's rights and the Grantor's obligations and liabilities under this document are not affected by anything which might otherwise affect them at law or in equity, including:

- (a) the Secured Party or another person granting time or other indulgence to the Grantor or a Security Provider;
- (b) an Insolvency Event occurring which relates to the Grantor or a Security Provider;
- (c) any transaction or arrangement that may take place between the Secured Party and a Security Provider, the Grantor or any other person;
- (d) any variation of a transaction, arrangement or agreement between the Secured Party and a Security Provider, the Grantor or any other person;
- (e) the Secured Party failing or neglecting to recover by the realisation of any Finance Document or otherwise any of the Secured Money from any person;
- (f) any lack of power by the Grantor to enter into this document either in the Grantor's own right or in the capacity in which the Grantor is purporting to act;
- (g) the Secured Party becoming a party to or being bound by any compromise, assignment of property, scheme of arrangement, composition of debts or scheme of reconstruction by or which relates to the Grantor or any Security Provider;
- (h) the release, discharge, abandonment, loss, impairment, transfer of or other dealing with (either in whole or in part and whether with or without consideration) any of the Secured Party's rights under this document or under any Finance Document;
- (i) the death of any person;

- (j) the obtaining of a judgement or order against the Grantor or a Security Provider, or any other person; or
- (k) the failure by any person intended or contemplated as a party to this document to properly execute this document.

23.2 Extinguishment of rights

Nothing contained in or implied by this document will operate or be deemed to:

- (a) discharge, release, postpone, merge or otherwise prejudice or affect any Finance Document or right which the Secured Party may hold, receive or Claim in respect of the Secured Money; or
- (b) extinguish any of the Secured Party's rights or remedies upon or under any Negotiable Instrument, Guarantee, acknowledgment of debt, agreement for Financial Accommodation or any other contract.

23.3 Judgments

Any judgment which the Secured Party may obtain against the Grantor in respect of the Secured Money may be held as a Finance Document and no other Finance Document will need to merge in that judgment.

23.4 Void Payments

If a Void Payment is made to the Secured Party:

- (a) the Void Payment is not deemed to have discharged the Grantor's liability for which it was made despite any release, settlement or discharge which may have been given on the faith of the Void Payment;
- (b) the Secured Party and the Grantor are to be placed in or restored to the position they would have been in but for the Void Payment and the Grantor and the Secured Party may exercise the rights and are subject to the liabilities which each would have had or been subject to, if the Void Payment and any release, discharge or settlement given on the faith of the Void Payment had not been made or given;
- (c) the Grantor must take all steps and sign all documents, and must procure that all relevant third parties take all steps and sign all documents that the Secured Party requires for the replacement or reinstatement of this document or any Finance Document previously held by the Secured Party from the Grantor or any other Security Provider;
- (d) the Grantor must pay all costs, expenses, duties and fees for the replacement or reinstatement of this document or any Finance Document; and
- (e) despite anything to the contrary contained in or implied by this document, the Secured Party may retain this document and any Finance Document until the Secured Party is satisfied that no Void Payment made to the Secured Party remains liable to be avoided.

23.5 Releases, settlements and discharges

Every release, settlement or discharge between or involving the Grantor and the Secured Party is subject to clause 23.

24 Combining accounts and set-off

24.1 Combining accounts

If the Grantor has two or more accounts with the Secured Party, the Secured Party may consolidate those accounts at any time and without notice.

24.2 Set-off

The Secured Party may set-off or apply against or in reduction or discharge of any part of the Secured Money:

- (a) any sum standing to the credit of any account with the Secured Party of:
 - (i) the Grantor;
 - (ii) any person liable jointly with the Grantor; or
 - (iii) the Grantor and a person jointly; or
- (b) any debt or liability the Secured Party owes to the Grantor on any account or owing in any way (and regardless of whether the Grantor is legally or beneficially or in any other way entitled to that debt or liability).

24.3 Preservation of Secured Party's rights

The Secured Party's rights and powers under clause 24 are enforceable and able to be exercised regardless of:

- (a) the currencies in which accounts, sums, debts or liabilities are denominated;
- (b) the maturity or otherwise of any debt, liability or account;
- (c) the actual, contingent, prospective, primary, collateral, several, joint, or joint and several nature of any of the debts or liabilities;
- (d) any agreement to give notice in respect of any debt, liability or account; and
- (e) any course of dealing between the Secured Party and the Grantor or any other person.

24.4 No set-off by Grantor

The Grantor must not Claim or purport to exercise any right of set-off or other right or relief at law or in equity which might reduce or discharge the Secured Money.

24.5 No restraint by Grantor

The Grantor must not bring proceedings to prevent the Secured Party from exercising any of the Secured Party's rights, powers or remedies under this document or a Finance Document, unless the Secured Money:

- (a) is first paid in full; or
- (b) is paid into court, if the amount of the Secured Money is disputed.

25 Power of Attorney

25.1 Appointment of Attorney

- (a) For valuable consideration, the Grantor irrevocably appoints the Secured Party and each of the Secured Party's Authorised Officers jointly and severally to be the Grantor's Attorney. Any Attorney appointed under clause 25 may in the Grantor's name (or in the Secured Party's or that Attorney's name) and on the Grantor's behalf:
 - (i) do any act or thing which in the Secured Party's or that Attorney's opinion:
 - (A) is necessary to give effect to any right, power or remedy conferred on the Secured Party; or
 - (B) it is necessary for the Grantor to do,
under this document;
 - (ii) request information from other secured parties under section 275 PPSA;
 - (iii) sign or enter into or both sign and enter into all assurances and, documents, deeds, agreements, in the Secured Party's or that Attorney's opinion is necessary for the Grantor to sign or enter into under this document; and
 - (iv) generally use the Grantor's name in the exercise of all or any of the powers conferred on the Secured Party under or by this document, any, statute and the General Law or otherwise.
- (b) The Grantor ratifies and confirms all things that any Attorney appointed under clause 25 may do under this power of attorney.

25.2 Attorney's powers

Any Attorney appointed under clause 25 may:

- (a) delegate its powers (including the power to delegate) to any person for any period;
- (b) revoke any delegation; and
- (c) exercise or concur in exercising any power, right or remedy despite the Attorney or any director or shareholder of the Attorney (being a corporation) having now or in the future a direct or personal interest in the mode or result of the exercise of that power, right or remedy.

25.3 Irrevocable Attorney

The power of attorney created under clause 25 is irrevocable and is granted to secure performance of the Grantor's obligations under this document.

26 Discharge

- (a) Subject to clause 23, the Secured Party will, at the request and cost of the Grantor, reconvey, surrender or release any remaining Charged Property (as appropriate) to the Grantor and the Charged Property will then be discharged from this document:
 - (i) when the Secured Party is satisfied that:
 - (A) all the Secured Money has been irrevocably repaid and discharged in full or satisfied in accordance with this document;
 - (B) no amount remains contingently payable or may become payable on the security of this document or any Finance Document (including under an indemnity);
 - (C) any obligations under this document and any Finance Document have been satisfied in full; and
 - (ii) on payment or retention of all costs incurred by or payable to the Secured Party, its Authorised Officers, any Receiver or Attorney.
- (b) Any discharge required under the PPSA will be prepared by the Secured Party, at the Grantor's request and at the Grantor's expense.

27 Illegality and Force Majeure

27.1 Illegality

- (a) If at any time the Secured Party decides that it has become unlawful or contrary to any law or Directive for the Secured Party to:
 - (i) give or to continue to give the Facility to the Grantor or to any other person at the Grantor's request; or
 - (ii) allow the Facility (or any part of it) to remain outstanding,
 then the Secured Party will, promptly after becoming aware of that, deliver a certificate to the Grantor to that effect.
- (b) In the case of clause 27.1(a)(i) or 27.1(a)(ii) or both, the Secured Party's obligation to continue to give the Facility is cancelled and if the Secured Party requires, the Grantor will, on such date as the Secured Party specifies, repay the Secured Money.

27.2 Force Majeure

If an act of Force Majeure occurs:

- (a) the obligations of the Secured Party under this document (including its obligations to continue to give or maintain the Facility) are suspended to the extent that the Secured Party is wholly or partially unable to comply with those obligations by Force Majeure;
- (b) the Secured Party will as soon as practicable, notify the Grantor of the Force Majeure and the extent to which the Secured Party is unable to comply with the Secured Party's obligations under this document;

- (c) the Secured Party may by notice to the Grantor, to the extent that it is necessary (in the Secured Party's reasonable opinion) for the Secured Party to do so, terminate the Secured Party's obligations under this document and on receipt of that notice:
 - (i) the Secured Party's obligation to continue to give the Facility is cancelled; and
 - (ii) if the Secured Party requires, the Grantor will, on a date the Secured Party specifies, repay the Secured Money and perform the Grantor's obligations under this document and any Finance Document.

28 Costs

The Grantor must pay or reimburse the Secured Party on demand for all costs and expenses of the Secured Party relating to:

- (a) the negotiation, preparation, stamping and registration of this document;
- (b) any variation, amendment, discharge or release of this document;
- (c) any consent or approval of the Secured Party given under this document;
- (d) any actual or attempted exercise or enforcement of a power or right of the Secured Party under this document or at law; and
- (e) all Taxes, stamp duties, registration fees, fines and penalties which may be paid or payable in connection with this document, including the costs of preparing, registering, amending and maintaining any Financing Statement under the PPSA,

including in each case legal costs and expenses on a full indemnity basis or solicitor and own client basis, whichever is the higher.

29 Method of payment

All payments required to be made under this document must be made:

- (a) in cash or by bank cheque; or
- (b) by crediting the account of the Recipient (specified for that purpose) with cleared funds.

30 Application of other laws

To the extent permissible, no law will apply to this document so as to extinguish, delay or otherwise prejudice any of the Secured Party's rights and powers under this document or otherwise available to the Secured Party.

31 Trust provisions

31.1 Liabilities and warranties

- (a) If the Grantor has entered into this document as trustee of the Trust, the Grantor and its successors are liable under this document as trustee so that the assets of the Trust at any time are available to satisfy the Grantor's liabilities and obligations under this

document. The Grantor's right of indemnity out of the Trust assets is charged with the payment of the Secured Money, provided that nothing in clause 31 will release the Grantor from any liability in its personal capacity.

- (b) The Grantor warrants as follows:
- (i) all of the powers and discretions conferred by the agreement establishing the Trust are at the date of this document capable of being validly exercised by the Grantor as trustee of the Trust;
 - (ii) the Grantor's powers and discretions as trustee of the Trust have not been varied or revoked and the Trust is a valid and subsisting Trust as at the date of this document;
 - (iii) the Grantor is the sole trustee of the Trust and has full and unfettered power under the terms of the agreement establishing the Trust to encumber the assets of the Trust;
 - (iv) this document is being executed and entered into as part of the due and proper administration of the Trust and for the benefit of the beneficiaries, members or unitholders of the Trust; and
 - (v) no restriction on the Grantor's right of indemnity out of or lien over the Trust's assets exists or will be created or permitted to exist, and that right of indemnity will have priority over the rights of the beneficiaries, members or unitholders to the assets of the Trust.

31.2 Undertakings relating to Trust

The Grantor must not permit, and it is an Event of Default if there occurs without the Secured Party's written consent:

- (a) any resettlement, appointment or distribution of the Trust's capital;
- (b) any retirement or replacement of the trustee or any appointment of a new trustee of the Trust;
- (c) any amendment of the agreement establishing the Trust;
- (d) any further Encumbrance or charging of any of the Trust's assets;
- (e) any breach of the agreement establishing the Trust;
- (f) any termination of the Trust or variation of the vesting date; or
- (g) if the Trust is a unit Trust, any transfer of or dealing with the units,

and if any of the above occurs the Grantor must inform the Secured Party immediately.

32 GST

32.1 GST exclusive

Except under clause 32, the consideration for a Supply made under or in connection with this document does not include GST.

32.2 Taxable Supply

If a Supply made under or in connection with this document is a Taxable Supply, then at or before the time the consideration for the Supply is payable:

- (a) the Recipient must pay the Supplier an amount equal to the GST for the Supply (in addition to the consideration otherwise payable under this document for that Supply); and
- (b) the Supplier must give the Recipient a Tax Invoice for the Supply.

33 Time of the essence

Time is of the essence of this document in so far as the Grantor's obligations are concerned.

34 General

34.1 Amendments

This document may only be amended by written agreement between all parties.

34.2 Assignment

The Secured Party may assign or otherwise deal with this document and its rights under it including by way of securitisation or transfer. The Secured Party may disclose information to any person about the transfer, assignment or securitisation. The Grantor and any other party may only assign this document or its rights under it with the prior written consent of the Secured Party.

34.3 Counterparts

This document may be signed in any number of counterparts. All counterparts together make one instrument.

34.4 No merger

The rights and obligations of the parties under this document do not merge on completion of any transaction contemplated by this document.

34.5 Entire agreement

- (a) This document together with any Finance Document supersedes all previous agreements about their subject matter and embodies the entire agreement between the parties.
- (b) To the extent permitted by law, any statement, representation, term, warranty, condition, promise or undertaking made, given or agreed to in any manner, has no effect except to the extent expressly set out or incorporated by reference in this document or any Finance Document.

34.6 Further assurances

The Grantor must promptly do all things required by the Secured Party to give effect to this document, any Finance Document and the transactions contemplated by them to better secure

the payment or satisfaction of the Secured Money to the Secured Party including all things required to Perfect the Secured Party's Security Interest under the PPSA.

34.7 No waiver

- (a) The failure of a party to require full or partial performance of any provision of this document does not affect the right of that party to require that performance subsequently.
- (b) A single or partial exercise of or waiver of the exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy.
- (c) A right under this document may only be waived in writing signed by the party granting the waiver and is effective only to the extent specifically set out in that waiver.

34.8 Governing law and jurisdiction

- (a) Queensland law governs this document.
- (b) Each party irrevocably submits to the non-exclusive jurisdiction of the Queensland courts and courts competent to hear appeals from those courts.

34.9 Severability

- (a) A clause or part of a clause of this document that is illegal or unenforceable may be severed from this document and the remaining clauses or parts of the clause of this document continue in force.
- (b) If any provision is or becomes illegal, unenforceable or invalid in any jurisdiction, it is to be treated as being severed from this document in the relevant jurisdiction, but the rest of this document will not be affected.

34.10 Delivery

Each party intends to be bound by this document when that party executes this document.

34.11 Notice

- (a) A notice, consent or communication under this document is only effective if it is:
 - (i) in writing, signed by or on behalf of the person giving it;
 - (ii) addressed to the person to whom it is to be given; and
 - (iii) given as follows:
 - (A) delivered by hand to that person's address;
 - (B) sent to that person's address by prepaid mail or by prepaid airmail, if the address is overseas; or
 - (C) sent by fax to that person's fax number where the sender receives a transmission confirmation report from the despatching machine indicating the transmission was made without error and showing the relevant

number of pages and the correct destination fax number or name of recipient.

- (b) A notice, consent or communication given under clause 34.11(a) is given and received on the corresponding day set out in the table below. The time expressed in the table is the local time in the place of receipt.

If a notice is	It is given and received on
Delivered by hand or sent by fax	(a) that day, if delivered by 5.00pm on a Business Day; or (b) the next Business Day, in any other case.
Sent by post	(a) three Business Days after posting, if sent within Australia; or (b) seven Business Day after posting, if sent to or from a place outside Australia.

- (c) A person's address is as set out at the commencement of this document or as the person notifies to the other party or parties at any time in writing.
- (d) The giving of a notice, consent or communication under this document only by email is not effective notice under this document.

34.12 Non-revocation of power of attorney

Each person who signs this document on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney.

34.13 Inconsistency

- (a) If this document is inconsistent with the terms of another document which sets out the terms of the Facility such as an offer letter, loan agreement or facility agreement, the terms of that other document override this document.
- (b) If one document deals with a matter and another does not, that alone does not make them inconsistent.

Schedule

Reference schedule (clause 1.1)

Item 1 (Debtor):	Yarngrange Limited (registered number 02242675)
Item 2 (Charged Property):	All of the Grantor's present and after acquired Personal Property, and all of the Grantor's present and future rights in relation to Personal Property, including Proceeds.

Execution

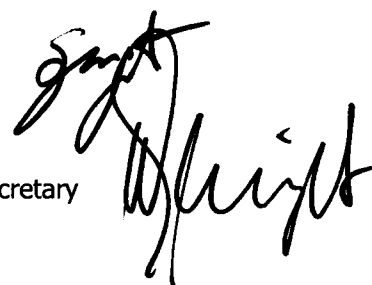
EXECUTED as a deed

Executed as a deed on behalf of
Aerospace Logistics Limited
acting by two directors or one director and the
company secretary

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Director

Director/Secretary



SANTANDER UK PLC

By: