

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme 360 Capital Investment Management Limited as responsible entity of 360 Capital Industrial Fund (TIX)

ACN/ARSN 099 680 252

1. Details of substantial holder (1)

Name

- 360 Capital Custodian No.2 Pty Ltd as Trustee for 360 Capital Finance Trust (360 Custodian)
- 360 Capital Group Limited (360 Capital) and 360 Capital FM Limited (CFM) as responsible entity of 360 Capital Investment Trust a stapled entity with 360 Capital Group, (TGP) ,
- TT Investments Pty Ltd an entity which has the capacity to exert control over TGP by virtue that it is a substantial holder of TGP and one of its directors is the managing director of TGP and its subsidiaries
- Tony Pitt who has the capacity to exert control over TGP by virtue that together with TT Investments Pty Ltd he is a substantial shareholder of TGP and Tony Pitt is the managing director of TGP and its subsidiaries
- Pentagon Capital Pty Ltd, Pentagon Financial Services Pty Ltd ATF Pentagon Investment Trust, together with Tony Pitt and TT investments are substantial shareholders of TGP, Tony Pitt is a director of Pentagon Capital Pty Ltd and Pentagon Financial Services and beneficiary of Pentagon Investment Trust (Pentagon)

ACN/ARSN (if applicable)

- 360 Capital Custodian No.2 Pty Ltd A.C.N. 103 076 713
- 360 Capital Group Limited A.C.N. 133 569 136
- 360Capital FM Limited A.C.N. 090 664 396 as Responsible Entity for 360 Capital Investment Trust (CIT ARSN 104 552 598)
- TT Investments Pty Ltd A.C.N. 098 158 028
- Pentagon Capital Pty Ltd A.C.N. 106 719 699
- Pentagon Capital Financial Services Pty Ltd A.C.N. 135 307 121

There was a change in the interests of the substantial holder on

9/01/2017

The previous notice was given to the company on

28/10/2015

The previous notice was dated

28/10/2015

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary Units	34,093,647	16.54%	34,093,647	16.54%%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
See Annexure A	See Annexure A	See Annexure A	See Annexure A	See Annexure A	See Annexure A

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
See Annexure A	See Annexure A	See Annexure A	See Annexure A	See Annexure A	See Annexure A

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

6. Addresses

The addresses of persons named in this form are as follows:

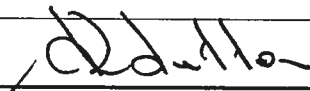
Name	Address
See Annexure A	See Annexure A

Signature

print name Alan Sutton

capacity Secretary

sign here



date 11/01/2017

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

This is Annexure A referred to in the Form 604 Notice of Change of Interests of Substantial Holder signed by me.

Signed by:



Alan Sutton
Company Secretary

Date 11 January 2017

360 CAPITAL INDUSTRIAL FUND (ASX: TIX)

Paragraph 3 - Changes in relevant interests

Date of change	Person whose relevant interest changed	Nature of change	Consideration given in relation to change	Class and Number of Securities affected	Person's Vote affected

Paragraph 4 - Present relevant interests

Holder of Relevant Interest	Registered holder of securities	Person entitled to be registered as holder	Nature of relevant interest	Class and Number of Securities (Units)	Persons Vote Affected (%) (NOT cumulative)
360 Capital Custodian No.2 Pty as Trustee of the 360 Capital Finance Trust	Centuria Investment Holdings Pty Limited A.C.N. 116 455 862 as Trustee for Centuria Capital No.2 Industrial Fund (Centuria)	Centuria	360 Capital Custodian No.2 as Trustee of 360 Capital Finance Trust (360 Capital Custodian) holds a relevant interest pursuant to section 608(1)(c) as the holder of a security interest over the Securities. The security interest secures a loan provided by 360 Custodian Custodian, the details of which are annexed to this form as Annexure (B)	Ordinary Units	33,148,945
CFM as responsible of the , 360 Capital Investment Trust, 360 Capital Group Limited and each of their subsidiaries	Centuria	Centuria	360 Capital Group Limited, 360 Capital FM Limited as responsible entity of 360 Capital Investment Trust, and each of their respective subsidiaries, has the same relevant interest as 360 Capital Custodian in the securities under section 608(3)(b)	Ordinary Units	33,148,945

This is Annexure A referred to in the Form 604 Notice of Change of Interests of Substantial Holder signed by me.

Signed by:



Alan Sutton
Company Secretary

Date 11 January 2017

Holder of Relevant Interest	Registered holder of securities	Person entitled to be registered as holder	Nature of relevant interest	Class and Number of Securities (Units)	Persons Vote Affected (%) (NOT cumulative)
TT Investments Pty Ltd and Tony Pitt	TT Investments Pty Ltd (TT Super Fund A/c and TT Investments A/c)	TT Investments Pty Ltd (TT Super Fund A/c and TT Investments A/c)	TT Investments has a relevant interest in its capacity as trustee of TT Super Fund and TT Investments Account under section 608(1) of the Corporations Act as registered holder of the Securities. Tony Pitt and TT investments each has a relevant interest the same as 360 Custodian in the relevant units under s 608(3)(b).	Ordinary Units	550,338
Pentagon Capital Pty Ltd	Pentagon Capital Pty Ltd	Pentagon Capital Pty Ltd	Pentagon Capital has a relevant interest under section 608(1) of the Corporations Act as registered holder of the Securities.	Ordinary Units	275,660
Pentagon Financial Services Pty Ltd	Pentagon Financial Services Pty Ltd ATF Pentagon Investment Trust	Pentagon Financial Services Pty Ltd ATF Pentagon Investment Trust	Pentagon Financial Services Pty Ltd has a relevant interest in its capacity as trustee of Pentagon Investment Trust under section 608(1) of the Corporations Act as registered holder of the Securities.	Ordinary Units	100,000

Paragraph 6 - Addresses

The address of persons named in the Form 604 is as follows:

Name	Address
360 Capital Custodian No.2 Pty Ltd	Level 8, 56 Pitt Street Sydney NSW 2000
360 Capital Group Limited	Level 8, 56 Pitt Street Sydney NSW 2000
TT Investments Pty Limited	Level 8 56 Pitt Street Sydney NSW 2000
Pentagon Capital Pty Ltd	Level 8, 56 Pitt Street Sydney NSW 2000
Pentagon Financial Services Pty Ltd	Level 8, 56 Pitt Street Sydney NSW 2000
Tony Pitt	C/- Level 8, 56 Pitt Street Sydney NSW 2000

Loan agreement

Centuria Capital Limited
CNI

Centuria Funds Management Limited as responsible entity for the Centuria
Capital Fund
Borrower

Centuria Investment Holdings Pty Limited as trustee for the Centuria
Capital No.2 Industrial Fund
TIX Grantor

360 Capital Custodian No. 2 Pty Ltd as trustee for the 360 Capital Finance
Trust
Lender

Clayton Utz
Level 15 1 Bligh Street
Sydney NSW 2000
GPO Box 9806
Sydney NSW 2001
Tel +61 2 9353 4000
Fax +61 2 8220 6700
www.claytonutz.com

Our reference 15387/15435/0000

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Loan agreement

Date

9 January 2017

Parties

Centuria Funds Management Limited ACN 607 153 588 as responsible entity for the Centuria Capital Fund ARSN 613 856 358 of Suite 39.01, Level 39, 100 Miller Street, North Sydney NSW 2060 (**Borrower**)

Centuria Investment Holdings Pty Limited ACN 116 455 862 as trustee for the Centuria Capital No.2 Industrial Fund ABN 68 722 110 157 of Suite 39.01, Level 39, 100 Miller Street, North Sydney NSW 2060 (**TIX Grantor**)

Centuria Capital Limited ACN 095 454 336 of Suite 39.01, Level 39, 100 Miller Street, North Sydney NSW 2060 (**CNI**)

360 Capital Custodian No. 2 Pty Ltd ACN 103 076 713 as trustee for the 360 Capital Finance Trust of Level 8, 56 Pitt Street, Sydney NSW 2000 (**Lender**)

Background

At the Obligors' request, the Lender has agreed to provide a loan to the Borrower on the terms set out in this document. The TIX Grantor has agreed to grant the Original Security, and each Guarantor has agreed to provide the guarantee and indemnity under clause 13, to the Lender as security for the Borrower's obligations to the Lender under the terms of the Finance Documents.

The parties agree

1. Definitions and interpretation

1.1 Definition

In this document:

Accession Deed means a deed, substantially in the form of Schedule 2, entered into in accordance with clause 11(a)(iii) or clause 10.3(b).

Additional Guarantor means any person which becomes party to this document as a Guarantor in accordance with clause 11(a)(iii) or clause 10.3(b).

Acquisition means the acquisition of all of the share capital in 360 Capital Investment Management Limited ACN 133 363 185 by CNI from 360 Capital Group Limited pursuant to the Acquisition Agreement.

Acquisition Agreement means the share sale agreement between CNI, the Borrower and 360 Capital Group Limited in relation to the Acquisition dated on or around 22 November 2016.

Approved Transaction means the acquisition or disposal of the TOF Units in connection with a takeover bid by Centuria Metropolitan REIT No.1 ARSN 124 364 718.

Associates has the meaning given in the Corporations Act.

Borrower Group means the group comprising each Borrower Group Member.

Borrower Group Member has the same meaning as 'Buyer Group Member' as set out in the Acquisition Agreement.

Business Day means a day that is not a Saturday, Sunday or public holiday and on which banks are open for business generally in Sydney.

Centuria means CNI and the Borrower.

CHESS Sponsorship Agreements means each of:

- (a) the TIX CHESS Sponsorship Agreement; and
- (b) the TOF CHESS Sponsorship Agreement.

CHESS Side Deeds means each of:

- (a) the TIX CHESS Side Deed; and
- (b) the TOF CHESS Side Deed.

Company means 360 Capital Investment Management Limited ACN 133 363 185.

Completion Date has the meaning given to that term in the Acquisition Agreement.

Compliance Plan means, for a Scheme, its compliance plan of the Scheme established for the purposes of Part 5C.4 of the Corporations Act.

Conditional Placement means a placement of stapled securities in Centuria by Centuria to raise \$60,000,000.00, the conduct of which is subject to approval by stapled security-holders of Centuria.

Corporations Act means the Corporations Act 2001 (Cth).

Cost means any cost, expense, charge, liability or disbursement.

Default Rate means a rate equal to 5% above the Specified Rate, the Higher Rate or the LVR Rate (as applicable at the time of the relevant default).

Distributions means:

- (a) any dividend, charge, interest, fee, payment or other distribution (whether in cash or in kind) or redemption, repurchase, defeasance, retirement or redemption to a holder of shares or units in each Obligor; or
- (b) any other amount paid or payable by each Obligor to a holder of shares or units in the Obligor.

Early Termination Date means the earlier of:

- (a) that date which is 12 months from the date of this document or any later date as the parties agree; and
- (b) any date on which the loan provided under this document or the Principal Sum is terminated or cancelled in accordance with this document.

Encumbrance means a mortgage, charge, pledge, lien, security interest, title retention, preferential right, trust arrangement, contractual right of set-off and any other encumbrance security agreement or arrangement in favour of any person, including any Security Interest.

Event of Default has the meaning given in clause 12.1.

Event of Insolvency means:

- (a) a controller (as defined in section 9 of the Corporations Act), administrator or similar officer is appointed in respect of a person or any asset of a person;
- (b) a liquidator or provisional liquidator is appointed in respect of a person;
- (c) any application (not withdrawn or dismissed within 7 days) is made to a court for an order, an order is made, a meeting is convened or a resolution is passed, for the purpose of:
 - (i) appointing a person referred to in paragraph (a) or (b) of this definition;
 - (ii) winding up or deregistering a person; or
 - (iii) proposing or implementing a scheme of arrangement, other than with the prior approval of the Lender under a solvent scheme of arrangement pursuant to Part 5.1 of the Corporations Act;
- (d) any application (not withdrawn or dismissed within 7 days) is made to a court for an order, a meeting is convened, a resolution is passed or any negotiations are commenced, for the purpose of implementing or agreeing:
 - (i) a moratorium of any debts of a person;
 - (ii) any other assignment, composition or arrangement (formal or informal) with a person's creditors; or
 - (iii) any similar proceeding or arrangement by which the assets of a person are subjected conditionally or unconditionally to the control of that person's creditors or a trustee,
 or any agreement or other arrangement of the type referred to in this paragraph (d) is ordered, declared or agreed to;
- (e) as a result of the operation of section 459F(1) of the Corporations Act, a person is taken to have failed to comply with a statutory demand (as defined in the Corporations Act);
- (f) any writ of execution, garnishee order, mareva injunction or similar order, attachment or other process is made, levied or issued against or in relation to any asset of a person;
- (g) anything analogous to anything referred to in paragraphs (a) to (f) inclusive of this definition, or which has a substantially similar effect, occurs with respect to a person under any law; or
- (h) a person is, or admits in writing that it is, or is declared to be, or is taken under any applicable law to be (for any purpose), insolvent or unable to pay its debts.

Fee Amount means \$500,000.00.

Finance Document means:

- (a) this document;
- (b) any Security;
- (c) each CHESS Side Deed

- (d) the Subordination Deed;
- (e) any Accession Deed; or
- (f) any other document as agreed by the Borrower and the Lender to be, for the purposes of this document, a Finance Document.

Financial Liability means any present or future, actual or contingent indebtedness and in respect of any financial accommodation, bill of exchange, credit or hedging arrangement, finance lease or hire purchase arrangement or any guarantee or other assurance given in respect of any such indebtedness.

Gross Assets means at any particular time and without double counting, the aggregate value of the Secured Property as calculated in accordance with the audited accounts most recently provided to the Lender in accordance with clause 10.2(a), provided that the amount calculated will be adjusted on a daily basis for the mark to market value of any TIX Units, TOF Units or TOF Replacement Collateral and cash (as applicable) which the relevant Obligor may hold at that time.

Group means the group comprising the Stapled Scheme and the Subsidiaries of each member of the Stapled Scheme.

Guarantors means each of:

- (a) the Borrower;
- (b) CNI;
- (c) the TIX Grantor; and
- (d) each Additional Guarantor.

Higher Rate means 7.5% per annum.

LVR means at any time, the ratio (calculated as a percentage) of the Principal Sum outstanding at that time to the Gross Assets at that time.

LVR Rate means 20.0% per annum.

Marketable Securities has the meaning given to "marketable securities" in section 9 of the Corporations Act but as if the reference to "managed investment scheme" included any unit trust which is not registered under the Corporations Act.

Material Adverse Effect means a material adverse effect on:

- (a) the validity or enforceability of all or a material part of a Finance Document, the Acquisition Agreement or any Transaction Document;
- (b) the Lender's rights or remedies under any Finance Document;
- (c) the effectiveness or priority of any Security;
- (d) the ability of any Obligor or a Borrower Group Member to observe or perform its obligations under a Finance Document, the Acquisition Agreement or a Transaction Document; or
- (e) the assets, operations, condition (financial or otherwise), business or prospects of any Obligor.

NAB Facility Agreement means the document entitled "Multi-Option Facility Agreement" dated on or about the date of this document between (among others) the Borrower, CNI and National Australia Bank Limited.

Obligations means all the liabilities and obligations of any Obligor to the Lender under or by reason of any Finance Document and includes any liabilities or obligations which:

- (a) are liquidated or unliquidated;
- (b) are present, prospective or contingent;
- (c) arise from the making of any advance or loan (including the Principal Sum) on or before the date of this document or from any future advances or loans (including the Principal Sum);
- (d) are in existence before or come into existence on or after the date of this document;
- (e) relate to the payment of money or the performance or omission of any act;
- (f) sound in damages only;
- (g) accrue as a result of any Event of Default; or
- (h) would exist but for an Event of Insolvency affecting any person,

and irrespective of:

- (i) whether any Obligor is liable or obligated solely, jointly or jointly and severally with another person;
- (j) the circumstances in which the Lender comes to be owed each liability or obligation, including any assignment of any liability or obligation; or
- (k) the capacity in which any Obligor and the Lender comes to owe or to be owed that liability or obligation.

Obligors means each of:

- (a) the Borrower;
- (b) CNI;
- (c) the TIX Grantor;
- (d) each Guarantor; and
- (e) each other person who has provided a Security in favour of the Lender in relation to the Obligations.

Original Security means the general security deed granted by the TIX Grantor on or about the date of this document to the Lender (which includes a fixed charge over the TIX Units).

Payment Date means the date which is the first day after the 12 month anniversary of the completion date under the Acquisition Agreement of this document.

Permitted Distribution means:

- (a) in the case of the TIX Grantor or the TOF Grantor, a Distribution made by the TIX Grantor or the TOF Grantor while no Potential Event of Default or Event of Default is subsisting; and

- (b) in the case of each other Obligor, any Distributions in an amount not exceeding the net profit after tax of the Group for the prior financial year (in aggregate).

Permitted Encumbrances means:

- (a) any Encumbrance granted by an Obligor in favour of the Lender;
- (b) any Encumbrance granted with the prior written consent of the Lender.

Permitted Financial Liabilities means any Financial Liability:

- (a) incurred under the Finance Documents; and
- (b) other than in the case of the TIX Grantor and the TOF Grantor, incurred under the NAB Facility Agreement.

Potential Event of Default means any event or circumstance which, with the giving of notice, lapse of time, satisfaction of a condition or a determination (or any combination of these) would be an Event of Default.

Power means any right, power, authority, discretion, remedy or privilege.

PPSA means the Personal Property Securities Act 2009 (Cth).

Principal Sum means \$50,000,000.00, to the extent not cancelled or reduced in accordance with the terms of this document.

Related Party has the meaning set out in section 228 of the Corporations Act.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Right of Indemnity means in the case of a Trust, the rights of the relevant Trustee to be fully indemnified and reimbursed out of that Trust's Trust Assets for all liabilities incurred by it in its capacity as trustee of that Trust, including those incurred by it under the Finance Documents to which it is a party.

Scheme means Centuria Capital Fund ARSN 613 856 358 and any other Trust that is a managed investment scheme which is, or is required to be, registered under the Corporations Act.

Secured Money means all money the payment or repayment of which from time to time forms part of the Obligations.

Security means any Original Security or any other Encumbrance or guarantee or indemnity held by the Lender at any time for the due satisfaction of the Obligations.

Security Interest has the meaning given to that term in section 12 of the PPSA.

Security Property means any property subject to a Security.

Security Provider means:

- (a) the TIX Grantor; and
- (b) each other person who grants an Encumbrance in favour of the Lender for the due satisfaction of the Obligations.

Specified Rate means 5.0% per annum.

Stapled Scheme means each of CNI and the Centuria Capital Fund.

Subordination Deed means the document so entitled dated on or about the date of this document between the Borrower, CNI, the Lender and National Australia Bank Limited ACN 004 044 937.

Subsidiary has the meaning given in the Corporations Act, but an entity will also be taken to be a Subsidiary of an entity if it is controlled by that entity (expressions used in this paragraph have the meanings given for the purposes of chapter 2M of the Corporations Act) and, without limitation:

- (a) a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share; and
- (b) an entity may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a corporation.

Tax means any taxes, levies, imposts, deductions, charges and withholdings assessed, imposed, collected or withheld under any legislation and, in each case, all interest, fines, penalties, charges, fees or other amounts in respect of them.

Termination Date means the earlier of:

- (a) that date which is 18 months from the completion date under the Acquisition Agreement or any later date as the Borrower and the Lender agree in writing; and
- (b) any date on which the loan provided under this document or the Principal Sum is terminated or cancelled in accordance with this document.

TIX CHESS Sponsorship Agreement means the brokers agreement dated on or about the date of this document between the TIX Participant and the TIX Grantor attached as Annexure A to the TIX CHESS Side Deed.

TIX CHESS Side Deed means the document entitled "Tripartite Deed - CHESS Sponsorship" dated on or about the date of this document between the Lender, the TIX Grantor and the TIX Participant.

TIX Participant means Pershing Securities Australia Pty Limited ABN 60 136 184 962 or such other person appointed under the TIX CHESS Sponsorship Agreement.

TIX Units means 33,148,945 units in the 360 Capital Industrial Fund to be transferred from the Company as trustee of the 360 Capital Diversified Property Fund, the Company as trustee of the 360 Capital Diversified Property Industrial Sub Trust and the Company as trustee of the 360 Capital Diversified Property Industrial Sub Trust No.2 to the TIX Grantor in accordance with the TIX Unit Sale Deed.

TIX Unit Sale Deed means the deed in respect of the sale of the TIX Units.

TOF CHESS Sponsorship Agreement means, in the event that a Security is provided by the TOF Grantor to the Lender in accordance with this document, the CHESS sponsorship agreement between the TOF Participant, the TOF Grantor and the relevant TOF CHESS Participant, in the form approved by the Lender.

TOF CHESS Side Deed means the CHESS tripartite deed between the Lender, the TOF Grantor and the TOF Participant dated on or about the date of the TOF CHESS Sponsorship Agreement, in the form approved by the Lender.

TOF Participant means such broker as is appointed under the TOF CHESS Sponsorship Agreement.

TOF Replacement Collateral means if 360 Capital Office Fund is merged with, taken over by or stapled to another fund or investment vehicle, the Marketable Securities or cash consideration which the TOF Grantor receives in connection with such action.

TOF Grantor means Centuria Investment Holdings Pty Limited as trustee for the Centuria Capital No.2 Office Fund ABN 62 172 815 196.

TOF Units means any units in the 360 Capital Office Fund which the TOF Grantor may own from time to time.

Transaction Document means:

- (a) each Transaction Document as that term is defined in the Acquisition Agreement; and
- (b) the TIX CHESS Sponsorship Agreement; and
- (c) on and from the date the TOF Grantor grants a Security over any TOF Units in accordance with this document, the TOF CHESS Sponsorship Agreement or any other CHESS sponsorship agreement entered into in relation to the TOF Units; and
- (d) any other document or agreement agreed between the Borrower and the Lender to be a "Transaction Document" for the purposes of this document.

Trust means each of:

- (a) the Centuria Capital No. 2 Industrial Fund ABN 68 722 110 157;
- (b) the Centuria Capital Fund ARSN 613 856 358;
- (c) each other Trust, the trustee or responsible entity of which is an Additional Guarantor.

Trust Assets means in the case of a Trust, all present and after acquired property, interests, rights and proceeds held by the Trustee of that Trust from time to time as trustee of that Trust.

Trust Deed means:

- (a) in the case of Centuria Capital No. 2 Industrial Fund ABN 68 722 110 157, the trust deed dated 18 October 2016 establishing that trust and signed by Centuria Investment Holdings Pty Limited ACN 116 455 862; and
- (b) in the case of the Centuria Capital Fund ARSN 613 856 358, the trust deed dated 18 October 2016 establishing that trust and signed by Centuria Funds Management Limited ACN 607 153 588; and
- (c) in the case of each other trust, the trust deed establishing that trust.

Trustee means:

- (a) in the case of Centuria Capital No. 2 Industrial Fund ABN 68 722 110 157, Centuria Investment Holdings Pty Limited ACN 116 455 862;
- (b) in the case of the Centuria Capital Fund ARSN 613 856 358, Centuria Funds Management Limited ACN 607 153 588; and
- (c) each other Additional Guarantor who is a trustee or responsible entity of a Trust.

1.2 Interpretation

In this document:

- (a) a reference to a party includes that party's executors, administrators, successors and permitted assigns, including persons taking by way of novation;
- (b) a word importing the singular includes the plural (and vice versa), and a word indicating a gender includes every other gender;
- (c) a reference to a document (including any Finance Document) is to that document as varied, novated, ratified, replaced or restated from time to time, except that a reference to the Acquisition Agreement is to that document in the form as at the date of this document (or in such other form approved by the Lender in writing);
- (d) a reference to a law includes any law, principle of equity, statute and official directive of any government authority and a reference to a statute includes any rule, regulation, ordinance, by law, statutory instrument, order or notice at any time made under that legislation and, in each case, any consolidations, amendments, re-enactments and replacements;
- (e) where the day on which or by which any act, matter or thing is to be done under this document is not a business day, that act, matter or thing will be done on the immediately preceding business day;
- (f) "includes" in any form is not a word of limitation; and
- (g) a reference to "\$" or "dollar" is to Australian currency.

1.3 Joint and several liability

- (a) The expression Guarantor refers to each person identified as a Guarantor, and the obligations of the Guarantors under this document bind them, jointly and severally.
- (b) The expression Obligor refers to each person identified as an Obligor, and the obligations of the Obligors under this document bind them, jointly and severally.
- (c) Each Obligor (other than the Borrower) by its execution of this document or the Accession Deed under which it became a party to this document irrevocably authorises the Borrower on its behalf to:
 - (i) give all notices, instructions and other communications under or in connection with the Finance Documents;
 - (ii) execute any Accession Deed; and
 - (iii) make any agreements, undertakings, settlements or waivers capable of being given or made by any Obligor,

notwithstanding that this may affect that Obligor without, in any case, further reference to or the consent of that Obligor.
- (d) Every notice, instruction or other communication, agreement, undertaking, settlement or waiver given or made by the Borrower under or in connection with any Finance Document and every Accession Deed signed by the Borrower (whether or not known to any other Obligor and whether occurring before or after any other Obligor became an Obligor under this document) will be binding for all purposes on all other Obligors as if the other Obligors had expressly concurred with it.

- (e) If there is any inconsistency between any notice, instruction or other communication of the Borrower and that of any other Obligor, the Lender will be taken to have received only the notice, instruction or other communication of the Borrower.

1.4 Centuria Capital Fund

- (a) This clause 1.3 applies notwithstanding any other provision of this document but subject to clauses 1.4(e) and 1.4(g).
- (b) The Borrower enters into this document only in its capacity as responsible entity of the Fund and in no other capacity. Subject to clauses 1.4(e) and 1.4(g), any liability arising under or in connection with this document in relation to such matters can be enforced against the Borrower only to the extent to which it can be satisfied out of the property of the Fund out of which the Borrower, having sought indemnification, is actually indemnified for the liability.
- (c) Subject to clauses 1.4(e) and 1.4(g), the limitations on the Borrower's liability contained in this clause 1.3 extend to all liabilities of the Borrower in any way connected with any representation, warranty, conduct, omission, agreement or transaction under this document.
- (d) Subject to clauses 1.4(e) and 1.4(g), no other party to this document may claim against the personal assets of the Borrower or against the Borrower in its personal capacity or seek the appointment of a liquidator, administrator, receiver or similar person to the Borrower or prove in any liquidation, administration or arrangement of or affecting the Borrower.
- (e) The provisions of this clause 1.3 shall not apply to any obligation or liability of the Borrower to the extent that it is not satisfied because under the constitution establishing the Fund or by operation of law there is a reduction in the extent of the Borrower's indemnification out of the assets of the Fund as a result of the Borrower's failure to properly perform or exercise any of its powers or duties in relation to the Fund.
- (f) In this clause 1.3, **Fund** means Centuria Capital Fund ARSN 613 856 358.
- (g) This clause 1.3 is to be disregarded:
 - (i) if the Fund is not properly or duly constituted for any reason or if an Obligor is not validly appointed as trustee of the Fund; and
 - (ii) is to be disregarded in determining whether an Event of Default or Potential Event of Default has occurred (including as a result of a failure by the Borrower to pay an amount payable by it under any Finance Document) or in interpreting the definition of 'Secured Money' in any Finance Document.

1.5 Centuria Capital No. 2 Industrial Fund

- (a) This clause 1.5 applies notwithstanding any other provision of this document but subject to clauses 1.5(e) and 1.5(g).
- (b) The TIX Grantor enters into this document only in its capacity as trustee of the Fund and in no other capacity. Subject to clauses 1.5(e) and 1.5(g), any liability arising under or in connection with this document in relation to such matters can be enforced against the TIX Grantor only to the extent to which it can be satisfied out of the property of the Fund out of which the TIX Grantor, having sought indemnification, is actually indemnified for the liability.

- (c) Subject to clauses 1.5(e) and 1.5(g), the limitations on the TIX Grantor's liability contained in this clause 1.5 extend to all liabilities of the TIX Grantor in any way connected with any representation, warranty, conduct, omission, agreement or transaction under this document.
- (d) Subject to clauses 1.5(e) and 1.5(g), no other party to this document may claim against the personal assets of the TIX Grantor or against the TIX Grantor in its personal capacity or seek the appointment of a liquidator, administrator, receiver or similar person to the TIX Grantor or prove in any liquidation, administration or arrangement of or affecting the TIX Grantor.
- (e) The provisions of this clause 1.5 shall not apply to any obligation or liability of the TIX Grantor to the extent that it is not satisfied because under the constitution establishing the Fund or by operation of law there is a reduction in the extent of the TIX Grantor's indemnification out of the assets of the Fund as a result of the TIX Grantor's failure to properly perform or exercise any of its powers or duties in relation to the Fund.
- (f) In this clause 1.5, **Fund** means Centuria Capital No. 2 Industrial Fund ABN 68 722 110 157.
- (g) This clause 1.5 is to be disregarded:
 - (i) if the Fund is not properly or duly constituted for any reason or if an Obligor is not validly appointed as trustee of the Fund; and
 - (ii) is to be disregarded in determining whether an Event of Default or Potential Event of Default has occurred (including as a result of a failure by the TIX Grantor to pay an amount payable by it under any Finance Document) or in interpreting the definition of 'Secured Money' in any Finance Document.

1.6 360 Capital Finance Trust

- (a) This clause 1.6 applies notwithstanding any other provision of this deed.
- (b) The Lender enters into the Finance Documents only in its capacity as trustee of the Fund and in no other capacity. Any liability arising under or in connection with this deed can be enforced against the Lender only to the extent to which it can be satisfied out of the property of the Fund out of which the Lender, having sought indemnification, is actually indemnified for the liability.
- (c) The limitations on the Lender's liability contained in this clause 1.6 extend to all liabilities of the Lender in any way connected with any representation, warranty, conduct, omission, agreement or transaction under the Finance Documents.
- (d) No other party to this deed may claim against the personal assets of the Lender or against the Lender in its personal capacity or seek the appointment of a liquidator, administrator, receiver or similar person to the Lender or prove in any liquidation, administration or arrangement of or affecting the Lender.
- (e) The provisions of this clause 1.6 shall not apply to any obligation or liability of the Lender to the extent that it is not satisfied because under the constitution establishing the Fund or by operation of law there is a reduction in the extent of the Lender's indemnification out of the assets of the Fund as a result of the Lender's failure to properly perform or exercise any of its powers or duties in relation to the Fund.
- (f) In this clause 1.6, **Fund** means the 360 Capital Finance Trust.

2. The loan

2.1 Loan

The Lender agrees to lend and the Borrower agrees to borrow the Principal Sum.

2.2 Timing of advance

Subject to clause 3, the Lender must advance the Principal Sum to the Borrower (or as otherwise agreed between the Lender and the Borrower) on the Completion Date.

2.3 Purpose

The Principal Sum may only be used by the Borrower for the purposes of subscribing for units in Centuria Capital No.2 Fund. The Borrower must ensure that the proceeds of such subscription are used by Centuria Capital No.2 Fund to subscribe for units in the TIX Grantor and ensure that the proceeds of such subscription are used by the TIX Grantor to acquire TIX Units in accordance with the TIX Unit Sale Deed.

3. Condition precedent

The obligation of the Lender to lend the Principal Sum to the Borrower is subject to the Lender being satisfied that:

- (a) each condition precedent in the Acquisition Agreement has been satisfied or waived and is subject to completion occurring under the Acquisition Agreement;
- (b) it has received a duly completed and executed verification certificate from each Obligor substantially in the form set out in Schedule 1;
- (c) it has received a duly completed and executed verification certificate from each Obligor substantially in the form set out in Schedule 1;
- (d) it has received the Finance Documents duly executed by all parties and, if necessary, stamped and in registrable form (or if not stamped the Lender is satisfied it has received from the Obligors sufficient funds to pay the estimated stamp duty).
- (e) it has received share and unit certificates (and executed blank share or unit transfer forms) in respect of all shares or units the subject of any Security and all title documents relating to any assets.
- (f) it has received evidence that any Encumbrances in respect of any of the assets of any Obligor which are not permitted by the Finance Documents have been released by the person in whose favour they were granted;
- (g) it has received evidence that all Financial Liabilities of the TIX Grantor and the TOF Grantor which are not permitted by the Finance Documents have been fully and finally repaid;
- (h) the representations and warranties provided by each Obligor under the Finance Documents to which it is a party are true and correct on the date of this document and will be true and correct immediately after the loaning of the Principal Sum by the Lender, in each case, with reference to the facts and circumstances existing at that time; and

- (i) no Event of Default or Potential Event of Default is subsisting or will result from the loaning of the Principal Sum.

4. Repayment and prepayments

4.1 Repayment

Subject to clause 6, the Borrower will repay the Principal Sum (together with all other Secured Moneys) to the Lender on the Termination Date.

4.2 Prepayment

The Borrower may prepay the Principal Sum in whole or in part before the Termination Date on giving not less than 10 Business Days' prior notice to the Lender.

4.3 General provisions relating to repayment and prepayment

- (a) Amounts repaid or prepaid under any provision of this document may not be re-utilised.
- (b) Any repayment or prepayment of any amount under this document will be made together with interest accrued on the amount repaid or prepaid but otherwise without premium or penalty.

5. Interest

5.1 Rate

Subject to clauses 6 and 11, the Borrower will pay to the Lender interest on the outstanding balance of the Principal Sum and on any judgment in which the Principal Sum is merged calculated at the Specified Rate on daily balances from the date the Principal Sum is lent until the Principal Sum is repaid in full.

5.2 Time of payment

The first payment of interest will be made on the date which is one calendar month from the date the Principal Sum is lent and each subsequent payment will be made monthly while any part of the Principal Sum remains outstanding.

5.3 Default interest

If the Borrower fails to make a payment to the Lender under this document on or before the due date for payment, then, without limiting any other remedy of the Lender, the Borrower must pay to the Lender on demand interest on the due amount calculated at the Default Rate, with interest to accrue from the due date to the day immediately before the actual date of payment, calculated daily on the basis of a 365 day year and capitalised monthly.

6. Conditional Placement

- (a) This clause 6 applies in circumstances where the Conditional Placement is not approved by shareholders of CNI.
- (b) To the extent of any inconsistencies between this clause 6 and the remainder of this document, the provisions of this clause 6 will prevail.
- (c) The Borrower will repay the Principal Sum to the Lender on the Early Termination Date.

- (d) The Borrower will pay to the Lender interest on the outstanding balance of the Principal Sum and on any judgment in which the Principal Sum is merged calculated at:
- (i) the Specified Rate on daily balances from the date the Principal Sum is lent until the earlier of:
 - A. the date the Principal Sum is repaid in full; and
 - B. the date 6 months from the date the Principal Sum is lent; and
 - (ii) the Higher Rate on daily balances from the day immediately after the date 6 months from the date the Principal Sum is lent until the date the Principal Sum is repaid in full.

7. Fee

If all or some of the Principal Sum remains outstanding on the Payment Date, the Borrower will pay to the Lender on the Payment Date the Fee Amount. Such payment will be non-refundable.

8. Payments

8.1 Time and place

All payments by the Borrower under this document are to be made to the Lender in Australian dollars in immediately available funds not later than 11.00am in the place of payment on the due date to the account that the Lender from time to time designates.

8.2 No set-off, counterclaim or merger

- (a) All payments by the Borrower under this document will be without any set-off or counterclaim and the Borrower irrevocably waives any right of set-off or counterclaim which it may have against the Lender.
- (b) If the liability of the Borrower to pay any money becomes merged in any judgment or order, the Borrower will as an independent obligation pay to the Lender interest at the rate which is the higher of that payable under this document and that fixed by or payable under the judgment or order.

9. Representations and undertakings

9.1 General representations and warranties

Each Obligor represents and warrants to the Lender that:

- (a) **(Legally binding obligation)** the Acquisition Agreement and each Finance Document to which it is a party constitutes its valid and legally binding obligation and is enforceable against it in accordance with its terms, subject to any necessary stamping and registration requirements and laws affecting creditors' rights generally;
- (b) **(Execution, delivery and performance)** the execution, delivery and performance of the Acquisition Agreement and each Finance Document to which it is a party and each transaction contemplated by those Finance Documents does not violate or breach any law or any document or agreement to which it is a party or which is binding on it or any of its assets;

- (c) **(No litigation)** no litigation, arbitration, criminal or administrative proceedings are current, pending or to its knowledge threatened which, if determined adversely to it or any other Borrower Group Member, could have a Material Adverse Effect;
- (d) **(No Event of Default)** no Event of Default has occurred which is subsisting;
- (e) **(Laws)** it and each Borrower Group Member has complied with all laws;
- (f) **(Financial Liabilities):**
 - (i) it has disclosed to the Lender all Financial Liabilities applicable to each Obligor and the TOF Grantor and any Encumbrances that are in existence in respect of the Security Property and any asset of the TOF Grantor (including the TOF Units);
 - (ii) neither the TIX Grantor nor the TOF Grantor is in default in the payment of any amount in excess of \$50,000, or in the satisfaction of any material obligation in respect of any Financial Liability and no event has occurred which with the giving of notice, lapse of time or other condition could constitute a default in respect of any such Financial Liability and require its prepayment;
- (g) **(No trusts)** except for a Trustee in respect of the relevant Trust, it is not the trustee of any trust;
- (h) **(Solvency)** no Event of Insolvency has occurred in relation to it, the TOF Grantor, or any Borrower Group Member;
- (i) **(Business - SPVs)** neither the TIX Grantor nor the TOF Grantor will carry on any business or hold any assets other than:
 - (i) in the case of the TIX Grantor, the holding of the TIX Units and cash; and
 - (ii) in the case of the TOF Grantor, the holding of the TOF Units and cash or TOF Replacement Collateral.
- (j) **(Ranking)** its payment obligations under each Finance Document to which it is a party rank in priority in right and priority of payment with all its present and future unsecured and unsubordinated obligations other than obligations mandatorily preferred by any law applying to companies generally; and
- (k) **(Immunity from suit)** it does not enjoy immunity from suit or execution in relation to its obligations under any Finance Document.

9.2 Information representations and warranties

Each Obligor represents and warrants to the Lender that all information relating to the Obligors, the TOF Grantor and each Borrower Group Member or the Finance Documents provided by it or on its behalf to the Lender or any advisor of the Lender in connection with any Finance Document was at the time it was provided or as at the date (if any) at which it was stated true in all material respects and was not, by omission or otherwise, misleading in any material respect at that time.

9.3 Corporate representations and warranties

Each Obligor represents and warrants to the Lender that:

- (a) **(Existence and power)** it:
 - (i) is duly registered and remains in existence; and

- (ii) has the power to own the assets held by it and carry on business as it is being conducted;
- (b) **(No violation)** its execution, delivery and performance of each Finance Document to which it is a party does not (and the transactions contemplated by those Finance Documents do not) violate its constitution nor any listing requirements or business rules of the applicable stock exchange;
- (c) **(Power)** it has the power to enter into, deliver and perform each Finance Document to which it is a party and to carry out the transactions contemplated by those Finance Documents;
- (d) **(Due authority)** it has taken all corporate action required to enter into, deliver and perform each Finance Document to which it is a party and to carry out the transactions contemplated by those Finance Documents; and
- (e) **(Corporate benefit)** the entry into and the performance of its obligations under each Finance Document to which it is a party is for its corporate benefit.

9.4 Trustee representations and warranties

Each Trustee represents and warrants to the Lender that:

- (a) **(Trustee)** it has power to enter into, deliver and perform each Finance Document to which it is a party in its capacity as trustee or responsible entity (as applicable) of the relevant Trust and to carry out the transactions contemplated by those Finance Documents, including to Encumber the relevant Trust Assets as provided in any Security to which it is a party;
- (b) **(Trust validly created)** the relevant Trust has been validly created and is in existence;
- (c) **(Trustee validly appointed)** it has been validly appointed as trustee or responsible entity (as applicable) of the relevant Trust and is the sole trustee of the relevant Trust;
- (d) **(Trust Deed):**
 - (i) the relevant Trust is solely constituted by the relevant Trust Deed, a true copy of which has been provided to the Lender prior to the date of this document;
 - (ii) the relevant Trust Deed is not void, voidable or otherwise unenforceable; and
 - (iii) it has complied with all of its obligations as trustee or responsible entity (as applicable) of the relevant Trust and, to the best of its knowledge, no allegation has been made that it has breached those obligations;
- (e) **(No termination or vesting)** no action has been taken or is proposed to terminate the relevant Trust or to vest the relevant Trust Assets in any person;
- (f) **(Ranking over beneficiaries)** the rights of the Lender under the Finance Documents to which that Trustee is a party rank in priority to the interests of all beneficiaries of the relevant Trust;
- (g) **(No action to remove)** no action has been taken or proposed to remove it as trustee or responsible entity of the relevant Trust;

- (h) **(Commercial benefit)** entry into each Finance Document to which it is a party is for the commercial benefit of the beneficiaries of the relevant Trust; and
- (i) **(Rights of Indemnity and exoneration against Trust Assets)** it has a valid Right of Indemnity and (except as provided under the Finance Documents to which it is a party) neither that Right of Indemnity nor its lien over the relevant Trust Assets has been limited in any way.
- (j) **(Scheme warranties)** in the case of Centuria Capital Fund ARSN 613 856 358 only, the applicable Trustee represents and warrants:
 - (i) **(registered scheme)** the Scheme is registered in accordance with the Corporations Act and has been allocated the Australian Registered Scheme Number (ARSN) specified in this document or otherwise advised to the Lender in writing;
 - (ii) **(licence)** it is a public company holding an Australian financial services licence authorising it to operate the Scheme;
 - (iii) **(no contravention)** it and the Scheme has complied, and will continue to comply, with the provisions of the Scheme's constitution and Compliance Plan and applicable law (including Chapter 5C of the Corporations Act) where failure to comply would have or be likely to have a Material Adverse Effect;
 - (iv) **(winding up)** there are no grounds upon which it, ASIC or any other person may apply for the winding up of the Scheme; and
 - (v) **(Compliance Plan):**
 - A. the Compliance Plan complies with all applicable requirements under the Corporations Act and the constitution of the Scheme;
 - B. a certified copy of the Compliance Plan (as may have been amended or restated from time to time) has been provided to the Lender and discloses all terms of the Compliance Plan;
 - C. it has not received any direction from ASIC or any other person requiring modification to the Compliance Plan; and
 - D. the auditor of the Compliance Plan has not notified ASIC or any other person that it suspects, or has reasonable grounds to suspect, that a contravention of the Corporations Act has occurred, or that any such contravention has not been or will not be adequately dealt with.

9.5 Representations and warranties repeated

Each representation and warranty under clause 9 will be repeated on the date of the Principal Sum is lent and on each day that interest is paid in accordance with clause 5.2, in each case, with reference to the facts and circumstances then subsisting.

10. Undertakings

10.1 Duration and benefit

The undertakings in this document are given for the benefit of the Lender and will remain in force on and from the date of this document for the period any amount is or may be outstanding under any Finance Document.

10.2 Information

- (a) **(Financial information)** Each Obligor will provide to the Lender:
- (i) as soon as practicable and in any event no later than 60 days after the end of each Financial Year, a copy of the consolidated audited accounts for the Borrower Group (including the accounts for any Trust) for that Financial Year;
 - (ii) as soon as practicable and in any event no later than 45 days after the end of the first half of each Financial Year, a copy of the consolidated unaudited accounts for the Borrower Group (including the accounts for any Trust) for that half year;
 - (iii) on each one month anniversary of the execution of this document, and at any other time requested by the Lender, a certificate signed by two directors of the Borrower and the TIX Grantor which confirms:
 - A. the LVR together with detailed calculations supporting such LVR;
 - B. whether any Event of Default or Potential Event of Default is subsisting, and if applicable, details of any steps taken or to be taken to remedy any Event of Default or Potential Event of Default; and
 - (iv) promptly, any further information regarding its financial condition and business operations, the Security Property or the financial condition and business operations of any other Obligor or the Borrower Group as the Lender, acting reasonably, requires from time to time.
- (b) **(Compliance with Accepted Accounting Practices)** The Borrower will ensure that the accounts delivered to the Lender under clause 10.2(a):
- (i) are prepared in accordance with applicable laws and accepted accounting practices in Australia consistently applied except to the extent disclosed in them;
 - (ii) if audited, give a true and fair view of or, if unaudited, fairly represent the financial condition of the Borrower Group (and each Trust) for the period to which those accounts relate and of the results of the operations of the Borrower Group (and each Trust); and
 - (iii) disclose all material financial liabilities and other material contingent liabilities of the Borrower Group, each Trust and each Obligor.
- (c) **(Notification of certain events)** Each Obligor will immediately notify the Lender in writing if it becomes aware of the occurrence of:
- (i) **(Event of Default)** any Event of Default or Potential Event of Default;
 - (ii) **(NAB default)** any event of default (howsoever described) under the NAB Facility Agreement or any "Transaction Document" as defined in the NAB Facility Agreement;
 - (iii) **(Details change)** any change of details of any Obligor (including any Trust);
 - (iv) **(Litigation)** any litigation, arbitration, criminal or administrative proceedings which are current, pending or to its knowledge threatened

relating to any Obligor or any Borrower Group Member or any Obligor's or Borrower Group Member's assets which, if determined adversely to any Obligor or any Borrower Group Member, could have a Material Adverse Effect;

- (v) **(LVR)** any increase in the LVR:
 - A. from 65% or below to greater than 65%; and
 - B. greater than 70%.

10.3 Restrictions on disposals

- (a) **(Restriction on Encumbrances)** No Security Provider will, and each Obligor will procure that the TOF Grantor will not) create, purport or attempt to create or permit to exist, any Encumbrance however ranking over any of its assets (including any Security Property and any assets of the TOF Grantor), other than any Permitted Encumbrances.
- (b) **(Disposals)** No Security Provider will (and the Obligors must ensure that the TOF Grantor or the Obligor's other Related Parties do not) enter into or make any disposal of or declare a trust over:
 - (i) any Security Property;
 - (ii) the TIX Units;
 - (iii) the TOF Units; or
 - (iv) any shares in CNI or units in the Borrower; or
 - (v) any other part of its respective assets or undertaking or any part of the TOF Grantor's respective assets of undertaking,

other than any disposal of TOF Units made in connection with an Approved Transaction, provided that simultaneously with such disposal the TOF Grantor (or other Related Entity of the TOF Grantor) grants an Encumbrance in favour of the Lender over any TOF Replacement Collateral received in connection with the Approved Transaction and accedes to this document as an Additional Guarantor by signing an Accession Deed.

10.4 Liabilities

- (a) **(Financial Liabilities)** the TIX Grantor will not (and each Obligor will ensure that the TOF Grantor will not) incur any Financial Liabilities other than the Permitted Financial Liabilities.
- (b) **(Restriction on guarantees)** the TIX Grantor will not (and each Obligor will procure that the TOF Grantor will not) enter into any bond, guarantee or indemnity in favour of any person other than:
 - (i) under the Finance Documents; or
 - (ii) as permitted under clause 10.4(a).

10.5 Security Property

- (a) Each of the TIX Grantor and each other Obligor who provides a Security will (and each Obligor will ensure that the TOF Grantor will in respect of its assets):
 - (i) **(Operation)** diligently operate its assets in accordance with good industry practice;
 - (ii) **(Not to prejudice)** not do, fail to do or consent to any act, omission or thing as a result of which any part of the Security Property or the assets of the TOF Grantor becomes or could become liable to surrender, forfeiture or cancellation or becomes or could become prejudiced in any manner or the value of any Security as a security to the Lender becomes or could become materially lessened;
 - (iii) **(Protection of Security Property)** at the request of the Lender take or defend all legal proceedings that the Lender, acting reasonably, considers necessary or desirable for the preservation, protection or recovery of the Security Property or the assets of the TOF Grantor;
 - (iv) **(Documents of title and other securities)** lodge with the Lender all:
 - A. certificates, scrip and other indicia of title or interest in any marketable securities forming part of the Security Property;
 - B. negotiable instruments other than cheques forming part of the Security Property;
 - C. all chattel paper (as defined in the PPSA) forming part of the Security Property; and
 - D. other documents of title to the Security Property;
 - (v) **(Perfect Security Interests)** implement policies and practices and take all steps necessary to ensure that all Security Interests which it holds are attached, enforceable and continuously perfected under the PPSA until the obligations they secure are satisfied or they are released for value where a failure to implement the relevant policies and practices or to take the necessary steps could have a material adverse effect; and
- (b) **(Register share or unit transfers)** Notwithstanding any provision contained in its constitution or any Trust Deed, each Obligor will take all steps necessary to approve any transfer of shares or units in the Obligor or applicable Trust in its share or unit register (as the case may be), in any case, where the transfer arises because of the enforcement of any of the Securities.

10.6 General undertakings

- (a) **(Corporate existence)** Each Obligor will, and will ensure that the TOF Grantor will, do all things necessary to maintain its corporate existence.
- (b) **(Change of business)** No Obligor will make or threaten to make any material change in the nature or scale of its business as conducted at the date of this document.
- (c) **(Constitutional documents)** No Obligor will agree to amend its constitution or any Trust Deed or the constitution of any Borrower Group Member in any way which would be likely to adversely affect the Lender's interests under the Finance Documents.

- (d) **(LVR)** Each Obligor must do all thing reasonably necessary to ensure that at all times, the LVR does not exceed 65%.
- (e) **(No distribution)** Each Obligor will procure that no distribution of any of the capital, property or income (or other cash asset) of that Obligor is made without the Lender's prior written consent other than a Permitted Distribution.
- (f) **(Comply with laws)** Each Obligor will (and will ensure that each other Borrower Group Member will) comply with all laws applicable to it.

10.7 Trust undertakings

Each Trustee will:

- (a) **(No distribution)** procure that no distribution of any of the capital, property or income (or other cash asset) of the relevant Trust is made without the Lender's prior written consent other than a Permitted Distribution;
- (b) **(Right of Indemnity)** not exercise in its own favour any Right of Indemnity or lien over the relevant Trust Assets to which it might be entitled against any beneficiary of the relevant Trust or against any relevant Trust Asset (other than in respect of any expenses which it properly incurs in the day to day performance of its obligations as trustee or responsible entity of the relevant Trust);
- (c) **(Trust Deed):**
 - (i) comply with all of its obligations as trustee or responsible entity of the relevant Trust, whether imposed under the applicable Trust Deed or at law; and
 - (ii) ensure that no waiver, revocation, amendment or variation of the relevant Trust Deed is made, whether formally or by conduct;
- (d) **(General)** not do anything (or permit anything to be done) which:
 - (i) in the case of Centuria Capital No. 2 Industrial Fund ABN 68 722 110 157, results or may result in registration of that Trust as a managed investment scheme under Part 5C.1 of the Corporations Act;
 - (ii) in the case of Centuria Capital Fund ARSN 613 856 358, results or may result in deregistration of that Trust as a managed investment scheme under Part 5C.1 of the Corporations Act;
 - (iii) restricts or limits or may restrict or limit the Trustee's:
 - A. Right of Indemnity or lien over the relevant Trust Assets; or
 - B. ability to observe its obligations under the Finance Documents to which it is a party;
 - (iv) restricts or limits or may restrict or limit the Lender's rights of subrogation to the Trustee's Right of Indemnity or lien over the relevant Trust Assets;
 - (v) effects or facilitates or may effect or facilitate:
 - A. the termination of the relevant Trust or the termination, rescission or revocation of the relevant Trust Deed;
 - B. the resettlement of any relevant Trust Assets; or

- C. the resignation, retirement, removal or replacement of the Trustee as trustee of the relevant Trust or the appointment of an additional trustee of the relevant Trust; or
- (vi) could determine, alter, shorten or fix the vesting date of the relevant Trust.

11. LVR

- (a) If at any time the LVR exceeds 65%, the Borrower must, at its election:
 - (i) immediately prepay part of the Principal Sum by such an amount so as to reduce the LVR to no more than 65%; or
 - (ii) grant (or procure that its Related Parties grant) to the Lender, Security (on substantially the same terms as the Original Security granted over the TIX Units) over, at the election of the Lender (in its absolute discretion), one or a combination of the following assets of the TIX Grantor, the TOF Grantor and other Related Parties of the Borrower:
 - A. units in the 360 Capital Industrial Fund (for the avoidance of doubt, these units are in addition to the TIX Units which comprise part of the Original Security) (or should the 360 Capital Industrial Fund be merged with, taken over by or stapled to another fund or investment vehicle any Marketable Securities or cash consideration which the TIX Grantor receives in connection with such action (**TIX Replacement Collateral**)); and
 - B. all assets of the TOF Grantor, including units in the 360 Capital Office Fund (or should the 360 Capital Office Fund be merged with, taken over by or stapled to another fund or investment vehicle any TOF Replacement Collateral); and
 - (iii) procure that any person who grants an Encumbrance pursuant to clause 11(a)(ii) accedes to this document as an Additional Guarantor by signing an Accession Deed; and
 - (iv) procure that:
 - A. any person who grants an Encumbrance pursuant to clause 11(a)(ii) over any TIX Replacement Collateral, TOF Units or TOF Replacement Collateral pursuant to clause 11(a)(ii); and
 - B. any relevant CHES Participant or other broker appointed in connection with such TIX Replacement Collateral, TOF Units or TOF Replacement Collateral,

enters into a TOF CHES Side Deed with the Lender or other side deed with the Lender on substantially the same terms as the TIX CHES Side Deed or such other terms approved by the Lender in writing.
- (b) During all periods where the LVR exceeds 65% for a period of more than 2 consecutive Business Days or exceeds 65% on 2 separate non-consecutive days, the Borrower will pay to the Lender interest on the outstanding balance of the Principal Sum and on any judgment in which the Principal Sum is merged calculated at the LVR Rate on daily balances from the date the LVR first exceeds 65% until the earlier of:
 - (i) the date on which the Principal Sum is irrevocably repaid in full; or

- (ii) the date on which the LVR reduces to 65% or lower.
- (c) Delivery of any Accession Deed will constitute confirmation by the relevant Additional Guarantor and the Borrower that (as at the date of the delivery):
 - (i) all of the representations given under this document by an Obligor or Guarantor are true and correct, with reference to the facts and circumstances existing on that date; and
 - (ii) no Event of Default or Potential Event of Default is subsisting or will result from the accession of that Additional Guarantor.

12. Default

12.1 Events of default

Each of the events set out in this clause 12.1 is an Event of Default, whether or not the cause is beyond the control of the Obligors or any other person:

- (a) any Obligor does not pay (within 3 days of the due date) any money payable under any Finance Document;
- (b) any Event of Insolvency occurs in respect of any Obligor or the TOF Grantor;
- (c) any Obligor breaches any provision of any Finance Document; or
- (d) any representation, warranty or statement made, repeated or taken to be made or repeated in any Finance Document or in any document, of any nature, issued under any Finance Document is proved to be untrue in any material respect when made or repeated or taken to be made or repeated, as the case may be (a **Misrepresentation**) and if the circumstances causing the Misrepresentation are capable of remedy those circumstances have not been remedied within 10 Business Days of the occurrence of the Misrepresentation;
- (e) any Obligor breaches any undertaking given at any time to the Lender or fails to comply with any condition imposed by the Lender in agreeing to any matter (including any waiver);
- (f) CNI or any Related Party breaches any provision of the Acquisition Agreement or any Transaction Document;
- (g) the LVR exceeds 70% for a period of 5 consecutive Business Days or exceeds 70% on 2 separate non-consecutive days;
- (h) any Obligor or the TOF Grantor ceases, or threatens to cease, to carry on all or a material part of its business;
- (i) any Finance Document, the Acquisition Agreement or a Transaction Document is, becomes or is claimed by any Obligor to be invalid, void, voidable, unenforceable or of limited force and effect, either in whole or in part;
- (j) any Security does not create the Encumbrance it purports to create;
- (k) effective control of the Borrower (including the Centuria Capital Fund) or CNI is altered from that subsisting at the Completion Date. For the purpose of this clause 12.1(k) a person or persons has effective control of the Borrower, the Centuria Capital Fund or CNI if that person or those persons together with their Associates (acting jointly):

- (i) control the composition of the board of directors of the Borrower or CNI (as the case may be);
 - (ii) are in a position to cast, or control the casting of, more than 40% of the maximum number of votes that might be cast at a general meeting of the Borrower (including of the beneficiaries of the Centuria Capital Fund) or CNI; or
 - (iii) hold more than 40% of the issued share capital or unit capital of the Borrower, the Centuria Capital Fund or CNI excluding any part of that issued share or unit capital which carries no right to participate beyond a specified amount in the distribution of either profits or capital;
- (l) at any time it is unlawful for any Obligor to perform any of its obligations under any Finance Document, the Acquisition Agreement or Transaction Document;
- (m) the 360 Capital Industrial Fund or the 360 Capital Office Fund ceases to be listed on the ASX Limited or trading in its units is suspended for not less than 5 days;
- (n)
- (i) a Trustee defaults in performing or observing any provision of clause 10.7;
 - (ii) a Trustee ceases to be the sole trustee or responsible entity of its Trust;
 - (iii) a Trust terminates or the capital a Trust vests in any beneficiary of that Trust or any other person (other than where it vests solely as a result of a person becoming a beneficiary of that Trust);
- (o) any Obligor or the TOF Grantor takes action to reduce its share capital or the unit capital of any Trust;
- (p) **(Calls etc)** the TIX Grantor or the TOF Grantor fails to pay any money payable in respect of any part of the TIX Units or TOF Units (as applicable); or
- (q) without the prior written consent, the TIX Units or the TOF Units are converted into an issuer sponsored holding for any reason and such event is not remedied to the Lender's satisfaction within 5 Business Days;
- (r) **(Default under other transactions - CNI and Borrower):** any Financial Liability of any Obligor (other than the TIX Grantor and the TOF Grantor and to the extent an Obligor becomes aware) exceeding \$500,000 (or the equivalent in any other currency):
- (i) becomes, or becomes capable of being declared, prematurely due and payable as a result of a default, an event of default or a review event, however described;
 - (ii) any commitment for it is cancelled or suspended as a result of an event of default or other similar event (however described); or
 - (iii) it is required to provide cash cover for it as a result of an event of default or other similar event (however described),

except where the failure to pay or other event arises in respect of, or in connection with, the NAB Facility Agreement;

- (s) **(Default under other transactions - TIX Grantor and TOF Grantor):** any Financial Liability of the TIX Grantor and the TOF Grantor exceeding \$50,000 (or the equivalent in any other currency):
 - (i) becomes, or becomes capable of being declared, prematurely due and payable as a result of a default, an event of default or a review event, however described;
 - (ii) any commitment for it is cancelled or suspended as a result of an event of default or other similar event (however described); or
 - (iii) it is required to provide cash cover for it as a result of an event of default or other similar event (however described); or
- (t) any event or series of events whether related or not occurs which has or could have a Material Adverse Effect.

12.2 Lender's rights on Event of Default

If any Event of Default occurs then during the period it subsists the Lender may by notice to the Borrower take any one or more of the following actions:

- (a) declare that an Event of Default has occurred;
- (b) declare that all of the outstanding Principal Sum and all interest and other amounts payable in relation to the Principal Sum and this document will become immediately due and payable, and those amounts will become immediately due and payable; and
- (c) exercise its Powers under and in accordance with the Securities;
- (d) at the cost of the Borrower, appoint a firm of independent accountants or other experts to review and report to the Lender on the affairs, financial condition and business of the Borrower, any Obligor and any Borrower Group Member.

13. Guarantee and indemnity

13.1 Guarantee

Each Guarantor irrevocably and unconditionally guarantees to the Lender the satisfaction (and due and punctual performance of and compliance with) and payment in full of, the Obligations.

13.2 Satisfaction of Obligations

If an Obligor (for any reason) does not pay or satisfy any Obligation in full on the due date, each Guarantor will immediately on demand by the Lender satisfy or pay that Obligation in full.

13.3 Indemnity

Each Guarantor as a separate, additional and primary liability irrevocably and unconditionally agrees to indemnify the Lender and keep the Lender indemnified, against any Cost, loss, damage, claim, demand or action suffered by the Lender arising from:

- (a) any failure by any Obligor to satisfy the Obligations; or
- (b) any obligation or liability that would otherwise form part of the Obligations being void, voidable or unenforceable against or irrecoverable from any Obligor for any reason, whether or not the Lender knew or ought to have known of that reason.

13.4 Liability as Guarantor and indemnifier

- (a) Any reference in this clause 13 to the obligations or liabilities of a Guarantor will be construed as a reference to its obligations or liabilities, whether as a guarantor or an indemnifier or both, under this clause 13.
- (b) The use of the expression **Guarantor** in this document in relation to a party is not to be construed as diminishing that party's obligations as an indemnifier.
- (c) The provisions of this clause 13 which preserve the liability of a party as a guarantor apply, appropriately modified, to any liability which arises whether in regard to that party's guarantee or its indemnity under this clause 13.

13.5 Principal obligation

Each obligation of a Guarantor under this clause 13 constitutes a principal, not a secondary or ancillary obligation, to the intent that, without limiting in any way the operation of any of the other provisions of this clause 13, any limitation on the liability of the Guarantor which would otherwise arise by reason of its status as a guarantor, co-guarantor, indemnifier or co-indemnifier, is negated.

13.6 Absolute and unconditional liability

The liability of each Guarantor under this clause 13:

- (a) is absolute and is not subject to the performance of any condition precedent or subsequent, including any condition between any Obligor and the Lender or amongst any 2 or more Obligors; and
- (b) will not be affected by any act, omission, matter or thing which, but for this clause 13.6(b), might release the Guarantor from that liability or reduce the liability of the Guarantor (other than an express release of the Guarantor from all of its liabilities under the Finance Documents) including any of the following:
 - (i) **(Event of Insolvency)** the occurrence before, on or at any time after, the date of this document of any Event of Insolvency in relation to any Obligor;
 - (ii) **(Invalidity etc)** any Finance Document or any payment or other act, the making or doing of which would otherwise form part of the Obligations being or becoming or being conceded to be frustrated, illegal, invalid, void, voidable, unenforceable or irrecoverable in whole or in part for any reason whether past, present or future;
 - (iii) **(Time or concession)** the Lender granting time, waiver or other concession to, or making any composition, arrangement or compromise with any other Obligor (including to or with the Borrower in respect of the liability of the Guarantor) or any other person;
 - (iv) **(Forbearance)** the Lender not exercising or delaying (whether deliberately, negligently, unreasonably or otherwise) in the exercise of any Power it has for the enforcement of any Finance Document or any Obligation;
 - (v) **(Repudiation)** the determination, rescission, repudiation or termination, or the acceptance of any of the foregoing, by the Lender or any other Obligor of any Finance Document or any Obligation;

- (vi) **(Variation)** any variation to any Finance Document or any Obligation, whether or not that variation is substantial or material or imposes an additional liability on or disadvantages any Obligor;
- (vii) **(Release)** the full, partial or conditional release or discharge by the Lender or by operation of law of any other Obligor from any Finance Document or any Obligation;
- (viii) **(Security Property)** the release of any Security Property or the substitution of any property in place of any other Security Property;
- (ix) **(Loss of Securities)** the failure to obtain or perfect any Security or other Encumbrance or the loss or impairment of any Security or other Encumbrance by operation of law or otherwise;
- (x) **(Transfer)** the transfer, assignment or novation by the Lender or any Obligor of all or any of its rights or obligations under any Finance Document;
- (xi) **(Non execution etc)** any person, whether named as a party or not, does not execute any Finance Document or the execution of any Finance Document by any person is invalid, forged or irregular in any way; or
- (xii) **(Disclosure)** any failure by the Lender to disclose to a Guarantor any material or unusual fact, circumstance, event or thing known to, or which ought to have been known by, the Lender relating to or affecting any Obligor at any time before or during the currency of any Finance Document, whether prejudicial or not to the rights and liabilities of the Guarantor and whether or not the Lender was under a duty to disclose that fact, circumstance, event or thing to any Obligor.

13.7 No merger

The guarantee and indemnity from each Guarantor under this clause 13 is in addition to and does not merge with, postpone, lessen or otherwise prejudicially affect any other provision of any Finance Document or any other Power of the Lender.

13.8 No obligation to gain consent

No Guarantor has any right or entitlement to consent to or be made aware of any event referred to in clause 13.6(b), any transaction between the Lender and any Obligor or any particulars concerning any obligation or liability that forms part of the Obligations.

13.9 Appropriation

- (a) The Lender is not under an obligation to marshal or appropriate in favour of any Guarantor, or to exercise, apply, transfer or recover in favour of any Guarantor, any Security or any funds or assets which the Lender holds, has a claim on, has received or is entitled to receive, but may do so in the manner and order as the Lender determines in its absolute discretion.
- (b) The Lender may hold in a suspense account (without liability to pay interest) any money which it receives from a Guarantor, or which it receives on account of a Guarantor's liability under this clause 13 and which the Lender may, at its discretion, appropriate in reduction of that Guarantor's liability under this clause 13 at such time determined by it.

13.10 No set-off, counterclaim, etc

No Guarantor's liability under any Finance Document will be reduced or avoided by any defence, set-off or counterclaim available to any other Obligor against the Lender.

13.11 Restriction on Guarantors' dealings

- (a) No Guarantor may:
 - (i) **(No proceedings)** institute any proceedings against any other Obligor or make or join in making any application to any court for an administration, winding up, receivership or other similar order to be made in relation to any other Obligor;
 - (ii) **(No demand)** unless instructed to do so by the Lender, take any action, make any demand for, lodge any proof of debt or similar claim or accept any money in part or complete satisfaction of, any liability on any account of any other Obligor (including in relation to any Financial Liability) other than for a liability arising out of the supply of goods and services by the Guarantor to that Obligor in the ordinary course of the Guarantor's ordinary business and on arm's length terms;
 - (iii) **(No Encumbrance)** create or permit to exist any Encumbrance as security for any obligation which it owes to any other Obligor or obtain the benefit of any Encumbrance for any obligation which any other Obligor owes to it; or
 - (iv) **(No set-off)** unless instructed to do so by the Lender, set-off any money owing by the Guarantor against any liability owing to the Guarantor by any other Obligor or permit any other Obligor to set-off any money owing by that Obligor against any liability owing to that Obligor by the Guarantor.
- (b) Each Guarantor irrevocably appoints the Lender as its attorney to prove in the insolvency of any other Obligor for all money to which that Guarantor may be entitled from that other Obligor up to an amount which does not exceed the amount which may be payable by that Guarantor under the Finance Documents. Each Guarantor acknowledges that the Lender may, subject to the terms of this document, retain any money which the Lender may receive from any proof on account of that Guarantor's liability under the Finance Documents.

13.12 Claim on the Guarantor

Each Guarantor agrees that the Lender is not required to make any claim or demand on any other Obligor, or to enforce any Finance Document or any other Power against any other Obligor, before making any demand or claim on that Guarantor.

13.13 Waiver of rights

- (a) No Guarantor may exercise any right of contribution, indemnity or subrogation which it might otherwise be entitled to claim and enforce against or in respect of any other Obligor and irrevocably waives all of those rights of contribution, indemnity or subrogation it may have.
- (b) Without limiting clause 13.13(a), no Obligor may seek the transfer to it of any Security under any right of subrogation.

13.14 Continuing obligation

The guarantee and indemnity in this clause 13 is a continuing obligation of each Guarantor notwithstanding any termination by any Guarantor, settlement of account, intervening payment, express or implied revocation or any other matter or thing. The Lender will continue to be entitled to the benefit of the guarantee and indemnity from each Guarantor under this clause 13 as regards the satisfaction of all the Obligations after that termination, settlement of account, payment, revocation or other matter or thing until a final discharge has been given to the Guarantors.

14. Costs and expenses

Each Obligor agrees to indemnify the Lender in respect of all legal costs and disbursements incurred by the Lender in enforcing or attempting to enforce this document.

15. Notices**15.1 How notice to be given**

Each communication (including each notice, consent, approval, request and demand) under or in connection with this document:

- (a) may be given by personal service, post or email;
- (b) must be in writing;
- (c) must be addressed as follows (or as otherwise notified by that party to each other party from time to time):
 - (i) if to the Lender:

Attention: Mr Tony Pitt

Address: Level 8, 56 Pitt Street, Sydney NSW 2000

Email: tony.pitt@360capital.com.au
 - (ii) if to the Obligors:

Attention: Mr John McBain

Address: Suite 39.01, Level 39, 100 Miller Street North Sydney NSW 2060

Email: john.mcbain@centuria.com.au
- (d) (in the case of personal service or post) must be signed by the party making it or (on that party's behalf) by the solicitor for, or any attorney, director, secretary or authorised agent of, that party;
- (e) (in the case of email) must be in pdf or other format that is a scanned image of the original of the communication, including a handwritten signature, and be attached to an email that states that the attachment is a communication under this document; and
- (f) must be delivered by hand or posted by prepaid post to the address or sent by email to the email address, of the addressee, in accordance with clause 15.1(c).

15.2 When notice taken to be received

Each communication (including each notice, consent, approval, request and demand) under or in connection with this document is taken to be received by the addressee:

- (a) (in the case of prepaid post sent to an address in the same country) on the third day after the date of posting;
- (b) (in the case of prepaid post sent to an address in another country) on the fifth day after the date of posting by airmail;
- (c) (in the case of delivery by hand) on delivery; and
- (d) (in the case of email) unless the party sending the email knows or reasonably ought to suspect that the email and the attached communication were not delivered to the addressee's domain specified in the email address notified for the purposes of this clause, 24 hours after the email was sent,

but if the communication would otherwise be taken to be received on a day that is not a working day or after 5.00 pm, it is taken to be received at 9.00 am on the next working day ("working day" meaning a day that is not a Saturday, Sunday or public holiday and on which banks are open for business generally, in the place to which the communication is posted, sent or delivered).

16. Entire agreement

To the extent permitted by law, this document comprises the entire agreement between the parties in relation to its subject matter and supersedes all previous agreements and understandings between the parties in relation to its subject matter.

17. General

17.1 Amendments

This document may only be varied by a document signed by or on behalf of each party.

17.2 Assignment

No Obligor may assign or otherwise transfer any of its rights under any Finance Document without the prior consent of each other party.

17.3 Consents

Unless this document expressly provides otherwise, a consent under any Finance Document may be given or withheld in the absolute discretion of the party entitled to give the consent and to be effective must be given in writing.

17.4 Counterparts

This document may be executed in any number of counterparts and by the parties on separate counterparts. Each counterpart constitutes an original of this document, and all together constitute one agreement.

17.5 Further acts and documents

Each party must promptly do, and procure that its employees and agents promptly do, all further acts and execute and deliver all further documents (in form and content reasonably

satisfactory to that party) required by law or reasonably requested by another party to give effect to the Finance Documents.

17.6 Time of the essence

Time is of the essence in respect of each Obligor's obligations under the Finance Documents.

17.7 No merger

A party's rights and obligations do not merge on completion of any transaction under this document.

17.8 Severance

If any provision or part of a provision of this document is held or found to be void, invalid or otherwise unenforceable (whether in respect of a particular party or generally), it will be deemed to be severed to the extent that it is void or to the extent of violability, invalidity or unenforceability, but the remainder of that provision will remain in full force and effect.

17.9 Stamp duties

Each Obligor:

- (a) must pay all stamp duties and other duties, together with any related fees, penalties, fines, interest or statutory charges, and similar Taxes in respect of this document, the performance of the Finance Documents and each transaction effected or contemplated by or made under the Finance Documents; and
- (b) indemnifies the Lender against, and must pay to the Lender on demand the amount of, any Indemnified Loss suffered or incurred by the Lender arising out of or in connection with any delay or failure to comply with clause 17.9(a).

17.10 Continuing obligation

Each Finance Document constitutes a continuing obligation regardless of any settlement of account, intervening payment, express or implied revocation or any other matter or thing until a final discharge has been given to the Obligors.

17.11 Waivers

Without limiting any other provision of this document, the parties agree that:

- (a) failure to exercise or enforce, or a delay in exercising or enforcing, or the partial exercise or enforcement of, a right, power or remedy provided by law or under this document by a party does not preclude, or operate as a waiver of, the exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under any Finance Document;
- (b) a waiver given by a party under a Finance Document is only effective and binding on that party if it is given or confirmed in writing by that party; and
- (c) no waiver of a breach of a term of any Finance Document operates as a waiver of another breach of that term or of a breach of any other term of a Finance Document.

17.12 GST

- (a) Any reimbursement required to be made by an Obligor under the Finance Documents for a Cost or other amount paid or incurred by the Lender will be limited

to the total Cost or other amount less the amount of any input tax credit to which the Lender is entitled for the acquisition to which the Cost or other amount relates.

- (b) If GST is payable in respect of any supply made by or through the Lender under, pursuant to, or in connection with the Finance Documents (**GST Liability**), then:
- (i) where consideration is provided by an Obligor in relation to that supply, the Obligor will pay an additional amount to the Lender equal to the full amount of the GST Liability; and
 - (ii) except where clause 17.12(b)(i) applies, the Obligor will indemnify and keep the Lender indemnified for the full amount of the GST Liability.

The Lender will provide to the Obligor a tax invoice complying with the relevant law relating to any payment made to it in accordance with this clause 17.12(b).

18. Governing law and jurisdiction

Each Finance Document is governed by the law applying in New South Wales. Each party irrevocably submits to the non-exclusive jurisdiction of the courts having jurisdiction in that state and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to the Finance Documents and waives any objection it may have now or in the future to the venue of any proceedings, and any claim it may have now or in the future that any proceedings have been brought in an inconvenient forum, if that venue falls within this clause 18.

Schedule 1 - Verification Certificate

[COMPANY LETTERHEAD]

[Date]

To: **360 Capital Custodian No. 2 Pty Ltd as trustee of the 360 Capital Finance Trust (Lender)**
Level 8, 56 Pitt Street, Sydney NSW 2000

Attention: Mr Tony Pitt

Verification certificate - Loan Agreement between Centuria Funds Management Limited ACN 607 153 588 as responsible entity of the Centuria Capital Fund ARSN 613 856 358 (as Borrower), Centuria Investment Holdings Pty Limited ACN 116 455 862 as trustee of the Centuria Capital No.2 Industrial Fund (as TIX Grantor) and Centuria Capital Limited ACN 095 454 336 (as CNI) and the Lender dated [date] (Loan Agreement)

We are directors of [] ACN [] [as responsible entity of the Centuria Capital Fund ARSN 613 856 358 /as trustee of Centuria Capital No.2 Industrial Fund (Trust)] (**Company**) and are authorised to give this verification certificate. Expressions defined in the Loan Agreement apply in this verification certificate. We certify that:

1. Attachments

Attached are true, complete and up-to-date copies of the following, which as at the time the meetings referred to in paragraph 4 were held and as at today, are in full force and effect, and which have not been revoked, suspended or amended:

- (a) **(constituent documents)** the certificate of registration and constitution of the Company (marked **A**); and
- (b) **[(Trust)** the constituent documents of the Trust of which the Company is the [responsible entity/trustee], [the Company's Australian financial services licence and the compliance plan for the Trust] (marked **B**); **[Note: Include as applicable.]**
- (c) **(Transaction Documents)** a copy of each Transaction Document; and
- (d) **(Power of attorney)** a copy of the Power of Attorney pursuant to which the Company has executed any Finance Document. **[Note: Include as applicable.]**

2. Corporate documents

Other than to reflect paragraph 5 below, there are no other documents which evidence any other necessary corporate or other action of the Company or the Trust in connection with the Transaction Documents to which it is intended to be a party.

3. Corporations Act

The Company is not prevented by Chapter 2E or any other provision of the Corporations Act from entering into and performing any Finance Document to which it is expressed to be a party.

4. Directors' meeting

At a properly convened and properly held meeting of duly appointed directors of the Company, at which a quorum of directors entitled to vote was present and acting, resolutions were duly passed:

- (a) approving the terms of each Finance Document to which the Company is expressed to be a party;

- (b) resolving that the Company's entry into each Finance Document to which it is named as a party is for the commercial benefit of, and in the best interests of, the Company and the unitholders of Trust, respectively, because *[insert description of commercial benefit to the Company (as opposed to corporate group or other entity) and the unitholders of the Trust]*; and
- (c) authorising the Company to enter into, sign, deliver and perform each Finance Document (and any related ancillary document) to which it is named as a party.

All provisions in the Corporations Act, the constitution of the Trust and the constitution of the Company relating to the declaration of directors' interests and the powers of interested directors to vote were duly observed at or before the meeting.

Minutes recording the resolutions referred to above were prepared and recorded in accordance with section 251A of the Corporations Act.

5. Solvency

Each of the Company and the Trust is able to pay all of its debts as and when they become due and payable. There are no grounds for suspecting that it will not continue to be able to do so after entering into the Finance Documents (and after incurring any other liability which it proposes to incur around the time it enters into them).

6. No Material Adverse Effect

Nothing has occurred which could reasonably be expected to have a Material Adverse Effect.

Signed:

Director

Director

Name in full (please print)

Name in full (please print)

Schedule 2 - Accession Deed

Accession Deed

Date**Parties**

[Insert full name of relevant Additional Guarantor [Insert ABN] (Additional Guarantor)]

Centuria Funds Management Limited ACN 607 153 588 as responsible entity for the Centuria Capital Fund ARSN 613 856 358 (Borrower)

360 Capital Custodian No. 2 Pty Ltd ACN 103 076 713 as trustee of the 360 Capital Finance Trust (Lender)

Background

- A. On [insert date], the Borrower and the Lender, amongst others, entered into an agreement entitled "Loan agreement" (**Facility Agreement**).
- B. This deed is entered into in accordance with clause 11 of the Facility Agreement.

Operative provisions

1. Definitions and interpretation

- (a) Unless otherwise defined, expressions used in this deed have the meanings given to them in the Facility Agreement.
- (b) Clauses 1.2 and 1.4 of the Facility Agreement applies to this deed as if it was set out in full in this deed.

2. Agreements, confirmations and representations

- (a) The Additional Guarantor:
 - (i) enters this deed for valuable consideration, the receipt of which is acknowledged;
 - (ii) agrees to:
 - A. become, with effect on and from the date of this deed, a Guarantor and Obligor under the Facility Agreement;
 - B. be bound by the Facility Agreement in those capacities with effect on and from the date of this deed; and
 - C. perform its obligations as a Guarantor and Obligor under the Facility Agreement;

- (iii) makes in favour of the Lender each representation made by an Obligor or Guarantor with reference to the facts and circumstances existing at the date of this deed; and
- (iv) acknowledges that:
 - A. the Lender does not have any duty to supply it with information in relation to or affecting the other Obligors or the Lender before the date of this deed or during the currency of any Finance Document;
 - B. it has relied on its own inquiries as to the other Obligors, the nature and extent of the entire relationship between each of them and the Lender (whether or not recorded in the Finance Documents) and the nature and effect of the Finance Documents; and
 - C. it does not enter into this deed in reliance on any representation, promise, statement, conduct or inducement by or on behalf of the Lender or any other Obligor, except for any inducement expressly set out in the Finance Documents.
- (b) The parties to this deed (other than the Additional Guarantor) agree amongst themselves and with the Additional Guarantor that the Additional Guarantor will become party to the Facility Agreement with effect on and from the date of this deed as a Guarantor and Obligor.
- (c) The Borrower enters into this deed on its own behalf and on behalf of each other Obligor (other than the Additional Guarantor).
- (d) This is an Accession Deed for the purposes of the Facility Agreement.

3. Governing law

This deed is governed by the law applying in New South Wales.

Executed as an deed.

To be signed by the Additional Guarantor, the Borrower and the Lender.

Address for notices of the Additional Guarantor:

Address:

Fax no.:

Email:

Attention:

Signed as an agreement.

Lender

Executed by 360 Capital Custodian No. 2 Pty Ltd ACN 103 076 713 as trustee of the 360 Capital Finance Trust in accordance with section 127 of the Corporations Act 2001 (Cth):



Signature of director

Tony Pitt

Full name of director



Signature of company secretary/director

Alan Raymond Sutton

Full name of company secretary/director

Borrower

Executed by Centuria Funds Management Limited as responsible entity for Centuria Capital Fund ARSN 613 856 358 in accordance with section 127 of the Corporations Act 2001 (Cth):

Signature of director

Full name of director

Signature of company secretary/director

Full name of company secretary/director

TIX Grantor

Executed by Centuria Investment Holdings Pty Limited as trustee of Centuria Capital No. 2 Industrial Fund in accordance with section 127 of the Corporations Act 2001 (Cth):

Signature of director

Full name of director

Signature of company secretary/director

Full name of company secretary/director

Signed as an agreement.

Lender

Executed by 360 Capital Custodian No. 2 Pty Ltd ACN 103 076 713 as trustee of the 360 Capital Finance Trust in accordance with section 127 of the Corporations Act 2001 (Cth):

Signature of director

Signature of company secretary/director

Full name of director

Full name of company secretary/director

Borrower

Executed by Centuria Funds Management Limited as responsible entity for Centuria Capital Fund ARSN 613 856 358 in accordance with section 127 of the Corporations Act 2001 (Cth):

Signature of director

Signature of company secretary/director

JOHN EDWARD MCBAIN

JASON HULTICH

Full name of director

Full name of company secretary/director

TIX Grantor

Executed by Centuria Investment Holdings Pty Limited as trustee of Centuria Capital No. 2 Industrial Fund in accordance with section 127 of the Corporations Act 2001 (Cth):

Signature of director

Signature of company secretary/director

JOHN EDWARD MCBAIN

JASON HULTICH

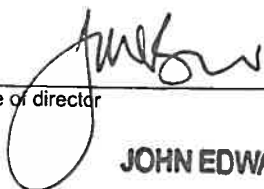
Full name of director

Full name of company secretary/director

CNI

Executed by Centuria Capital Limited ACN 095
454 336 in accordance with section 127 of the
Corporations Act 2001 (Cth):

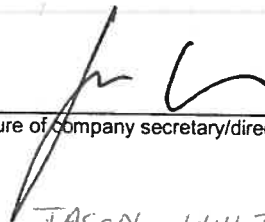
Signature of director



JOHN EDWARD MCBAIN

Full name of director

Signature of company secretary/director



Full name of company secretary/director

Execution version

General Security Deed - Tix

Centuria Investment Holdings Pty Limited as trustee of the Centuria Capital
No.2 Industrial Fund
Grantor

360 Capital Custodian No. 2 Pty Ltd as trustee of the 360 Capital Finance
Trust
Secured Party

Clayton Utz
Level 15 1 Bligh Street
Sydney NSW 2000
GPO Box 9806
Sydney NSW 2001
Tel +61 2 9353 4000
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Our reference 15387/20085/80179906

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General security deed

Date 9 January 2017

Parties

Centuria Investment Holdings Pty Limited ACN 116 455 862 as trustee for the Centuria Capital No.2 Industrial Fund ABN 68 722 110 157 of Suite 39.01, Level 39, 100 Miller Street, North Sydney NSW 2060 (Grantor)

360 Capital Custodian No. 2 Pty Ltd ACN 103 076 713 as trustee of the 360 Capital Finance Trust of Level 8, 56 Pitt Street, Sydney NSW 2000 (Secured Party)

Operative provisions

1. Definitions and interpretation

1.1 Definitions

In this deed:

360 Capital Finance Trust means the trust known as "360 Capital Finance Trust" constituted by the trust deed dated on or about 21 November 2016.

Authorisation means:

- (a) any authorisation, permit, consent, approval, resolution, licence, exemption, permission, recording, filing or registration required by any Government Authority or any law; and
- (b) in relation to any act, matter or thing which will be prohibited or restricted either in whole or in part by any law if a Government Authority intervenes or acts in any way within a specified period after lodgement, filing, registration, notification or any other event, the expiry of that period without intervention or action.

Borrower means Centuria Funds Management Limited ACN 607 153 588 as responsible entity of the Centuria Capital Fund ARSN 613 856 358.

Certificate means the certificate or other document that evidences title to a Marketable Security.

Certificated has a comparable meaning to Certificate.

Charged Debts means all debts whether actual or contingent at any time owing to the Grantor together with all books or documents of account or records evidencing or recording such debts, including:

- (a) any accounts that arise from the Grantor granting a right, or providing services, in the ordinary course of its business whether or not the account debtor is the person to whom the right is granted or the services are provided;
- (b) any accounts that are proceeds of inventory; and
- (c) any other accounts (as defined in the PPSA).

CHES means the Clearing House Electronic Sub-register System.

CHESS Sponsorship Agreement means the "TIX CHESS Sponsorship Agreement" as defined in the Loan Agreement.

CN2 Trust means the trust known as Centuria Capital No.2 Industrial Fund ABN 68 722 110 157 constituted by the trust deed dated on or about 18 October 2016.

Collateral means all present and after acquired property, interests, rights and proceeds in respect of which the Grantor has at any time sufficient rights to grant a Security Interest or charge, including all of the following:

- (a) the assets, undertaking and goodwill of the business of the Grantor; and
- (b) the uncalled and called but unpaid capital of the Grantor;
- (c) the Present Securities;
- (d) the Other Security; and
- (e) any proceeds (as defined in the PPSA) relating to the property referred to in subparagraphs (b)(i), (b)(ii) and (b)(iii).

Controller has the meaning given in section 9 of the Corporations Act.

Cost means any cost, expense, charge, liability or disbursement.

Deal means sell, convey, assign, transfer, lease, licence or otherwise dispose or part with possession of, make any bailment over, grant any option over or create or permit to exist any other interest in any part of the Collateral, and in the case of Charged Debts or Debt Proceeds, includes effecting or permitting any combination of accounts or set-off.

Debt Proceeds means the proceeds of realisation of the Charged Debts.

Delegate means any agent, attorney or other delegate appointed under this deed by the Secured Party or by any receiver or receiver and manager appointed under this deed.

Documents of Title includes:

- (a) 'negotiable instruments' as that term is defined in the PPSA;
- (b) each Transfer;
- (c) any Certificate; and
- (d) any other document (whether negotiable or not) that the Grantor gives possession to the Secured Party as required under the Finance Documents.

"dollar" or "\$" means the lawful currency of the Commonwealth of Australia.

Finance Document means each "Finance Document" as defined in the Loan Agreement.

Government Authority means any government or any governmental or semi-governmental entity, authority, agency, commission, corporation or body (including those constituted or formed under any statute), local government authority, administrative or judicial body or tribunal or stock exchange.

Holder Records has the meaning given to that term in the ASX Rules.

Loan Agreement means the agreement entitled "Loan Agreement" dated on or about the date of this deed between, among others, the Grantor and the Secured Party.

Marketable Securities has the meaning given to "marketable securities" in section 9 of the Corporations Act but as if the reference to "managed investment scheme" included any unit trust which is not registered under the Corporations Act.

Non PPSA Property means property:

- (a) which is not personal property as defined in the PPSA; or
- (b) to which the PPSA does not apply.

Obligations means all the liabilities and obligations of any Obligor to the Secured Party under or by reason of any Finance Document and includes any liabilities or obligations which:

- (a) are liquidated or unliquidated;
- (b) are present, prospective or contingent;
- (c) arise from the making of any advance on or before the date of this deed or from any future advances;
- (d) are in existence before or come into existence on or after the date of this deed;
- (e) relate to the payment of money or the performance or omission of any act;
- (f) sound in damages only;
- (g) accrue as a result of any Event of Default; or
- (h) would exist but for an Event of Insolvency affecting any person,

and irrespective of:

- (i) whether any Obligor is liable or obligated solely, jointly or jointly and severally with another person;
- (j) the circumstances in which the Secured Party comes to be owed each liability or obligation and in which each liability or obligation comes to be secured by this deed, including any assignment of any liability or obligation or of this deed; or
- (k) the capacity in which any Obligor and the Secured Party comes to owe or to be owed that liability or obligation.

Obligor has the meaning given in the Loan Agreement.

Other Security means:

- (a) all of the present and future right, title and interest of the Grantor in:
 - (i) any dividend reinvestment scheme, bonus issue, rights issue, allotment, offer, benefit, privilege, note, stock, debenture or right to take up Marketable Securities in another corporation, trust or other person;
 - (ii) any rights consequent on any conversion, redemption, cancellation, reclassification, forfeiture, consolidation or subdivision; or

- (iii) any rights consequent on a reduction of capital, liquidation or scheme of arrangement,

in any case, in respect of or in connection with any Present Securities; and

- (b) all entitlements, including dividends, distributions, proceeds and other amounts from time to time payable to or accruing to the Grantor in respect of any right, title or interest referred to in paragraph (a) of this definition.

Participant has the meaning given to that term in the ASX Rules.

Power means any right, power, authority, discretion, remedy or privilege conferred on the Secured Party, any Receiver or any Delegate, in any case, under this deed, under any other Finance Document or by law.

PPSA means the Personal Property Securities Act 2009 (Cth).

Present Securities means all the TIX Units or other Marketable Securities held by the Grantor as at the date of this deed or acquired after the date of this deed by the Grantor, which are issued by the trustee of the Trust, or any other person, and all of the present and future rights attaching or relating to such units or other Marketable Securities including for the avoidance of doubt all entitlements, including dividends, distributions, proceeds and other amounts from time to time payable to or accruing to the Grantor in respect of any such units or other Marketable Securities referred to in this definition.

Receiver means a receiver or receiver and manager appointed by the Secured Party under this deed and, if more than one, then each of them and also any employee, contractor or Delegate of any receiver or receiver and manager.

Secured Money means all money the payment or repayment of which from time to time forms part of the Obligations.

TIX Units means the 33,148,945 units in the Trust held by the Grantor as at the date of this deed or any other units in the Trust acquired after the date of this deed by the Grantor which are issued by the trustee of the Trust and all of the present and future rights attaching or relating to such units or other Marketable Securities including for the avoidance of doubt all entitlements, including dividends, distributions, proceeds and other amounts from time to time payable to or accruing to the Grantor in respect of any such units or other Marketable Securities referred to in this definition.

Transfer means, in relation to Marketable Securities that are:

- (a) Certificated, an undated transfer executed by the Grantor (or its nominee, if applicable) as transferor in registrable form but with the name of the transferee and the consideration left blank; and
- (b) Uncertificated, all Holder Records or other statements, records or documents that are analogous to or have a similar effect as Holder Records.

Trust means the 360 Capital Industrial Fund.

Uncertificated means in relation to a Marketable Security that comprises the Collateral, a Marketable Security that does not evidence its title by a Certificate or other document of title.

1.2 Loan Agreement

- (a) Unless otherwise defined, capitalised expressions used in this deed have the meanings given to them in or for the purposes of the Loan Agreement.

- (b) This deed is a "Finance Document" for the purposes of the Loan Agreement and each other Security.

1.3 Interpretation

In this deed:

- (a) headings are for convenience only and do not affect interpretation;

and unless the context indicates a contrary intention:

- (b) **"person"** includes an individual, the estate of an individual, a corporation, a Government Authority, an association or a joint venture and a trust;
- (c) a reference to a party includes that party's executors, administrators, successors and permitted assigns, including persons taking by way of novation and, in the case of a trustee, includes a substituted or an additional trustee;
- (d) a reference to a document (including any Finance Document) is to that document as varied, novated, ratified, replaced or restated from time to time, including for the avoidance of doubt any such variation, novation, ratification, replacement or restatement which has the effect directly or indirectly of increasing in any way the Secured Money;
- (e) a reference to a law includes any law, principle of equity, statute and official directive of any Government Authority and a reference to any legislation (including any statute) includes any rule, regulation, ordinance, by-law, statutory instrument, order or notice at any time made under that legislation and, in each case, any consolidations, amendments, re-enactments and replacements;
- (f) a word importing the singular includes the plural (and vice versa) and a word indicating a gender includes every other gender;
- (g) a reference to a party, clause or schedule is a reference to a party, clause or schedule to or of this deed and a reference to this deed includes all schedules to it;
- (h) if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (i) a reference to the Collateral or any other thing includes any part of it;
- (j) **"includes"** in any form is not a word of limitation;
- (k) all accounting terms used in this deed have the meaning given to them under Accepted Accounting Practices;
- (l) where the day on or by which any sum is payable or any act, matter or thing is to be done is a day other than a Business Day, that sum will be paid or that act, matter or thing will be done on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not);
- (m) a reference to **"subsists"** or any similar expression in relation to an Event of Default or a Potential Event of Default indicates an Event of Default or Potential Event of Default which has not been remedied or waived in accordance with the terms of the Finance Documents;

- (n) a reference to "proceeds" includes, where the context permits, any proceeds as that term is defined in the PPSA; and
- (o) each of the terms "ABN", "ARB", "ARSN", "ADI", "ADI Account", "advance", "future advance", "purchase money security interest", "chattel paper", "financing statement", "financing change statement" and "verification statement" have the meanings given to them in the PPSA.

1.4 Capacity of Grantor

The Grantor enters into this deed as trustee of the CN2 Trust. Clause 1.4 of the Loan Agreement is incorporated in this deed as if set out in full

1.5 Capacity of Secured Party

The Secured Party enters into this deed as trustee of the 360 Capital Finance Trust. Clause 1.6 of the Loan Agreement is incorporated in this deed as if set out in full

1.6 Secured Party assumes no obligations

The Secured Party will not be deemed by virtue of this deed to have assumed any obligation of the Grantor under any law.

2. Charge

2.1 The charge

- (a) By this deed the Grantor charges the Collateral to the Secured Party to secure the satisfaction of the Obligations and the payment of the Secured Money.
- (b) This charge constitutes a Security Interest over all present and after acquired property of the Grantor except as expressly excluded under this deed.
- (c) If any law governing this deed requires that some action be taken or some consent be obtained before a valid charge can be granted by the Grantor over any part of the Collateral, then this charge will only apply to that part of the Collateral once such action is taken or consent is obtained but will at all times apply to the relevant proceeds from that Collateral. The Grantor agrees to promptly do anything necessary to ensure that the relevant action is taken or consent is obtained and remains in force.
- (d) The Grantor grants this charge in respect of the Collateral which it owns or will own as sole trustee of the CN2 Fund.

2.2 Priority

This charge will operate as a first ranking security subject only to any Encumbrances mandatorily preferred by law.

2.3 Nature of charge over Non PPSA Property

- (a) Subject to clause 2.3(b), to the extent that this charge relates to:
 - (i) Non PPSA Property; and
 - (ii) any property referred to in paragraphs (c) to (e) of the definition of "Collateral"; and

- (iii) the Grantor's right, title and interest under any Transaction Document;
and
 - (iv) any cash of the Grantor in any bank account in the name of the Grantor;;
- it will operate as a fixed charge rather than a floating charge in respect of such property. The Grantor is not entitled to Deal with any such property.
- (b) To the extent that any of the Non PPSA Property referred to in clause 2.3(a) consists of Charged Debts, Debt Proceeds or inventory, the charge will operate as a floating charge in respect of that property until either the Secured Party gives a notice fixing the charge to the Grantor or an Event of Default occurs.
 - (c) If any Collateral becomes subject to a fixed charge under clause 2.3(b) the Secured Party may give the Grantor a notice stating that, from a date specified in the notice, the Collateral specified in the notice is no longer subject to a fixed charge and is again subject to a floating charge.

3. Dealing with the Collateral

3.1 Dealing restrictions in relation to the Collateral

- (a) Subject to clause 3.1(b), the Grantor will not without the Secured Party's prior written consent or as expressly permitted in any other Finance Document:
 - (i) **(No Encumbrances)** create, purport or attempt to create or permit to exist any Encumbrance over the Collateral (other than a Permitted Encumbrance);
 - (ii) **(No Dealing)** Deal with any part of the Collateral;
 - (iii) **(Not to prejudice)** do, fail to do or consent to any act, omission or thing as a result of which the Collateral becomes or could become liable to surrender, forfeiture or cancellation, or becomes or could become prejudiced in any manner, or the value to the Secured Party of any Encumbrance under this deed becomes or could become materially lessened;
 - (iv) **(Voting and other entitlement)** at any time following the occurrence of an Event of Default and during the period it subsists:
 - A. exercise any voting rights, any powers or rights which may be exercised by the legal or beneficial owner or holder of any interest in the units owned by it; or
 - B. be entitled to dividends and/or other income paid or payable in respect of any such units or other Marketable Securities; or
 - (v) **(Vote)** following an Event of Default, vote at any meeting of the members or creditors of the Trust, in any way contrary to the directions of the Secured Party; or
 - (vi) **(Take any steps)** take any steps towards doing any of these things.
- (b) Notwithstanding clause 3.1(a), but subject to any other contrary provision in this deed or any other Finance Document (including without limitation, clause 2.3(a)), the Grantor may Deal with (but not grant any Encumbrance over):
 - (i) any part of the Collateral which is a circulating asset as defined in section 340(1)(a) of the PPSA; or

- (ii) any Non PPSA Property subject to the floating charge referred to in clause 2.3,

in the ordinary course of its ordinary business, and may not otherwise Deal with the Collateral. For the avoidance of doubt the Grantor may not deal with any of the Collateral referred to in paragraphs (c) to (e) of the definition of "Collateral".

3.2 Dealing with Charged Debts and Debt Proceeds

- (a) Following the occurrence of an Event of Default and at the request of the Secured Party, the Grantor will:
 - (i) open and maintain an ADI Account or ADI Accounts with an ADI approved by the Secured Party;
 - (ii) deposit all Debt Proceeds into that ADI Account, but no other money.
- (b) The Grantor acknowledges that if, at the time a request is made in accordance with clause 3.2(a), the Charged Debts and the Debt Proceeds represent circulating assets (as defined in section 340(1) of the PPSA), the Grantor's licence to Deal with that property will cease.
- (c) The Secured Party may issue a direction to the Grantor in respect of the ADI Account or ADI Accounts opened as required in accordance with clause 3.2(a) and the deposited money:
 - (i) requiring that a representative of the Secured Party (as determined by the Secured Party) will be the signatory of the ADI Account or ADI Accounts and will be able to direct withdrawals from such ADI Accounts without further consent from the Grantor;
 - (ii) prohibiting the Grantor from requesting or making any withdrawal or other dealing with that money or stipulating the manner in which that money may be dealt with; and
 - (iii) requiring that under the terms of the ADI Account, depositing an amount into the ADI account does not result in any person coming under a present liability to pay the Grantor.
- (d) Until a request under clause 3.2(a) is made or a direction is given by the Secured Party under clause 3.2(c), the Grantor will be free to withdraw and apply that money in the ordinary course of its ordinary business.

4. Representations and warranties

4.1 General representations and warranties

The Grantor represents and warrants to the Secured Party that:

- (a) **(Good right to charge)** it has good right to charge the Collateral in the manner provided in this deed and the Collateral is free of all Encumbrances other than in favour of the Secured Party or as expressly permitted by any other Finance Document; and
- (b) **(Income from Collateral)** no rents, profits, entitlements, money or other consideration, or any legal or beneficial right or interest in or any right to receive any rents, profits, entitlements, money or other consideration, whether in the nature of capital or income, and whether payable now or in the future under any lease or licence in relation to the Collateral, the business of the Grantor or otherwise derived

from the Collateral, have been assigned or Encumbered to any other person except as expressly permitted in accordance with any other Finance Document;

- (c) **(Authorisation)** all Authorisations required:
- (i) to be obtained by it in connection with the execution, delivery and performance of this deed, the transactions contemplated by this deed and the legality, validity and enforcement of this deed; and
 - (ii) for it or any of its Subsidiaries to carry on business and which are material,
- have been obtained and are valid and subsisting and it is not aware of any breach of any of the conditions of any of those Authorisations or aware of any fact or circumstance which may cause any of those Authorisations to be suspended, forfeited, cancelled or rendered void;
- (d) **(No trusts)** the Grantor is not the trustee of any trust, other than as specified in this deed;
- (e) **(Information for financing statement)** the Secured Party has received from the Grantor all information needed by the Secured Party to complete any financing statement (or financing change statement, if necessary) for this deed and that the information is true and correct in all respects; and
- (f) **(Fully paid up)** all Present Securities in existence as at the date of this deed are:
- (i) duly authorised, fully paid up and validly issued and all other Present Securities and each Other Security will be fully paid up and validly issued at the time that it arises or comes into existence, and in each case, are not subject to any option to purchase or similar right; and
 - (ii) the trust deed and other constitutional documents of the Trust do not restrict or inhibit any transfer of those units on creation or enforcement of this Collateral.

4.2 Representations and warranties repeated

Each representation and warranty in this clause 4 will be repeated on each day while any of the Secured Money remains outstanding (whether or not then due for payment) with reference to the facts and circumstances then subsisting, as if made on each such day.

5. General undertakings

5.1 Satisfaction of Obligations

The Grantor will satisfy, or procure the satisfaction of, the Obligations and will pay the Secured Money in the manner provided in this deed or in any other Finance Document.

5.2 Contractual Rights

The Grantor agrees to use best endeavours in respect of:

- (c) each contract entered into by the Grantor; and
- (d) each contract to which the Grantor is party as at the date of this deed and which is renewed or substantially renegotiated after the date of this deed,

to ensure that each such contract does not prohibit the Grantor from charging or mortgaging its rights under or in respect of that contract by means of this deed.

5.3 Events of Default

The Grantor will ensure that no Event of Default occurs. Without affecting the liability of the Grantor or any Power in any other respect (including where a breach of this clause 5.3 is a breach of any other provision of any Finance Document), the Grantor is not liable in damages for a breach of its obligations under this clause 5.3 but the Secured Party may exercise the Powers following any breach of this clause 5.3, during the period it subsists.

5.4 Grantor details

The Grantor will notify the Secured Party before:

- (a) it changes its name;
- (b) any ABN, ARBN or ARSN allocated to it or the CN2 Trust changes, is cancelled or ceases to apply it;
- (c) any ABN, ARBN or ARSN is allocated to it or the CN2 Trust where it did not previously have one;
- (d) it becomes the trustee of any trust not specified in this deed.

5.5 Collateral generally

The Grantor will lodge with the Secured Party on the date of this deed or, if later, the date on which the relevant Collateral is acquired:

- (a) all certificates, scrip and other indicia of title or interest in any Marketable Securities forming part of the Collateral and any transfers for those Marketable Securities required by the Secured Party, signed by the Grantor, and with the name of the transferee, consideration and date left blank;
- (b) all negotiable instruments other than cheques forming part of the Collateral;
- (c) all certificates of title to land forming part of the Collateral; and
- (d) all chattel paper forming part of the Collateral.

5.6 Indemnity against calls

If the Secured Party or its nominee becomes the registered holder of any of the Collateral, the Grantor will indemnify and keep indemnified the Secured Party against any money payable or other liability arising in relation to that Collateral except to the extent the money is payable or other liability arises directly from the gross negligence, wilful misconduct or fraud of the Secured Party.

5.7 Collateral not registered in name of Grantor

If any Marketable Security comprising the Collateral is not registered in the name of the Grantor, the Grantor will deliver to the Secured Party immediately on demand one or more duly stamped and registrable transfers of those Marketable Securities and all certificates, scrip or other indicia of title relating to those Marketable Securities necessary to enable those Marketable Securities to be registered in the name of the Grantor, together with an irrevocable authority to the trustee of the Trust to deliver up to the Secured Party the certificates, scrip or other indicia of title relating to those Marketable Securities following registration by that trustee in the name of the Grantor.

5.8 Undertakings regarding the Collateral

The Grantor will

- (a) **(Additional securities)** promptly notify the Secured Party in writing if, after the date of this deed, it acquires any Present Securities or if it becomes entitled to any Other Security and will, during the currency of this deed, exercise and take up its entitlements to each Other Security which it is offered;
- (b) **(Pay calls)** duly and punctually pay all calls, premiums and instalments which may be or become payable in respect of the Collateral and duly and punctually pay all money which may become due or owing by the Grantor to the Trust on any account;
- (c) **(Compliance with the Trust's Constitution)** comply with the trust deed or other constituent documents of the Trust and any resolution, rule or regulation made under any such documents;
- (d) **(No lien)** not do or omit to do any act or thing which, if that act or thing was done or omitted to be done (as the case may be), would entitle the trustee of the Trust to a lien over or to forfeit any of the Collateral;
- (e) **(No variation of rights)** not consent to, vote in favour of or permit any variation or abrogation of the rights and privileges attaching to the Collateral or any diminution of the benefits and privileges held in respect of the Collateral;
- (f) **(Protection of Collateral)** at the request of the Secured Party take or defend all legal proceedings that the Secured Party, acting reasonably, considers necessary or desirable for the preservation, protection or recovery of the Collateral;
- (g) **(Documents of title and other securities)** lodge with the Secured Party on the date of this deed or, if later, the date on which the relevant Collateral is acquired all certificates, scrip and other indicia of title or interest in any Marketable Securities forming part of the Collateral and any transfers for those Marketable Securities required by the Secured Party, signed by the Grantor, and with the name of the transferee, consideration and date left blank;
- (h) **(Uncertificated)** in respect of any marketable security comprising the Collateral which is Uncertificated, the Grantor must take all steps required of it to ensure that the Secured Party has control of those Marketable Securities for the purposes of the PPSA; and
- (i) **(Change in information)** to the extent that any event or occurrence would cause any information in a financing statement in relation to the Collateral to be different if it were to be re-registered, provide notice of that event or occurrence at least 30 Business Days prior to that event occurrence.

5.9 Cash distributions and benefits

At the request of the Secured Party, which may be made at any time following the occurrence of an Event of Default and during the period it subsists, the Grantor will pay to the Secured Party, or as it directs in writing, the following:

- (a) **(Dividends)** all cash dividends;
- (b) **(Returns of capital)** all cash returns of capital;
- (c) **(Rights issues)** all proceeds from the disposal or relinquishment of rights; and

- (d) (Options) all proceeds in relation to options or other rights granted to the Grantor or granted by the Grantor,

in relation to any Marketable Security comprising the Collateral.

5.10 Register Unit Transfers

Notwithstanding any provision contained in the trust deed of the Trust, the Grantor will take all steps necessary to approve any transfer of units in the Trust in its unit register, in any case, where the transfer arises because of the enforcement of any Encumbrance granted under any Finance Document.

5.11 Uncertificated Securities

The Grantor must:

- (e) use its reasonable endeavours to ensure, and must not take any action itself, that would be likely to cause any Marketable Securities forming part of the Collateral to become Certificated or otherwise unable to be traded under CHES in accordance with the TIX CHES Sponsorship Agreement; and
- (f) if any Marketable Securities forming part of the Collateral become Certificated or otherwise unable to be traded under CHES, immediately apply for that Marketable Security to become an Uncertificated Marketable Security and the subject of the TIX CHES Sponsorship Agreement and if such application is unsuccessful it will promptly deliver to the Secured Party:
 - (i) the relevant unit certificates and any other relevant Documents of Title; and
 - (ii) such number of Transfers in relation to that Collateral as the Secured Party may reasonably require.

5.12 CHES Sponsorship Agreement

- (a) The Grantor must:
 - (i) enter into the TIX CHES Sponsorship Agreement and the TIX CHES Side Deed in respect of the Encumbrance over the Collateral granted under this deed prior to the execution of this deed; and
 - (ii) when the Grantor acquires Marketable Securities in the Trust after the date of this deed, promptly instruct the TIX CHES Participant to act only in accordance with the TIX CHES Sponsorship Agreement and the TIX CHES Side Deed in respect of such Marketable Securities.
- (b) The Grantor must not vary, replace, repudiate or terminate the TIX CHES Sponsorship Agreement or any part of it or enter into another CHES Sponsorship Agreement in relation to the Marketable Securities forming part of the Collateral without the prior written consent of the Secured Party.
- (c) If, for any reason other than as a result of a discharge (in accordance with the terms of this deed) of the Encumbrance created by this deed, the TIX CHES Sponsorship Agreement terminates or is found to be void, voidable or unenforceable in whole or in part, the Grantor must as soon as reasonably practicable following a request by the Secured Party:
 - (i) enter into a replacement CHES Sponsorship Agreement with the TIX CHES Participant complying with the ASX Rules and otherwise consistent with the terms of the TIX CHES Sponsorship Agreement

including a provision that (until the Encumbrance created under this deed has been released) the Marketable Securities forming part of the Collateral will not be dealt with without the prior written consent of the Secured Party and procure that the CHESS Participant enter into a side deed with the Secured Party on substantially the same terms as the TIX CHESS Side Deed; or

- (ii) transfer its holding of the Marketable Securities forming part of the Collateral to another CHESS Participant reasonably acceptable to the Secured Party and enter into a CHESS Sponsorship Agreement with that CHESS Participant complying with the ASX Rules and otherwise consistent with the terms of the CHESS Sponsorship Agreement including a provision that (until the Encumbrance created under this deed has been released) those Marketable Securities will not be dealt with without the prior written consent of the Secured Party and procure that that CHESS Participant enter into a side deed with the Secured Party on substantially the same terms as the TIX CHESS Side Deed.

5.13 Postponement or waiver of Encumbrances

If requested by the Secured Party, the Grantor will immediately cause:

- (a) any Encumbrance (other than any Encumbrances expressly permitted under any other Finance Document to rank in priority to this deed) which has arisen or which arises from time to time by operation of law over the Collateral in favour of any person to be postponed in all respects after and subject to this deed or to be otherwise discharged, released or terminated; and
- any Financial Liability or other obligation secured by any Encumbrance of the type referred to in clause 5.13(a), to be waived, released, paid or performed.

6. Rights on Events of Default

If any Event of Default occurs then, during the period it subsists, at the option of the Secured Party and despite any delay or previous waiver of the right to exercise that option:

- (a) the Secured Money becomes immediately due and payable on demand from the Secured Party;
- (b) all Powers not previously exercisable become exercisable; and
- (c) any right of the Grantor to Deal with the Collateral (other than through a Receiver appointed under this deed) immediately cease.

7. Receivers: appointment and Powers

7.1 Appointment of Receiver

If any Event of Default occurs then, during the period it subsists, the Secured Party may:

- (a) appoint any person or persons to be a receiver or receiver and manager of the Collateral;
- (b) terminate the appointment of any Receiver; and
- (c) in case of the removal, retirement or death of any Receiver, appoint another person or persons in the place of that Receiver.

7.2 Joint Receivers

If more than one person is appointed as a Receiver, the Secured Party may at its option specify whether the appointment and the Powers of each appointee will be joint or joint and several. If no specification is made, the appointment and the Powers of each appointee will be joint and several.

7.3 Remuneration of Receiver

The Secured Party may fix the rate of remuneration of each Receiver, which will not exceed the standard hourly rate from time to time charged by the firm of which that Receiver is a member for work of the level carried out by that Receiver.

7.4 Agent of Grantor

Each Receiver will be the agent of the Grantor. The Grantor will be solely responsible for all acts and omissions by, and the remuneration of, each Receiver.

7.5 Powers of Receiver

Without the need for any consent from the Grantor or any other person, each Receiver will have all of the following powers:

- (a) **(Section 420)** all of the powers granted to a receiver of property of a corporation under section 420 of the Corporations Act;
- (b) **(Dispose)** whether or not in possession, to dispose of the Collateral in such manner and on such terms as the Receiver thinks fit;
- (c) **(Borrow or raise money)** to borrow or raise from the Secured Party or any other person any money which may be required for any purposes and, if the Receiver thinks fit, to secure any money borrowed or raised by the grant of any Encumbrance over the Collateral (whether in the name of the Grantor or otherwise) so that the Encumbrance ranks in priority to, *pari passu* with or after this deed. The Secured Party will not be bound to inquire as to the necessity or propriety of any Financial Liability nor be responsible for the misapplication or non-application of any money so borrowed or raised;
- (d) **(Register)** to register itself or its nominee as the holder of the Marketable Securities (or any of the Marketable Securities) comprising the Collateral;
- (e) **(Lease)** whether or not the Receiver has taken possession, to lease or licence the Collateral in the name of the Grantor or otherwise, for any period and on any terms or to vary or terminate a lease or licence;
- (f) **(Collection)** collect the Charged Debts;
- (g) **(Engage)** to engage consultants, contractors, professional advisors, agents and employees (including any person associated with a firm or company in which the Receiver is a member or in which the Receiver is interested and that person may charge for his or her services as if independently retained at a salary or remuneration determined by the Receiver) and the Receiver may act on any advice given by any person so engaged;
- (h) **(Take up entitlements)** to exercise all or any of the rights, privileges or entitlements conferred on or accruing to the registered holder of the Collateral in all respects as if it were the absolute beneficial owner of the Collateral, including to attend and vote at any meeting of the members or creditors of the Trust or of the holders of any Marketable Securities or class of Marketable Securities comprising

the Collateral, to appoint attorneys and proxies, and to prove in any winding up or scheme of arrangement;

- (i) **(Take up issues)** to take up and accept any rights issues, bonus shares or other Marketable Securities of the Trust, and to pay any sum or sums of money necessary or expedient for the taking up of those rights, shares or other Marketable Securities, with any sum or sums paid being deemed to be and become part of the Secured Money and bearing interest accordingly;
- (j) **(Conduct works)** to repair, renew, replace, renovate or clean the Collateral, to erect any new buildings or make any improvements to any land forming part of the Collateral and to demolish, alter, rebuild or extend any existing buildings on the Collateral;
- (k) **(Receive dividends)** to receive all dividends, interest, income and other money payable on the Collateral and to apply any money so received towards satisfaction of the Secured Money without being liable to account for it;
- (l) **(Invest proceeds against contingencies)** if any of the Secured Money is contingent, to invest, deposit or hold the Collateral in a form or mode of investment for the time being as the Receiver thinks fit, with like power to vary, transpose or re-invest the investments or deposits from time to time until that part of the Secured Money ceases to be contingent;
- (m) **(Perform contracts)** to perform, observe, carry out, enforce specific performance of, exercise or refrain from exercising, the Grantor's rights and powers under, obtain the benefit of, and vary or rescind all contracts and rights forming part of the Collateral or entered into in the exercise of any Power;
- (n) **(Take proceedings)** to institute, conduct or defend any proceedings in law or bankruptcy and to submit to arbitration, mediation or conciliation, in the name of the Grantor or otherwise and on any terms, any proceeding, claim, question or dispute in connection with the Collateral or otherwise;
- (o) **(Compromise)** to make any settlement, arrangement or compromise regarding any action, proceeding or dispute arising in connection with the Collateral, to grant to any person involved time or other indulgence and to execute all related releases or discharges as the Receiver thinks expedient in the interests of the Secured Party;
- (p) **(Appeal)** to appeal against or to enforce any judgment or order in respect of the Collateral;
- (q) **(Bankrupt debtors and wind up bodies corporate)** to make debtors bankrupt and to wind up bodies corporate and to do all things in connection with any bankruptcy or winding up which the Receiver thinks necessary for the recovery or protection of the Collateral or for the security or other benefit of the Secured Party;
- (r) **(Delegate)** with the Secured Party's prior approval, to delegate to any person, for any time, any of the Powers including this power of delegation;
- (s) **(File)** to file all certificates, registrations and other documents and to take any and all action on behalf of the Grantor which the Receiver believes is necessary to protect, preserve or improve any or all of the Collateral and the rights of the Grantor and the Secured Party in respect of any agreement for sale and to obtain for the Secured Party all of the benefits of this deed and any other Finance Document;
- (t) **(Operate bank accounts)** to open or operate any bank account in the name of the Grantor (whether alone or jointly with any other person) to the exclusion of the Grantor and to deposit or withdraw any money standing to the credit of that account and to sign and endorse or to authorise others to sign and endorse in the name of

the Grantor cheques, promissory notes, bills of exchange and other negotiable instruments;

- (u) **(Do all other things)** to do all things the law allows an owner of any interest in the Collateral, or any Controller of the Collateral, to do; and
- (v) **(Do all things as are expedient)** to do all other acts and things without limitation as the Receiver thinks expedient,

and any further powers as the Secured Party confers on a Receiver by notice in writing to that Receiver.

7.6 Indemnity

The Secured Party may give any indemnities to any Receiver concerning the performance of that Receiver's duties as are permitted by law. If the Secured Party is obliged to pay any money under any indemnity, that money will become part of the Secured Money.

8. Secured Party's Powers

8.1 Exercise of Power

If any Event of Default occurs then, during the period it subsists, the Secured Party may without notice and whether or not a Receiver has been appointed:

- (a) exercise all or any of the Powers conferred on a Receiver, or which would be conferred on a Receiver if appointed, as if those Powers had been expressly conferred on the Secured Party;
- (b) exercise all other Powers; and
- (c) appoint an agent or agents (whether severally, jointly or jointly and severally) and delegate the Powers (or any of them) to the agent or agents (in which case clauses 7.1, 7.3, 7.6, 11.2, 11.3 and 11.4 will apply as if the agent or agents were each appointed as a Receiver).

8.2 Act jointly

The Secured Party and each Receiver may exercise any of the Powers in conjunction with the exercise of similar powers by the holder of any other Encumbrance over the Collateral or by any receiver or receiver and manager appointed by that other holder and may enter into and give effect to agreements and arrangements with that other holder, receiver or receiver and manager as the Secured Party or the relevant Receiver thinks fit.

8.3 Power of attorney

- (a) In consideration of the Secured Party entering into the Finance Documents, the Grantor irrevocably appoints the Secured Party and each of its Authorised Officers and each Receiver, severally, as an attorney of the Grantor with power at any time an Event of Default or Potential Event of Default has occurred and is subsisting:
 - (i) to do all acts which ought to be done by the Grantor under any Finance Document;
 - (ii) to do all acts to exercise or give effect to any Power;
 - (iii) to demand, sue for, recover and receive the Collateral from any person, in the name of the Grantor or in the name of the Secured Party, the relevant Receiver or any other attorney appointed under this clause 8.3;

- (iv) to take further action and to execute further instruments which are, or are in the opinion of the Secured Party, the relevant Receiver or any other attorney appointed under this clause 8.3, necessary or desirable to secure more satisfactorily the performance of the Obligations or the payment of the Secured Money or to sell or otherwise deal with the Collateral; and
 - (v) to appoint (and remove at will) at any time any person as a substitute for an attorney.
- (b) The Grantor:
- (i) agrees that each attorney may exercise powers under this power of attorney notwithstanding that the exercise may or will involve or result in a conflict between the duty of that attorney to the Grantor and either the interests of that attorney or a related party of that attorney or another duty of that attorney; and
 - (ii) ratifies and confirms now and for the future all actions undertaken by or on behalf of any attorney under this power of attorney, including any action which may or will involve or result in a conflict of the type referred to in clause 8.3(b)(i) or in respect of which that attorney has a personal interest.

For the purposes of this clause 8.3(b) a related party of any attorney is any Related Body Corporate of that attorney or, in the case of any attorney that is an individual, any person that is related to or has any personal or professional relationship, of any nature, with that attorney.

- (c) The Grantor declares that this power of attorney will continue in force until all actions taken under it have been completed, despite the discharge of this deed.
- (d) The Grantor will do anything requested by the Secured Party, acting reasonably, to enable the Secured Party to register this power of attorney in the manner and within any time limits prescribed by law to ensure the efficacy of this power of attorney.

8.4 Secured Party may make good any default

If the Grantor defaults in satisfying any of the Obligations, the Secured Party may, without prejudice to any other Power, do all things and pay all money necessary or expedient in the opinion of the Secured Party to make good or to attempt to make good that default to the satisfaction of the Secured Party. The Grantor will take all steps which the Secured Party, acting reasonably, requests to facilitate the exercise by the Secured Party of its rights under this clause 8.4. The Secured Party will not be a mortgagee or secured party in possession simply as a result of the exercise of its rights under this clause 8.4.

8.5 Notice for exercise of Powers

- (a) The Powers may be exercised by the Secured Party and any Receiver at any time during the period any Event of Default subsists, without any notice, demand or lapse of time being necessary unless required by a law which cannot be excluded.
- (b) Subject to clause 8.5(c), if required by any law which cannot be excluded, one day is fixed as the period for which:
 - (i) default must continue in the satisfaction of the whole or any part of the Obligations or in the payment of any part of the Secured Money before the Secured Party may give any notice or demand as required by any law affecting the Powers; and

- (ii) default in the satisfaction of the whole or any part of the Obligations or in the payment of any part of the Secured Money must continue after the giving of any notice or demand before any Power may be exercised.
- (c) If any law which cannot be excluded provides that a specific period of notice or lapse of time is mandatorily required before any Power may be exercised by the Secured Party or any Receiver, that period of notice must be given or time must elapse before that Power may be exercised.

8.6 Exclusion of PPSA provisions

To the extent permitted by law, and in respect of each Security Interest created by this deed:

- (a) the parties contract out of sections 95, 121(4), 125, 130, 132(3)(d), 132(4), 142 and 143 of the PPSA (to the extent, if any, mentioned in section 115(1) of the PPSA);
- (b) the Grantor waives its rights to receive any information under section 275 of the PPSA and agrees not to make any request under that section; and
- (c) the Grantor irrevocably and unconditionally waives its right to receive any notice of any verification statement in respect of any financing statement or financing change statement relating to this deed.

9. Application of money

9.1 Priority of payments

All money received by the Secured Party or by any Receiver as a result of the exercise of the Powers and all other proceeds of enforcement under this deed will be applied in the following order (unless, in the case of any money received which represents the proceeds of any insurance claim, the Finance Documents permit or require that money to be applied in another manner):

- (a) **(Incidental to exercise of Powers)** in payment of all Costs incurred in or incidental to the exercise or attempted exercise of any of the Powers;
- (b) **(Outgoings)** in payment of any other outgoings as any Receiver or the Secured Party thinks fit;
- (c) **(Payment of Encumbrances having priority)** in payment of all amounts secured by any other Encumbrances of which the Secured Party is aware which have priority to this deed, in the order of their priority;
- (d) **(Payment of Secured Money)** in payment of the balance of the Secured Money then owing or contingently or prospectively owing, whether or not due and payable;
- (e) **(Subsequent Encumbrances)** if the Secured Party determines to do so, in payment of all amounts secured by any subsequent Encumbrances of which the Secured Party is aware in the order of their priority; and
- (f) **(Surplus)** the surplus (if any) belongs to the Grantor but does not carry interest. The Secured Party or relevant Receiver, as applicable, will pay this amount to the Grantor by paying this amount into an account in the name of the Grantor.

9.2 Money received

In applying any money towards satisfaction of the Secured Money in the manner contemplated by clause 9.1, the Grantor will be credited only with as much of the money available for that

purpose as is actually received by the Secured Party or any Receiver and is not required to be disgorged. Any credit will date from the time of receipt.

9.3 Application of money

The Secured Party and each Receiver has an absolute discretion to apply any money received as a result of the exercise of any Power or which is the proceeds of enforcement of this deed (and which is to be applied in payment of the Secured Money) in reduction of any part or parts of the Secured Money, whenever and on whatever account it became secured, despite any principle or presumption of law to the contrary or any direction given at the time of receipt and without the need to communicate its election to any person.

9.4 Reliance on certificate

In making any payment to the holder of any other Encumbrance as contemplated by clause 9.1, the Secured Party and each Receiver may rely on a certificate from that holder as to the amount secured by the relevant Encumbrance and is not bound to inquire as to the accuracy of the certificate or whether the amount referred to is validly secured by the Encumbrance.

10. Liability and release

10.1 Continuing obligation

This deed constitutes a continuing obligation regardless of any settlement of account, intervening payment, express or implied revocation or any other matter or thing.

10.2 Liability

No grant of full or partial satisfaction of or discharge from this deed by the Secured Party will, unless it expressly provides otherwise, release the Grantor from Liability under this deed or under any other Finance Document until none of the Secured Money is owing (whether actually, contingently or prospectively) and it is not reasonably foreseeable that there could be any Secured Money owing in the future.

10.3 Settlement conditional

If:

- (a) (i) the Secured Party has at any time released or discharged:
 - A. the Grantor from its obligations under this deed; or
 - B. any assets of the Grantor from this deed,

in either case in reliance on a payment, receipt or other transaction to or in favour of the Secured Party; or
- (ii) any payment, receipt or other transaction to or in favour of the Secured Party has the effect of releasing or discharging:
 - A. the Grantor from its obligations under this deed; or
 - B. any assets of the Grantor from this deed; and
- (b) that payment, receipt or other transaction is subsequently claimed by any person to be void, voidable or capable of being set aside for any reason, including under an Insolvency Provision or under any other law; and

(c) that claim is upheld or is conceded or compromised by the Secured Party,

then:

- (i) the Secured Party will immediately become entitled against the Grantor to all rights as it had immediately before that release or discharge;
- (ii) the Grantor must, to the extent permitted by law:
 - A. immediately do all things and execute all documents as the Secured Party, acting reasonably, may require to restore to the Secured Party all those rights; and
 - B. indemnify the Secured Party against all Costs, damages, claims, demands and actions suffered or incurred by it in or in connection with any negotiations or proceedings relating to the claim or as a result of the upholding, concession or compromise of the claim.

10.4 Grantor's liability not affected

This deed and the liability of the Grantor under this deed will not be affected or discharged by any of the following:

- (a) **(Indulgence)** the granting to the Grantor or to any other person of any time or other indulgence or consideration;
- (b) **(Finance Documents)** the Secured Party failing or neglecting to recover by the realisation of any Finance Document or any other Encumbrance or otherwise any of the Secured Money;
- (c) **(Laches)** any other laches, acquiescence, delay, act, omission or mistake on the part of the Secured Party or any other person;
- (d) **(Release)** the release, discharge, abandonment or transfer, whether wholly or partially and with or without consideration, of any Finance Document, other Encumbrance, judgment or negotiable instrument held from time to time or recovered by the Secured Party from or against the Grantor or any other person (other than an express release or discharge of the Grantor from all of its liabilities under this deed); or
- (e) **(Any other thing)** any other matter or thing.

10.5 Claim on Grantor

The Secured Party is not required to:

- (a) make any claim or demand on any other Obligor or any other person;
- (b) enforce any other Finance Document or other Encumbrance; or
- (c) enforce any other Power,

in any case, before making any demand on the Grantor under this deed or otherwise enforcing this deed.

10.6 Release of Collateral

The Secured Party will be under no obligation to grant a release of the Collateral from this deed unless at the time the release is to be provided, none of the Secured Money is owing

(whether actually, contingently or prospectively), none of the Obligations remain to be satisfied and it is not reasonably foreseeable that there could be any Secured Money owing or Obligations to be satisfied in the future.

11. Protection and indemnity

11.1 Waiver by Grantor

The Grantor waives in favour of the Secured Party:

- (a) all rights against the Secured Party and any other person, estate or assets as far as is necessary to give effect to any provision of this deed;
- (b) promptness and diligence on the part of the Secured Party; and
- (c) all rights inconsistent with the provisions of this deed.

11.2 No liability for loss

Neither the Secured Party nor any Receiver will be liable or otherwise accountable for any act, omission, delay, mistake, loss or irregularity in or concerning the exercise, attempted exercise, non exercise or purported exercise of any Power, except for its own gross negligence, fraud or wilful misconduct.

11.3 No liability to account

Neither the Secured Party nor any Receiver will, by reason of the Secured Party or that Receiver entering into possession of the Collateral, be liable to account as mortgagee or secured party in possession, for any loss on realisation or for any default, omission, delay or mistake for which a mortgagee or secured party in possession might be liable. The liability of the Secured Party and of each Receiver will be for actual receipts only.

11.4 No conflict

The Secured Party and each Receiver may exercise any Power, even though the exercise of that Power involves a conflict between any duty owed to the Grantor by the Secured Party or that Receiver and any duty owed by the Secured Party or that Receiver to any other person or the interests of the Secured Party or that Receiver. No contract will be void or voidable by virtue of that conflict of duty or interest nor will the Secured Party or Receiver be liable to account to the Grantor or any other person for any money or property as a result of that conflict.

11.5 No notice or enforcement

The Secured Party need not:

- (a) give any notice of this deed to any debtor of the Grantor, to any purchaser or to any other person;
- (b) enforce payment of any money payable to the Grantor; or
- (c) realise the Collateral or take any steps or proceedings for that purpose.

11.6 Indemnity

The Grantor will on demand indemnify and keep the Secured Party indemnified in respect of all Costs and Taxes incurred by the Secured Party or any Receiver:

- (a) in the exercise, attempted exercise or non-exercise of any Power, including those resulting from any mistake, oversight, error of judgment or want of prudence on the part of the Secured Party or any Receiver, unless the same is due to its own gross negligence, fraud or wilful misconduct;
- (b) as a consequence of the occurrence or subsistence of any Event of Default;
- (c) by reason of this deed;
- (d) in respect of any act or omission for which the Secured Party or any Receiver is exonerated by this deed; and
- (e) by reason of the Secured Party redeeming or taking a transfer of any Encumbrance ranking in priority to or *pari passu* with this deed,

and the Grantor will defend all actions, proceedings, claims or demands brought by any person in relation to any matter the subject of this indemnity.

11.7 Protection of persons dealing with the Secured Party or Receiver

No person acquiring any money or asset from or paying or handing over any money or asset to or otherwise dealing with the Secured Party, any Receiver or any Delegate, or to whom is tendered for registration an instrument executed by the Secured Party, any Receiver or any Delegate, will be:

- (a) bound to inquire:
 - (i) whether the Secured Party or the relevant Receiver or Delegate has the right to dispose of any money or asset;
 - (ii) whether any Event of Default has occurred or is subsisting;
 - (iii) whether any of the Secured Money is owing or payable;
 - (iv) whether the relevant Receiver or Delegate has been properly appointed;
 - (v) as to the propriety or regularity of the exercise or purported exercise of any Power; or
 - (vi) as to any other matter or thing;
 - (b) affected by actual or constructive notice that any transaction, document or other dealing is unnecessary or improper; or
 - (c) concerned to see to the application of any money or asset, or be answerable or accountable for any loss or misapplication,
- and:
- (i) in the case of any person paying or handing over any money or asset, that person will be discharged from any further liability to pay or hand over that money or asset; and
 - (ii) the irregular, improper or unnecessary exercise of any Power and any other dealing of any nature with the Secured Party, any Receiver or any Delegate will be, as regards the protection of any such person, deemed to be authorised by the Grantor and valid.

12. Payments

12.1 Money repayable as agreed or on demand

The Grantor will pay the Secured Money to the Secured Party in dollars or any other currency specified in the relevant Finance Document in immediately available funds not later than 11.00 am in the place of payment on the due date (or if no due date is specified, on the date of demand by the Secured Party) and in compliance with any other requirements of the Finance Documents.

12.2 No set-off or counterclaim

All payments of Secured Money by the Grantor under the Finance Documents will be without any set-off or counterclaim.

12.3 Merger

If the liability of the Grantor to pay any of the Secured Money becomes merged in any judgment or order, the Grantor will as an independent obligation pay, in accordance with the Finance Documents, interest at the rate which is the higher of that payable under the Finance Documents and that fixed by or payable under the judgment or order.

12.4 No deduction for Taxes

(a) All payments of Secured Money by the Grantor under the Finance Documents will be without deduction or withholding for any present or future Taxes unless the Grantor is compelled by law to deduct or withhold the same.

(b) If:

(i) the Grantor is compelled by law to make any deduction or withholding from any payment under any Finance Document on account of Taxes (other than Excluded Taxes); or

(ii) the Secured Party is obliged to pay any Taxes (other than Excluded Taxes) in respect of a payment made or to be made by the Grantor under the Finance Documents,

then:

(iii) the Grantor will promptly notify the Secured Party if it becomes aware of any event referred to in clause 12.4(b)(i) or 12.4(b)(ii);

(iv) the Grantor will, on demand by the Secured Party, pay to the Secured Party any additional amounts necessary to ensure that the Secured Party receives (after all deductions and withholdings for Taxes other than Excluded Taxes) a net amount equal to the full amount which it would have been entitled to receive and retain had the deduction or withholding not been made or had the Secured Party not been obliged to pay Taxes (other than Excluded Taxes) in respect of the payment; and

(v) where clause 12.4(b)(i) applies the Grantor will:

A. pay to the appropriate Government Authority any amount deducted or withheld in respect of Taxes within the time allowed and in the minimum amount required by law; and

B. within 20 Business Days after making the deduction or withholding, provide to the Secured Party evidence

satisfactory to the Secured Party of that payment having been made.

12.5 Set-off

- (a) The Grantor authorises the Secured Party, at any time after an Event of Default has occurred and is subsisting, to set-off without prior notice any amount owing (whether present or future, actual, contingent or prospective and on any account) by the Grantor to the Secured Party under any Finance Document against any liability (whether present, future, actual, contingent or prospective) of the Secured Party to the Grantor under any Finance Document or on any other account.
- (b) The Secured Party will not be obliged to exercise any of its rights under this clause 12.5, which will be without prejudice and in addition to any right of set-off, combination of accounts, lien or other right to which it is at any time otherwise entitled (whether by operation of law, contract or otherwise).

12.6 Suspense account

- (a) The Grantor acknowledges and agrees that the Secured Party may deposit into a suspense account any amount it or any Receiver receives as a result of the exercise of any Power for such time as it considers appropriate without the Secured Party being obliged to apply any such amount towards payment or repayment of the Secured Money.
- (b) If the Secured Party determines this is required, if the Secured Party deposits any amount into a suspense account as contemplated by clause 12.6(a) in order to preserve rights to prove in the bankruptcy or liquidation of a person, that amount will not be treated as an amount received as a result of the exercise of any Power until such time as the amount is withdrawn from the suspense account.

12.7 GST

- (a) Any reimbursement required to be made by the Grantor under the Finance Documents for a Cost or other amount paid or incurred by the Secured Party will be limited to the total Cost or other amount less the amount of any input tax credit to which the Secured Party is entitled for the acquisition to which the Cost or other amount relates.
- (b) If GST is payable in respect of any supply made by or through the Secured Party under, pursuant to, or in connection with the Finance Documents (**GST Liability**), then:
 - (i) where consideration is provided by the Grantor in relation to that supply, the Grantor will pay an additional amount to the Secured Party equal to the full amount of the GST Liability; and
 - (ii) except where clause 12.7(b)(i) applies, the Grantor will indemnify and keep the Secured Party indemnified for the full amount of the GST Liability.

The Secured Party will provide to the Grantor a tax invoice complying with the relevant law relating to any payment made to it in accordance with this clause 12.7(b).

13. Governing law and jurisdiction

13.1 Governing law

This deed is governed by the law applying in New South Wales.

13.2 Jurisdiction

The Grantor irrevocably:

- (a) submits to the non exclusive jurisdiction of the courts of New South Wales, and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to this deed; and
- (b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 13.2(a).

14. Miscellaneous

14.1 Certificate of Secured Party

A certificate or determination in writing signed by the Secured Party or an Authorised Officer of the Secured Party certifying:

- (a) an exchange rate, a rate of interest or an amount payable by an Obligor under any Finance Document is sufficient evidence of the matters to which it relates; and
- (b) any other act, matter or thing relating to any Finance Document, is sufficient evidence of those matters unless the contrary is proved.

14.2 Further acts and documents

- (a) The Grantor will, and will procure that all persons having or claiming any estate or interest in the Collateral from time to time after the date of this deed will, on demand by the Secured Party (and at the entire cost and expense of the Grantor) perform all acts and execute and deliver all further documents as the Secured Party, acting reasonably, requires:
 - (i) for more satisfactorily securing to the Secured Party the payment of the Secured Money;
 - (ii) to perfect the Encumbrance created by this deed over the Collateral; or
 - (iii) for facilitating the exercise of any Power.
- (b) Without limiting clause 14.2(a) if the Secured Party determines that a Finance Document (or a transaction related to a Finance Document) is or contains a Security Interest, the Grantor agrees to promptly do anything (including amending any Finance Document or executing any new document) which the Secured Party reasonably requires for the purposes of:
 - (i) ensuring that the Security Interest is enforceable, perfected (including, where possible, by control in addition to registration) and otherwise effective; or

- (ii) enabling the Secured Party to apply for registration, or give any notification, in connection with the Security Interest so that the Security Interest has the priority required by the Secured Party; or
- (iii) enabling the Secured Party to exercise rights in connection with the Security Interest.

14.3 Powers cumulative

Each Power is cumulative and in addition to each other Power available to the Secured Party or any Receiver.

14.4 Indemnities

- (a) Each indemnity in this deed is a continuing obligation, separate and independent from the other obligations of the parties and survives termination, completion, expiration or release of this deed.
- (b) It is not necessary for the Secured Party to incur any expense or to make any payment before enforcing a right of indemnity conferred by this deed.
- (c) The Grantor must pay on demand any amount it must pay under an indemnity in this deed.

14.5 Time of essence

Time is of the essence in respect of the Grantor's obligations under this deed.

14.6 Moratorium legislation

To the fullest extent permitted by law, all laws which at any time operate directly or indirectly to:

- (a) lessen or affect in favour of the Grantor any obligation under this deed; or
 - (b) delay or otherwise prevent or prejudicially affect the exercise of any Power,
- are expressly waived.

14.7 Binding on each signatory

This deed binds and is enforceable against the Grantor despite:

- (a) any other person not executing this deed or its execution being defective in any way; or
- (b) any obligation or liability of any other party under this deed not being binding or enforceable against that party for any reason.

14.8 Counterparts

This deed may be executed in any number of counterparts and by the parties on separate counterparts. Each counterpart constitutes the deed of each party who has executed and delivered that counterpart.

14.9 Registration

The Secured Party may register this deed, or any financing statement or financing change statement relating to this deed, in the manner prescribed by law to ensure the full efficacy of this deed as an Encumbrance to the Secured Party in all relevant jurisdictions.

14.10 No merger

This deed and the Powers are in addition to and do not merge with, postpone, lessen or otherwise prejudicially affect any other Finance Document or any other right, power, authority, discretion, remedy or privilege of the Secured Party.

14.11 Blanks

The Grantor authorises the Secured Party to complete any blanks in this deed or any document, of any nature, entered into or executed by the Grantor in connection with this deed.

14.12 Confidentiality

- (a) Subject to clause 14.12(b), if the Grantor is a debtor as defined in the PPSA, the parties agree to keep all information of the kind mentioned in section 275(1) of the PPSA confidential and not to disclose that information to anyone.
- (b) Clause 14.12(a) does not apply to any disclosure of information or documents:
 - (i) in any proceeding arising out of or in connection with this deed to the extent that the disclosure is deemed by the disclosing party necessary to protect its interests;
 - (ii) where the information is in the public domain other than as a result of a breach by that disclosing party of this clause 14.12;
 - (iii) if required to do so under a binding order of any Government Authority or any procedure for discovery in any proceedings;
 - (iv) if the disclosing party reasonably believes it is required to do so by any law or stock exchange (except that this clause does not permit the Secured Party to disclose any information of the kind referred to in section 275(1) of the PPSA, to the extent that disclosure can be resisted under subsection 275(6) of the PPSA);
 - (v) otherwise as required or permitted by any Finance Document;
 - (vi) to a disclosing party's Related Bodies Corporate, its legal advisors and its consultants as long as it advises them of the confidential nature of the information or documents or that nature is clear from the circumstances of the disclosure;
 - (vii) by the Secured Party to a proposed assignee or transferee of any rights or obligations under any Finance Document or to any sub-participant or other person with whom any other transaction may be entered into under which payments may be made by reference to any Finance Document or the Grantor;
 - (viii) by the Secured Party with the Grantor's prior written consent;
 - (ix) by the Grantor with the Secured Party's prior written consent.

Each party authorises disclosures made by the other party in accordance with clause 14.12(b)(i) to 14.12(b)(vii).

15. No representation by or reliance

The Grantor acknowledges that:

- (a) the Secured Party does not have any duty to supply it with information in relation to or affecting the other Obligors or the Secured Party before the date of this deed or during the currency of this deed;
- (b) it has relied on its own inquiries as to the other Obligors, the nature and extent of the entire relationship between each of them and the Secured Party (whether or not recorded in the Finance Documents) and the nature and effect of the Finance Documents; and
- (c) it does not enter into this deed in reliance on any representation, promise, statement, conduct or inducement by or on behalf of the Secured Party or other Obligor, except for any inducement expressly set out in the Finance Documents.

Executed as a deed

Secured Party

Executed by 360 Capital Custodian No. 2 Pty
Ltd ACN 103 076 713 as trustee of the 360
Capital Finance Trust in accordance with
section 127 of the Corporations Act 2001 (Cth):



Signature of director

Tony Pitt

Full name of director



Signature of company secretary/director

Alan Raymond Sutton

Full name of company secretary/director

Grantor

Executed by Centura Investment Holdings Pty
Limited ACN 116 455 862 as trustee of the
Centuria Capital No.2 Industrial Fund in
accordance with section 127 of the Corporations
Act 2001 (Cth):

Signature of director

Full name of director

Signature of company secretary/director

Full name of company secretary/director

Executed as a deed

Secured Party

Executed by 360 Capital Custodian No. 2 Pty Ltd ACN 103 076 713 as trustee of the 360 Capital Finance Trust in accordance with section 127 of the Corporations Act 2001 (Cth):

Signature of director

Signature of company secretary/director

Full name of director

Full name of company secretary/director

Grantor

Executed by Centura Investment Holdings Pty Limited ACN 116 455 862 as trustee of the Centuria Capital No.2 Industrial Fund in accordance with section 127 of the Corporations Act 2001 (Cth):

Signature of director

JOHN EDWARD MCBAIN

Full name of director

Signature of company secretary/director

JASON HVLJICH

Full name of company secretary/director

Tripartite Deed – CHESS Sponsorship

**Centuria Investment Holdings Pty Limited as
trustee for the Centuria Capital No. 2 Industrial
Fund**

**360 Capital Custodian No.2 Pty Ltd as trustee for
the 360 Capital Finance Trust**

Pershing Securities Australia Pty Limited

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Tripartite Deed – CHESS Sponsorship

DATE 9 January 2017

PARTIES

Centuria Investment Holdings Pty Limited (ACN 116 455 862) as trustee for the Centuria Capital No. 2 Industrial Fund (ABN 68 722 110 157) of Suite 39.01, Level 39, 100 Miller Street, North Sydney NSW 2000 (the **Mortgagor**)

360 Capital Custodian No. 2 Pty Ltd (ACN 103 076 713) as trustee for the 360 Capital Finance Trust of Level 8, 56 Pitt Street, Sydney NSW 2000 (the **Mortgagee**)

Pershing Securities Australia Pty Limited (ABN 60 136 184 962) of Level 2, 1 Bligh Street, Sydney NSW 2000 (the **Participant**)

RECITALS

- A. The Mortgagor and the Participant, as Sponsor, are parties to the Sponsorship Agreement.
- B. The Mortgagee has requested the other parties, and the Mortgagor, the Mortgagee and the Participant have agreed, to enter into this Deed to protect and preserve the Mortgagee's interest in the Mortgaged Securities.

OPERATIVE PROVISIONS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following definitions apply unless the context requires otherwise.

ASX Clear means ASX Clear Pty Ltd (ACN 001 314 503).

ASX Settlement means the ASX Settlement Pty Ltd (ABN 49 008 504 532).

ASX Settlement Rules means the ASX Settlement Operating Rules and any other operating rules, procedures, direction, decisions, requirements, customs, usages and practices of ASX Settlement, as amended from time to time.

Authorised Officer means:

- (a) in respect of the Mortgagor, any director or secretary, or any person from time to time nominated as an Authorised Officer by the Mortgagor by a notice to the Mortgagee accompanied by certified copies of signatures of all new persons so appointed; and
- (b) in respect of the Mortgagee or the Participant, any person whose title or acting title includes the word Manager, Director, Partner or President or cognate expressions, or any secretary or director.

Business Day means a day (other than a Saturday or a Sunday or a public holiday) on which banks are generally open in Sydney for business.

CHESS means the Clearing House Electronic Subregister System run by ASX Clear.

Corporations Act means the *Corporations Act 2001* (Cth).

GST means any goods and services or similar tax, together with any related interest, penalties, fines or other charge.

Instruction means an instruction given in accordance with clause 4.1.

Mortgaged Securities means any securities (or any part thereof) in respect of which the Mortgagor is the holder and the Participant is the Controlling Participant, including the securities specified in the Mortgaged Securities Schedule, and any rights which may arise in relation to those securities.

Mortgaged Securities Schedule means Schedule 2 to this Deed.

Share Mortgage means a mortgage or charge of any securities granted by the Mortgagor to the Mortgagee.

Sponsorship Agreement means the sponsorship agreement dated on or about the date of this document between the Participant and the Mortgagor, a copy of which is annexed to this Deed as Annexure A.

Title Documents means any original, duplicate or counterpart certificate or document of title.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise.

- (a) The singular includes the plural and the converse.
- (b) Any gender includes all genders.
- (c) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (d) A reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of them.
- (e) A reference to a clause, annexure or schedule is a reference to a clause of, or annexure or schedule to, this Deed.
- (f) A reference to a party to this Deed or another agreement or document includes the party's successors and permitted assigns.
- (g) A reference to writing includes a facsimile transmission and any means of reproducing words in a tangible and permanently visible form.
- (h) A reference to conduct includes an omission, statement or undertaking, whether or not in writing.
- (i) The meaning of terms is not limited by specific examples introduced by including, or for example, or similar expressions.
- (j) Any terms not defined in this Deed have the same meaning as in the ASX Settlement Rules, and if not defined in the ASX Settlement Rules, in the Corporations Act; provided that 'securities' has the meaning given in section 92(1) of the Corporations Act.

1.3 Document or agreement

A reference to:

- (a) an agreement includes a security interest, guarantee, undertaking, deed agreement or legally enforceable arrangement whether or not in writing; and
- (b) a document includes an agreement (as so defined) in writing or a certificate, notice, instrument or document.

A reference to a specific agreement or document includes that agreement or document as amended, novated, supplemented or replaced from time to time, except to the extent prohibited by this Deed.

1.4 Inconsistency

- (a) The terms of this Deed prevail over the terms of the Sponsorship Agreement to the extent of any inconsistency.
- (b) Except for the definitions set out in clause 1.1, the ASX Settlement Rules prevail over the terms of this Deed and the Sponsorship Agreement to the extent of any inconsistency.
- (c) If, as a result of an amendment to the ASX Settlement Rules, a provision of this Deed becomes inconsistent with a provision of the ASX Settlement Rules, the parties must, at the cost of the Mortgagor, do all things reasonably required to remove the inconsistency (including varying this document).

1.5 360 Capital Finance Trust

- (a) This clause 1.5 applies notwithstanding any other provision of this Deed.
- (b) The Mortgagee enters into this Deed only in its capacity as trustee of the Fund and in no other capacity. Any liability arising under or in connection with this Deed can be enforced against the Mortgagee only to the extent to which it can be satisfied out of the property of the Fund out of which the Mortgagee, having sought indemnification, is actually indemnified for the liability.
- (c) The limitations on the Mortgagee's liability contained in this clause 1.5 extend to all liabilities of the Mortgagee in any way connected with any representation, warranty, conduct, omission, agreement or transaction under this Deed.
- (d) No other party to this Deed may claim against the personal assets of the Mortgagee or against the Mortgagee in its personal capacity or seek the appointment of a liquidator, administrator, receiver or similar person to the Mortgagee or prove in any liquidation, administration or arrangement of or affecting the Mortgagee.
- (e) The provisions of this clause 1.5 shall not apply to any obligation or liability of the Mortgagee to the extent that it is not satisfied because under the constitution establishing the Fund or by operation of law there is a reduction in the extent of the Mortgagee's indemnification out of the assets of the Fund as a result of the Mortgagee's failure to properly perform or exercise any of its powers or duties in relation to the Fund.
- (f) In this clause 1.5, Fund means the 360 Capital Finance Trust.

2. MORTGAGED SECURITIES

2.1 Acknowledgement

The Mortgagor and the Participant acknowledge and agree that:

- (a) the Mortgagee holds a mortgage or charge over all of the Mortgaged Securities pursuant to the Share Mortgages; and
- (b) the Mortgagee may enforce any Share Mortgage over any Mortgaged Securities corresponding to the securities expressed to be subject to that Share Mortgage without the need to establish that the particular securities in relation to which the Share Mortgage is being enforced are the Mortgaged Securities over which that Share Mortgage was granted; and
- (c) references in this document to 'Share Mortgage' and 'Mortgaged Securities' are to be construed accordingly.

2.2 Limitation

The Mortgagor shall not, without the Mortgagee's consent, cause any securities to be controlled by the Participant pursuant to the Sponsorship Agreement unless they are subject to a Share Mortgage.

2.3 Interest of ASX Clear

Nothing in this Deed operates to override any interest of ASX Clear in the Mortgaged Securities.

3. SPONSORSHIP AGREEMENT

3.1 Appointment as Participant

The Mortgagor and Participant confirm that the Participant has been appointed as its Controlling Participant on the terms of the Sponsorship Agreement and the ASX Settlement Rules in relation to the Mortgaged Securities.

3.2 Warranty

The Mortgagor and the Participant severally represent and warrant to the Mortgagee that the Sponsorship Agreement constitutes their respective legal, valid and binding obligations, enforceable against them in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally and subject to the ASX Settlement Rules).

3.3 Termination or variation

Without the prior written consent of the Mortgagee, the Mortgagor shall not take any action which would or may:

- (a) remove the Participant as the Controlling Participant of the Mortgaged Securities;
- (b) terminate or vary the Sponsorship Agreement including any action otherwise permitted under the Sponsorship Agreement; or
- (c) amend or waive its rights (or agree to any such termination, amendment or waiver) under the Sponsorship Agreement.

The Mortgagor undertakes to provide to the Mortgagee a copy of any amendment to the Sponsorship Agreement as soon as reasonably practicable.

3.4 Undertaking

The Mortgagor shall not arrange with the ASX Clear or any other person to lodge securities in the Mortgagor's holding covered by the Sponsorship Agreement as cover for any position in the Australian options market.

4. INSTRUCTIONS

4.1 Requirements

An Instruction to the Participant to take or refrain from taking any action in respect of the Mortgaged Securities must be:

- (a) in writing;
- (b) signed by an Authorised Officer of the Mortgagee; and
- (c) copied to the Mortgagor.

4.2 No duty to enquire

The Participant is under no duty to enquire whether the Mortgagee is entitled to give any Instruction, and may rely on any Instruction which purports to comply with clauses 4.1(a) and (b).

The Mortgagor hereby authorises the Participant to act in accordance with the Mortgagee's Instructions.

4.3 Consider themselves bound

The Mortgagor and the Participant confirm that they have considered themselves bound by the terms of this clause 4, and each other provision of this Deed relating to the sending of electronic messages or other communications by which the Mortgaged Securities may be transferred, in respect of each past and existing Share Mortgage even though this Deed had not been executed when the relevant Share Mortgage was created.

5. AUTHORITY AND DUTY OF THE PARTICIPANT

5.1 Authorisation

The Mortgagor and the Mortgagee authorise and direct the Participant to act in accordance with an Instruction and to do any and all acts required or permitted by the Participant under this Deed or as required by the Sponsorship Agreement or the ASX Settlement Rules in respect of this Deed.

5.2 Acting on instructions

- (a) The Participant will act at all times in accordance with an Instruction unless by doing so the Participant would breach the ASX Settlement Rules or any applicable law. Except for an Instruction given under clause 5.2(c), any Instruction must be an instruction that the Mortgagor is entitled to give the Participant pursuant to the Sponsorship Agreement or the ASX Settlement Rules.

-
- (b) The Participant may not act in accordance with an instruction given by the Mortgagor.
 - (c) The Participant will at all times act only in accordance with an Instruction given by the Mortgagee.
 - (d) If the Participant is unable to comply with an Instruction it will promptly notify the Mortgagor and the Mortgagee.

5.3 Restrictions on action

- (a) Without limiting the generality of clause 5.2, the Participant shall not:
 - (i) transfer, dispose of or otherwise deal with the Mortgaged Securities;
 - (ii) take any direct or indirect action to retire or resign as the Controlling Participant in respect of the Mortgaged Securities; or
 - (iii) vary the Sponsorship Agreement,except in accordance with an Instruction. If any Mortgaged Security is transferred, disposed of or otherwise dealt with in breach of this clause 5.2, each of the Participant and the Mortgagor will immediately deliver any proceeds received from such transfer, disposal or dealing to the Mortgagee and until such time as the proceeds are delivered, will hold such proceeds on trust for the Mortgagee.
- (b) The Mortgagor and Mortgagee acknowledge and agree that the Participant will hold the Mortgaged Securities in a separate account holding only the Mortgaged Securities.

5.4 Notice by the Participant

If the Participant:

- (a) receives from any party any notice or request to act otherwise than in accordance with the terms of this Deed; or
- (b) is required by the ASX Settlement Rules or applicable law to take any action which would otherwise require an Instruction under the terms of this Deed,

the Participant will promptly notify the Mortgagee in writing.

Such notification is not required in respect of the provision of information by the Participant to any party as required by the ASX Settlement Rules or applicable law, including where disclosure to the Mortgagee of a matter in 5.4(a) or (b) is prohibited.

5.5 Holding of Mortgaged Securities

- (a) **(conversion of holding)** Where the ASX Settlement Rules require that the Mortgaged Securities be converted to another form of holding other than a CHESSE sponsored holding:
 - (i) the Mortgagor authorises and directs the Participant to initiate such conversion of the securities;
 - (ii) the Participant shall promptly notify the Mortgagee in writing of the proposed conversion;
 - (iii) the Participant shall initiate the conversion in accordance with the ASX Settlement Rules; and

-
- (iv) the Participant must provide the Mortgagee and the Mortgagor with full details of the conversion once it has been effected.

The Mortgagor agrees that only the Participant may initiate a transfer or conversion of the Mortgaged Securities.

Any Title Documents received by the Participant or the Mortgagor in relation to the Mortgaged Securities as a result of the conversion must be immediately delivered by the Participant or the Mortgagor (as the case may be) to the Mortgagee.

- (b) **(removal from CHESS)** The Participant shall notify the Mortgagee in writing immediately upon becoming aware that the Mortgaged Securities have ceased or will cease to be on a CHESS subregister.

5.6 No set-off

The Participant shall not exercise any right of set-off under the ASX Settlement Rules or clause 14 of the Sponsorship Agreement.

5.7 Mortgagee to give instructions

The Mortgagee agrees to give any Instruction necessary to facilitate any dealing with a number of Mortgaged Securities where the Mortgagor is required to give effect to that dealing and the dealing does not conflict with the rights of the Mortgagee or the terms of this deed.

5.8 Information and notification obligations

The Participant agrees to provide copies to the Mortgagee and the Mortgagor of statements of holding balances in relation to the Mortgaged Securities:

- (a) on the request of the Mortgagor;
- (b) on the request of the Mortgagee; or
- (c) at any other time that the Participant considers to be necessary or desirable.

5.9 Acknowledgement from the Mortgagor and Mortgagee

- (a) The Participant shall not be required to inquire as to the performance or observation of any obligation, term or condition under any agreement or arrangement between the Mortgagor and the Mortgagee to which the Participant is not a party, and is not bound by, any agreement or other document out of which this Deed may arise, except for the Sponsorship Agreement.
- (b) The Participant shall be under no liability to any party hereto by reason of any failure on the part of any other party hereto or any maker, guarantor, endorser or other signatory of any document or any other person to perform such person's obligations under any such document. This Deed shall not be deemed to create a fiduciary relationship between the parties hereto.
- (c) Except as set out in this Deed, the Participant shall not be responsible in any manner for:
 - (i) the enforceability or sufficiency of this Deed;
 - (ii) the sufficiency of any property delivered under this Deed;
 - (iii) the value or collectability of any instrument delivered under this Deed; or

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- (iv) any representations made or obligations assumed by any party under this Deed,

other than in relation to the Participant, or where such property or instrument is delivered by the Participant, or where such representation is made or obligation is assumed by the Participant under this Deed or the Sponsorship Agreement.

6. PRESERVATION OF SECURITY

6.1 Changes in circumstances

In the event of a change in circumstances which, in the sole opinion of the Mortgagee, adversely affects the Mortgagee's rights over the Mortgaged Securities (including conversion of the form of holding of the Mortgaged Securities under clause 5.5), the Mortgagor shall take all action required by the Mortgagee so that the Mortgagee is (in its absolute discretion) secured in respect of the Mortgaged Securities as effectively as it was before the change.

6.2 Protection of security interest

The Mortgagor must exercise all of its rights in respect of the Mortgaged Securities in a manner that will preserve the Mortgagee's security interest in the Mortgaged Securities and under the Share Mortgage generally. If the Mortgagee requests, the Mortgagor must:

- (a) take whatever action is reasonably required by the Mortgagee in accordance with the ASX Settlement Rules to give effect to the Share Mortgage;
- (b) direct that its Participant Sponsored Holding be transferred to or at the direction of the Mortgagee (or anyone else that the Mortgagee nominates); or
- (c) do or refrain from doing anything in connection with the Share Mortgage or its Participant Sponsored Holding.

6.3 Subpositions

- (a) The Mortgagor and the Participant must not do anything to put the Mortgaged Securities into a Subposition or release the Mortgaged Securities out of one, or agree to do so, without the prior written consent of the Mortgagee.
- (b) Where the Mortgagee determines that the reservation of the Mortgaged Securities in a Subposition may be used to protect its security interest, the Mortgagee may require the Mortgagor and the Participant to cause the Mortgaged Securities specified by the Mortgagee to be reserved in a Subposition on terms specified by the Mortgagee, subject to the Mortgagee first consulting with the Participant.

7. TERMINATION

7.1 Right of replacement

- (a) **(Mortgagee's right)** If the Mortgagee determines that it is necessary to remove the Participant as Controlling Participant of the Mortgaged Securities in order to better protect its interest in the Mortgaged Securities, it may direct the Mortgagor to give immediate notice to the Participant to terminate the Sponsorship Agreement.
- (b) **(Mortgagor's undertaking)** On receipt of a direction given under this clause the Mortgagor shall comply immediately with that direction.

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- (c) **(Power of Attorney)** The Mortgagor irrevocably for valuable consideration appoints each Authorised Officer of the Mortgagee severally as its attorney:
 - (i) to notify the Participant at any time that a Sponsorship Agreement is terminated (and the Participant will accept such notice of termination); and
 - (ii) to do anything (including but not limited to any CHESS notifications and any change of HIN) which in the opinion of the Mortgagee or attorney is necessary or expedient to effect the termination of the Participant's appointment under this Deed and Sponsorship Agreement and the execution of a similar deed and Sponsorship Agreement with a Controlling Participant acceptable to the Mortgagee.

7.2 Replacement of Controlling Participant

If:

- (a) the Participant is unable to perform its obligation under the Sponsorship Agreement; or
- (b) the Participant wishes to terminate the Sponsorship Agreement in accordance with its terms and the ASX Settlement Rules;
- (c) the Participant ceases to be the Controlling Participant of the Mortgaged Securities for any reason, including action under clause 7.1,

the Mortgagor shall ensure that another broker acceptable to the Mortgagee:

- (d) becomes the sponsoring broker and Controlling Participant of the Mortgaged Securities; and
- (e) enters into a Sponsorship Agreement with the Mortgagor and into a deed in substantially the same form as this Deed.

In consideration of the Mortgagee entering into the Finance Documents (as defined in the Share Mortgage), the Mortgagor irrevocably appoints the Mortgagee and each of its authorised officers and each receiver, severally, as an attorney of the Mortgagor with power at any time to do all acts which ought to be done by the Mortgagor under this Deed.

If the Mortgagor fails to promptly, and in any event within 5 Business Days, appoint another broker at the direction of the Mortgagee, then the Mortgagee, as attorney for the Mortgagor (under the power of attorney granted by the Mortgagor to the Mortgagee under this Deed), will appoint such broker to be the new Controlling Participant.

If neither the Mortgagor nor the Mortgagee has appointed a new Controlling Participant pursuant to this clause 7.2 within 5 Business Days of notice from the Participant, the Participant may convert the Mortgaged Securities to be an issuer sponsored holding.

7.3 Termination

- (a) This Deed will terminate on:
 - (i) receipt by the Participant of an Instruction that each Share Mortgage is fully and finally discharged; or

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- (ii) the Participant ceasing to be the Controlling Participant of the Mortgaged Securities, including upon termination of the Sponsorship Agreement by the Participant, for any reason or in any manner permitted under this Deed.
 - (b) For the avoidance of doubt:
 - (i) the Mortgagor must not terminate the Sponsorship Agreement or give a withdrawal instruction under rule 7.1.10(c) of the ASX Settlement Rules, except in accordance with a written direction given by the Mortgagee; and
 - (ii) nothing in this Deed shall prevent the Participant from terminating the Sponsorship Agreement (provided it has given notice in accordance with clause 7.2).
 - (c) This Deed is not terminated by any other event including the winding up or dissolution of the Mortgagor. The termination of this Deed does not affect the rights or obligations of the parties which have accrued before that time.

8. INDEMNITY

- (a) The Mortgagor indemnifies and immediately on demand pays all costs, losses, fees, liabilities and expenses including legal fees (**Losses**) incurred by the Participant in connection with this Deed and any act of the Participant under this Deed, howsoever arising, including, without limitation, any Losses arising from any actual or alleged breach by any person other than the Participant of any law or regulation, or breach of this Deed, the Sponsorship Agreement or ASX Settlement Rules.
- (b) Each indemnity in this Deed is a continuing obligation, separate and independent from the other obligations of the parties and survives termination, completion, expiration or release of this Deed.
- (c) It is not necessary for a Party to incur any expense or to make any payment before enforcing a right of indemnity conferred by this Deed.

9. INFORMATION

The Mortgagor shall provide all information and documents which the Mortgagee or the Participant may reasonably require to:

- (a) establish a Participant Sponsored Holding of the Mortgaged Securities;
- (b) conduct the Participant Sponsored Holding as set out in the Sponsorship Agreement, this Deed and the ASX Settlement Rules; and
- (c) keep such information up to date.

The Mortgagor irrevocably consents to the exchange of information concerning the Mortgagor and the Mortgaged Securities between the Mortgagee and the Participant.

10. STAMP DUTY AND GST

10.1 Stamp duty

The Mortgagor shall pay (or reimburse the other parties for) any stamp duty on this Deed or any transaction under it.

10.2 GST

All payments to be made by the Mortgagor under or in connection with this Deed have been calculated without regard to GST.

- (a) If all or part of any such payment is the consideration for a taxable supply for GST purposes then, when the Mortgagor makes the payment:
 - (i) it must pay to the Mortgagee or the Participant an additional amount equal to that payment (or part) multiplied by the appropriate rate of GST (currently 10%); and
 - (ii) the Mortgagee or the Participant will promptly provide to the Mortgagor a tax invoice complying with the relevant GST legislation.
- (b) Where under this Deed the Mortgagor is required to reimburse or indemnify for an amount, the Mortgagor will pay the relevant amount (including any sum in respect of GST) less any GST input tax credit the Mortgagee or the Participant determines that it is entitled to claim in respect of that amount.

11. NOTICES

All notices, requests, demands, consents, approvals, agreements or other communications to or by a party to this Deed:

- (a) must be in writing signed by an Authorised Officer of the sender; and
- (b) will be taken to be given or made when delivered, received or left at the address or fax number of the recipient shown in schedule 1 or to any other address or fax number which it may have notified the sender but, if delivery or receipt is on a day on which business is not generally carried on in the place to which the communication is sent or is later than 4pm (local time), it will be taken to have been given or made at the commencement of business on the next day on which business is generally carried on in that place.

12. AMENDMENTS

This Deed can only be amended or replaced by another deed executed by the parties.

13. COUNTERPARTS

This Deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

14. GOVERNING LAW AND JURISDICTION

This Deed is governed by the laws of New South Wales. Each party submits to the non-exclusive jurisdiction of courts exercising jurisdiction there.

Schedule 1

NOTICE DETAILS

Mortgagor

NAME: Centuria Investment Holdings Pty Limited as trustee for the Centuria Capital No. 2 Industrial Fund

Address: Suite 39.01, Level 39, 100 Miller Street, North Sydney NSW 2000

Attention: Mr John McBain

Email: john.mcbain@centuria.com.au

Mortgagee

NAME: 360 Capital Custodian No.2 Pty Ltd as trustee for the 360 Capital Finance Trust

Address: Level 8, 56 Pitt Street, Sydney NSW 2000

Attention: Mr Tony Pitt

Email: tony.pitt@360capital.com.au

Participant

NAME: Pershing Securities Australia Pty Ltd

Address: Level 2, 1 Bligh Street, Sydney NSW 2000

Fax number: (02) 82999 4000

Attention: Chief Operating Officer

Schedule 2

MORTGAGED SECURITIES

All securities held by the Participant for the Mortgagor from time to time in the following account:

Account Number	Y1519900
Account Name	Centuria Investment Holdings Pty Limited (ACN 116 455 862) as trustee for the Centuria Capital No. 2 Industrial Fund (ABN 68 722 110 157) of Suite 39.01, Level 39, 100 Miller Street, North Sydney NSW 2000
Advisor Code	MOE
HIN	0076128120

EXECUTED as a deed.

EXECUTED by PERSHING SECURITIES
AUSTRALIA PTY LTD:



Signature of director

R J Forbes
Name

6 January 2017
Date



Signature of secretary

A D Sweeney
Name

6 January 2017
Date

EXECUTED as a deed.

**EXECUTED by PERSHING SECURITIES
AUSTRALIA PTY LTD:**

Signature of director

Name

Date

Signature of director/secretary

Name

Date

**EXECUTED by CENTURIA INVESTMENT
HOLDINGS PTY LIMITED AS TRUSTEE
FOR THE CENTURIA CAPITAL NO.2
INDUSTRIAL FUND:**

Signature of director

Name

Date

Signature of director/secretary

Name

Date

**EXECUTED by 360 CAPITAL
CUSTODIAN NO.2 PTY LTD AS
TRUSTEE FOR THE 360 CAPITAL
FINANCE TRUST:**

Signature of director

Name

Date

Signature of director/secretary

Name

Date

EXECUTED as a deed.

EXECUTED by **PERSHING SECURITIES
AUSTRALIA PTY LTD:**

Signature of director

Signature of director/secretary

Name

Name

Date

Date

EXECUTED by **CENTURIA INVESTMENT
HOLDINGS PTY LIMITED AS TRUSTEE
FOR THE CENTURIA CAPITAL NO.2
INDUSTRIAL FUND:**

Signature of director

Signature of director/secretary


Name

Name

Date

Date

EXECUTED by **360 CAPITAL
CUSTODIAN NO.2 PTY LTD AS
TRUSTEE FOR THE 360 CAPITAL
FINANCE TRUST:**



Signature of director



Signature of director/secretary

Tony Pitt

Alan Raymond Sutton

Name

Name

9 January 2017
Date

9 January 2017
Date

ANNEXURE A – SPONSORSHIP AGREEMENT

CHESS SPONSORSHIP

to clients of the <Insert Correspondent Name> (Intermediary)

PERSHING'S EXPLANATION OF CHESS SPONSORSHIP

1. Explanation of Chess Sponsorship Agreement

This document explains the effect of the CHESS (Clearing House Electronic Subregister System) sponsorship agreement (Sponsorship Terms) if you (Client) enter into the Sponsorship Agreement with Pershing Securities Australia Pty Ltd (Pershing). It is important that you read this explanation and the Sponsorship Terms and understand their content before signing the Client Application Form (which includes the Sponsorship Terms). By signing the Client Application Form, you acknowledge that you have understood the effect of the Sponsorship Terms. You are entitled to receive a copy of the executed Sponsorship Terms. You can request a copy of the executed Sponsorship Terms by contacting the Intermediary.

2. What is the purpose of the Sponsorship Terms?

The Sponsorship Terms appoint us as your "controlling participant" on CHESS. CHESS is a system of registering financial products on computer so instead of holding certificates to show that you own shares or other financial products, under CHESS you have financial products registered in your name to show that you own them. CHESS is operated by ASX Settlement Pty Ltd ABN 49 008 504 532 (ASX Settlement) under the ASX Settlement Rules. Only certain people may control financial products on CHESS (we fall under one of these categories). By signing the Client Application Form, you appoint us as your controlling participant to control your holding of financial products on CHESS. In other words, we "sponsor" your holdings of financial products on CHESS.

3. Explanation of the Sponsorship Terms

a. Our authority and obligations: clause 2 Sponsorship Terms

In clause 2 you authorise us to act as your agent on CHESS in respect of your holding(s) of the financial products identified by your HIN on Client Application Form.

Clause 2 also sets out our obligations in relation to the transfer of financial products into or out of your holding. Importantly, we will not usually initiate any transfer or conversion of financial products into or out of your holding without your express authority. However, in limited circumstances, for example, if we ask that you pay for financial products and the purchase price for those financial products remains unpaid, we may sell those financial products at your risk and expense.

Clause 2 also identifies the regulatory regime which applies to us and with whom a complaint against us may be lodged.

b. Acknowledgements by you: clause 3 of the Sponsorship Terms

Clause 3 of the Sponsorship Terms contains certain acknowledgements by you. These acknowledgments are that:

- i. you have understood the effect of these Sponsorship Terms;
- ii. if you die or become bankrupt, your sponsored holdings will be locked (the "holder record lock");
- iii. if you die, the Sponsorship Terms remain in operation, with your legal representative authorised to administer your estate for up to three months after the removal of the holder record lock;
- iv. if we are not a Market Participant of ASX, neither ASX nor a Related Body of ASX has any responsibility for supervising or regulating the relationship between you and us (we note however that we are a Market Participant of ASX);
- v. in the event of your death or bankruptcy, where a joint holding exists, we will establish a new holder record in the name of your joint holder or take steps to protect the interest of the joint holder not subject to the bankruptcy order.
- vi. if a transfer of a financial product included in your holding is effected in accordance with the ASX Settlement Rules, then:
 1. you may not assert or claim against ASX Settlement or the relevant issuer of the financial product that we were not authorised by you to effect that transfer; and
 2. unless the transfer was taken to have been effected by a Market Participant of ASX or a Clearing Participant of ASX Clear, you have no claim arising out of the transfer against the national guarantee fund under the Corporations Regulations (again we note however that we are both a Market Participant of ASX and a Clearing Participant of ASX Clear).

c. Security, other interests and sub-positions: clause 4 of the Sponsorship Terms

If you instruct us to lodge financial products as cover for written position in relation to exchange traded options or advise us that an interest has been or will be created over financial products, you give us authority to give effect to your instructions. Note that we must always act within the ASX Settlement Rules.

d. Security, other interests and sub-positions: clause 4 of the Sponsorship Terms

You must promptly give us any information or documents we ask for to enable us to perform our obligations to act as your controlling participant or comply with the ASX Settlement Rules and requirements.

e. Security, other interests and sub-positions: clause 4 of the Sponsorship Terms

Clause 6 states that you must pay us fees under the Sponsorship Terms as advised by us from time to time. There are currently no fees payable by you in connection with the Sponsorship Terms.

In clause 6, you also indemnify us – that is, you agree to be responsible for and pay on our demand – for liabilities, losses or costs we suffer or incur:

- i. in connection with performing our obligations under the Sponsorship Terms;

- ii. in connection with us acting as your controlling participant or agent for the purposes of CHESS; or
- iii. if you do something you agree not to do, or don't do something you agree to do, under the Sponsorship Terms.

Under clause 6 you also authorise us to debit any amount you owe us to any account you have with us.

f. Suspension from CHESS: clause 7 of the Sponsorship Terms

If we are suspended from CHESS participation, you may instruct ASX Settlement to remove your sponsored holdings from the CHESS subregister or move them to another controlling participant in CHESS. If you do not give ASX Settlement such notice within 20 business days, ASX Settlement may change your CHESS sponsor.

g. Complaint procedures: clause 8 of the Sponsorship Terms

You have certain rights if you wish to claim compensation or make a complaint against us. In particular, if we breach the Sponsorship Terms, you may refer that breach to any regulatory authority including ASX Settlement. If we breach a provision of the Sponsorship Terms and you make a claim against us, our ability to satisfy that claim will depend on our financial position. If a breach by us of a provision of the Sponsorship Terms falls within the circumstances specified in Part 7.5, Division 4 of the Corporations Regulations, you may make a claim on the National Guarantee Fund for compensation.

h. Change of controlling participant: clause 9 of the Sponsorship Terms

Clause 9 contains provisions setting out what is to happen if there is a significant change to the organisational structure of our group or the whole of our business is to be transferred to another controlling participant. In particular, those provisions provide for the novation of the Sponsorship Terms to another controlling participant without the need for you to sign a new sponsorship agreement.

i. Termination: clause 10 of the Sponsorship Terms

The Sponsorship Terms are terminated if we become insolvent, if our participation on CHESS is terminated/suspended, if either party notifies the other that it wants to terminate the Sponsorship Terms, or if you give us a withdrawal instruction under rule 7.1.10(c) of the ASX Settlement Rules. Note that while one of these events will bring the Sponsorship Terms to an end, the rights and obligations which have occurred before that time are not affected.

j. ASX Settlement Rules: clause 11 of the Sponsorship Terms

If there is an inconsistency between a part of the Sponsorship Terms and the ASX Settlement Rules, the ASX Settlement Rules will prevail to the extent of that inconsistency.

You have the obligation under clause 11 not to do anything to prevent or hinder us from complying with our obligations under the ASX Settlement Rules.

k. Miscellaneous: clauses 12 to 18 of the Sponsorship Terms

These clauses deal with several important procedural and legal matters.

Clause 12 clearly sets out the procedure for formal communications between you and us. Importantly, if you give instructions to the Intermediary, we are not obliged to act in accordance with those instructions until they are actually passed on to us. Clauses 13 and 14 set out the procedure we will follow if we want to waive or vary a provision of the Sponsorship Terms. Note that we usually need your written consent if we want to vary a provision. Clauses 15 and 16 of the Sponsorship Terms state that you are entitled to receive a copy of the Sponsorship Terms executed by you and us, and that you instruct us not to send you a hard copy of the Sponsorship Terms executed by us. However, if you ask us at any time, we will send to you a hard copy executed by us. You can request a copy of the executed Sponsorship Terms by contacting your Adviser.

l. Meaning of words

At the end of the provisions section of the Sponsorship Terms is a dictionary which explains the meaning of key words which appear in the Sponsorship Terms.

If you have any questions about the Sponsorship Terms, please contact the Compliance Manager at Pershing, 1 Level 7, 1 Chifley Square, Sydney NSW, telephone 02 8999 4000.

PERSHING SPONSORSHIP AGREEMENT

Parties

The client named on the application form (**Client**); and

Pershing Securities Australia Pty Ltd, ABN 60 136 184 962, AFSL No. 338264 (**Pershing**).

1. WHAT IS CHESS?

- 1.1 CHESS is a system of registering financial products on computer. It is operated by ASX Settlement under the ASX Settlement Rules. Instead of receiving a certificate in respect of your shares or other financial products, you receive a holding statement.
- 1.2 Only certain categories of people may control financial products on CHESS (Pershing falls within one of these categories). Other people who have financial products on CHESS need their holding "sponsored" by a "controlling participant" for the purposes of CHESS. These Sponsorship Terms relate to your appointment of us as your "controlling participant".

2. PERSHING'S AUTHORITY AND OBLIGATIONS

- 2.1 The Client appoints Pershing as its Controlling Participant for CHESS to provide transfer and settlement services as agent for the Client with respect of the Client's holding with the Holder Identification Number (HIN) identified on the Client Application Form. A HIN is a number that is used to identify a holding in CHESS. The Client authorises Pershing as the Client's agent to do any act under CHESS relating to the Client's holding.
- 2.2 Subject to clause 9, Pershing will not initiate any transfer or conversion into or out of the Client's holding sponsored under these Sponsorship Terms without the Client's express authority.
- 2.3 Subject to clause 2.4, Pershing is not obliged to transfer financial products into the Client's holding where payment for those financial products has not been received, until payment is received. If the Client authorises Pershing to

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- purchase financial products the Client will pay for that purchase within 3 business days from the day of date of the purchase.
- 2.4 If Pershing demands that the Client pay for financial products, but the purchase price for those for financial products remains unpaid, Pershing may sell those financial products at the Client's risk and expense (including any brokerage, stamp duty, GST and other applicable charges).
- 2.5 If Pershing claims that the Client has not paid Pershing an amount lawfully owed to Pershing, Pershing can refuse to comply with the Client's withdrawal instructions (but only to the extent necessary to retain in the Client's holding sponsored under these Sponsorship Terms financial products with a value equal to 120% of the current market value of the amount claimed).
- 2.6 Subject to clauses 2.4 and 2.5, Pershing will initiate any transfer, conversion or other action necessary to give effect to withdrawal instructions within the scheduled time.
- 2.7 The regulatory regime which applies to Pershing is Chapter 7 of the Corporations Act, the ASIC Market Integrity Rules, the operating rules of ASX Clear and the ASX Settlement Rules. The Client can obtain information as to Pershing's status from ASIC, ASX, ASX Clear and ASX Settlement.
- 2.8 A complaint against Pershing may be lodged by the Client with Pershing, ASIC, ASX, ASX Clear, ASX Settlement or the Financial Ombudsman Service (whose postal address is GPO Box 3, Melbourne, VIC, 3001). The Client may lodge a claim for compensation with Pershing or, if the circumstances specified in Part 7.5, Division 4 of the Corporations Regulations apply, with the National Guarantee Fund.
- 3. ACKNOWLEDGEMENTS BY THE CLIENT**
- 3.1 The Client acknowledges that:
- (a) before the Client signs these Sponsorship Terms Pershing provided the Client with an explanation of the effect of these Sponsorship Terms and the Client understood the effect of these Sponsorship Terms;
- (b) if the Client dies or becomes bankrupt, a holder record lock will be applied to all the Client's holdings sponsored under these Sponsorship Terms in accordance with rules 8.15.8 to 8.15.11 of the ASX Settlement Rules (unless the Client's legally appointed representative or trustee elects to remove those holdings from the CHES subregister);
- (c) if the Client dies, these Sponsorship Terms are deemed to remain in operation in respect of the legally appointed representative authorised to administer the Client's estate for a period of up to three calendar months after the removal of the holder record lock pursuant to rule 8.16.3 of the ASX Settlement Rules (unless the Client's legally appointed representative elects to remove the holdings sponsored under these Sponsorship Terms from the CHES subregister); and
- (d) if Pershing is not a Market Participant of an Approved Market Operator, neither the Approved Market Operator, nor a Related Party of the Approved Market Operator, has any responsibility for regulating the relationship between the Client and Pershing, other than in relation to the rules relating to sponsorship agreements.
- 3.2 If the Client is a joint holder, the Client also acknowledges that:
- (a) if one of the joint holders dies, all holdings under the joint holder record must be transferred into new holdings under a new holder record in the name of the surviving holder(s) (these Sponsorship Terms remains valid for the new holdings under the new holder record); and
- (b) if one of the joint holders becomes bankrupt, Pershing will:
- (i) establish a new holder record in the name of the joint holder that is bankrupt, transfer that person's interest into new holdings under the new holder record and request that ASX Settlement apply a holder record lock to all holdings under that holder record (unless the legally appointed representative of the bankrupt holder elects to remove the holdings from the CHES subregister); and
- (ii) establish a new holder record in the names of the other joint holders and transfer their interest into new holdings under the new holder record.
- 3.3 The Client acknowledges that if a transfer is taken to be effected by the Client under Section 9 of the ASX Settlement Rules and the Source Holding for the transfer is a Participant Sponsored Holding under these Sponsorship Terms, then:
- (a) the Client may not assert or claim against ASX Settlement or the relevant Issuer that the transfer was not effected by Pershing or that Pershing was not authorised by the Client to effect the transfer; and
- (b) unless the transfer was taken to have been effected by a Market Participant of an Approved Market Operator or a Clearing Participant of ASX Clear, the Client has no claim arising out of the transfer against the compensation arrangement applicable to the Approved Market Operator or the Clearing Participant of ASX Clear under the Corporations Act and Corporations Regulations.
- 4. SECURITY, OTHER INTERESTS AND SUB-POSITIONS**
- 4.1 If the Client instructs Pershing that financial products are to be lodged with ASX Clear as cover for written positions in the market for exchange traded options operated by ASX, the Client authorises Pershing to take whatever action is required by ASX Clear or the ASX Settlement Rules to give effect to that cover.
- 4.2 If Client instructs Pershing that a charge or other interest in financial products has been or is to be given to a person, then the Client authorises Pershing to take whatever action is reasonably required by that person in accordance with the ASX Settlement Rules to give effect to or record that interest
- 4.3 Pershing may take steps to create a subposition over the Client's holding in the circumstances contemplated by clauses 4.1 or 4.2. Pershing may also create a subposition if the Client consents. If Pershing does this, the Client's ability to transfer, convert or otherwise deal with the financial products will be restricted in accordance with the ASX Settlement Rules.
- 5. INFORMATION**
- 5.1 The Client must promptly give Pershing any information or documents that Pershing asks for to enable Pershing to:
- (a) perform its obligations or to act as the Client's "controlling participant" or agent under these Sponsorship Terms; or
- (b) comply with the requirements of ASX Settlement or the ASX Settlement Rules.
- 5.2 The Client must, in respect of each holder record (which exists or is to be created) for the Client, ensure that Pershing is advised of the registration details (including any applicable residency indicator).
- 5.3 The Client must ensure that the information referred to in clause 5.2 above is provided to Pershing:
- (a) as soon as possible after the Client places an order with a trading participant (including an order relating to FOR financial products) but in any event, not later than 2 business days prior to the scheduled settlement date of the relevant market transaction; and
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- (b) if the Client's registration details have changed, as soon as possible after that time.
- 5.4 If the Client does not ensure that Pershing is advised of a residency indicator but Pershing has been provided with a street address, then Pershing will be taken to have been advised that, if the relevant street is:
- (a) a street located in Australia, a residency indicator of "D" (for domestic) applies with respect to that holder record; or
- (b) a street located outside Australia, a residency indicator of "F" (for foreign) applies with respect to that holder record.
- 5.5 If Pershing suffers any claim, liability, direct or consequential loss (including to ASX Settlement or an issuer) or incur any cost, charge or expense of any nature as a result of the Client providing (or procuring the provision) or being taken to provide inaccurate registration details, or failing to provide (or procure the provision of) accurate registration details, the Client must on demand fully indemnify Pershing and keep Pershing fully indemnified in respect of such claim, liability, loss, cost, charge or expense:
- (a) as soon as possible after the Client places an order with a trading participant (including an order relating to FOR financial products) but in any event, not later than 2 business days prior to the scheduled settlement date of the relevant market transaction; and
- (b) if the Client's registration details have changed, as soon as possible after that time.
- 5.6 Information or documents the Client gives to Pershing may be disclosed:
- (a) to any person for these purposes;
- (b) if required by any regulatory authority (including ASX Settlement) or if allowed or required by law; or
- (c) to Pershing's officers, employees, advisers and agents; or
- (d) with the Client's consent; or
- (e) to enable Pershing to enforce its rights.
- 6. FEES AND INDEMNITIES**
- 6.1 The Client must pay Pershing fees in connection with these sponsorship arrangements as advised by Pershing from time to time.
- 6.2 If the Client does not pay Pershing an amount when it is due, Pershing can charge interest on the overdue amount. Pershing does this using the method and interest rate Pershing determines from time to time.
- 6.3 The Client indemnifies Pershing against, and the Client must therefore pay Pershing on demand for liability, loss or costs (including consequential or economic loss) Pershing suffers or incurs:
- (a) in connection with Pershing performing its obligations under these Sponsorship Terms; or
- (b) in connection with Pershing acting as the Client's "controlling participant" or agent for the purposes of CHES; or
- (c) if the Client does something that the Client agrees not to do, or don't do something that the Client agrees to do, under these Sponsorship Terms.
- 6.4 The Client must pay to Pershing these amounts when Pershing asks. Pershing may also debit any of these amounts to any account the Client has with Pershing even if Pershing does not expressly ask the Client to pay Pershing.
- 6.5 The indemnity in clause 6.3 is a continuing obligation, independent of the Client's other obligations to Pershing. It continues even after these Sponsorship Terms are terminated. It is not necessary for Pershing to incur expense or make payment before enforcing a right of indemnity conferred by these Sponsorship Terms.
- 7. SUSPENSION FROM CHES**
- 7.1 If Pershing is suspended from CHES participation, (subject to the assertion of an interest in financial products controlled by Pershing, by the liquidator, receiver, administrator or trustee of Pershing) the Client has the right, within 20 business days of ASX Settlement giving notice of the suspension, to give a notice to ASX Settlement requesting that the Client's holdings sponsored under these Sponsorship Terms be removed either:
- (a) from the CHES subregister; or
- (b) from Pershing's control to the control of another Sponsoring Participant with whom the Client has entered into a valid sponsorship agreement pursuant to rule 12.19.10 of the ASX Settlement Rules.
- If the Client does not give ASX Settlement such a notice, ASX Settlement may effect a change of controlling participant under rule 12.19.11 of the ASX Settlement Rules, in which case the Client will be deemed to have entered into a new sponsorship agreement with the substitute controlling participant on the same terms as these Sponsorship Terms. Where the Client is deemed to have entered into a new sponsorship agreement in accordance with this clause, the controlling participant must enter into a sponsorship agreement with the Client within 10 Business Days of the change of controlling participant.
- 8. COMPLAINT PROCEDURES**
- 8.1 Except as referred to in clause 8.2, no external compensation arrangements apply to the Client in relation to this sponsorship agreement.
- 8.2 If Pershing breaches a provision of these Sponsorship Terms and the Client makes a claim for compensation pursuant to that breach, Pershing's ability to satisfy that claim will depend upon Pershing's financial circumstances.
- 8.3 If a breach by Pershing of a provision of this falls within the circumstances specified under Part 7.5, Division 4 of the Corporations Regulations, the Client may make a claim on the National Guarantee Fund for compensation.
- 8.4 If Pershing breach these Sponsorship Terms, the Client may refer that breach to any regulatory authority, including ASX Settlement.
- 9. CHANGE OF CONTROLLING PARTICIPANT**
- 9.1 If the Client receives a Participant Change Notice from Pershing of the Participant Sponsored Holding and the Participant Change Notice was received at least 20 Business Days prior to the date proposed in the Participant Change Notice for the change of controlling participant, the Client is under no obligation to agree to the change of controlling participant, and may choose to do any of the things set out in clauses 9.2 or 9.3.
- 9.2 The Client may choose to terminate these Sponsorship Terms by giving withdrawal instructions under the ASX Settlement Rules to Pershing indicating whether the Client wants to:
- (a) transfer the Client's Participant Sponsored Holding to another controlling participant; or
- (b) transfer the Client's Participant Sponsored Holding to one or more Issuer Sponsored Holdings.
- 9.3 If the Client does not take any action to terminate the agreement in accordance with clause 9.3 above, and do not give any other instructions to Pershing which would indicate that the Client does not agree to the change of controlling participant then, subject to clause 9.8, on the Effective Date these Sponsorship Terms will have been taken to have been novated to the new controlling participant and will be binding on all parties as if, on the Effective Date:

-
- (a) the new controlling participant is a party to these Sponsorship Terms in substitution for the existing controlling participant; and
- (b) the existing controlling participant is released by the Client from any obligations arising on or after the Effective Date.
- 9.4 The novation in clause 9.3 will not take effect until the Client has received a notice from the new controlling participant confirming that the new controlling participant consents to acting as the controlling participant for you. The Effective Date may as a result be later than the date set out in the Participant Change Notice.
- 9.5 The Client will be taken to have consented to the events referred to in clause 9.4 by the doing of any act which is consistent with the novation of these Sponsorship Terms to the new controlling participant (for example by giving an instruction to the new controlling participant), on or after the Effective Date, and such consent will be taken to be given as of the Effective Date.
- 9.6 These Sponsorship Terms continues for the benefit of the existing controlling participant in respect of any rights and obligations accruing before the Effective Date and, to the extent that any law or provision of any agreement makes the novation in clause 9.3 not binding or effective on the Effective Date, then these Sponsorship Terms will continue for the benefit of the existing controlling participant until such time as the novation is effective, and the existing controlling participant will hold the benefit of these Sponsorship Terms on trust for the new controlling participant.
- 9.7 Nothing in clauses 9.1 to 9.6 will prevent the completion of CHES transactions by the existing controlling participant where the obligation to complete those transactions arises before the Effective Date and these Sponsorship Terms will continue to apply to the completion of those transactions, notwithstanding the novation of these Sponsorship Terms to the new controlling participant under clauses 9.1 to 9.6.
- 9.8 If the new controlling participant is not accredited under the ASX Settlement Rules to facilitate the settlement of AQUA Products and the Client's holding contains AQUA Products, Pershing will convert the AQUA Product holdings to Issuer Sponsored Holdings.
- 10. TERMINATION**
- 10.1 Subject to the ASX Settlement Rules, these Sponsorship Terms are terminated:
- (a) if either party notifies the other in writing that it wants to terminate these Sponsorship Terms (in which case these Sponsorship Terms are terminated from the time the notice is received unless a later time is specified in this notice);
- (b) if Pershing becomes insolvent;
- (c) if Pershing's status as a Participant of CHES is terminated or suspended; or
- (d) upon the giving of a withdrawal instruction by the Client to Pershing in accordance with rule 7.1.10(c) of the ASX Settlement Rules.
- 10.2 The termination of these Sponsorship Terms does not affect any rights or obligations that have accrued before that time.
- 11. ASX SETTLEMENT RULES**
- 11.1 These Sponsorship Terms are subject to the ASX Settlement Rules. The Client must not do anything that would prevent or hinder Pershing from complying with its obligations under the ASX Settlement Rules.
- 11.2 If these Sponsorship Terms are inconsistent with the ASX Settlement Rules, the ASX Settlement Rules prevail to the extent of the inconsistency.
- 12. MISCELLANEOUS**
- 12.1 Unless otherwise required or permitted by Pershing or by the ASX Settlement Rules, notices and other communications (each a Notice) under these Sponsorship Terms must be signed by or on behalf of the person giving it, addressed to the person to whom it is to be given and:
- (a) delivered to that person's address;
- (b) sent by pre-paid mail to that person's address;
- (c) transmitted by facsimile to that person's address; or
- (d) transmitted by electronic mail to that person's address.
- 12.2 A Notice given to a person in accordance with this clause is treated as having been given and received:
- (a) if delivered to a person's address, on the day of delivery if a Business Day, otherwise on the next Business Day;
- (b) if it is sent by pre-paid mail on the third Business Day after posting;
- (c) if transmitted by facsimile to a person's address and a correct and complete transmission report is received, on the day of transmission if a Business Day, otherwise on the next Business Day; and
- (d) if transmitted by electronic mail to a person's e-mail address and a correct and complete transmission report is received, on the day of transmission if a Business Day, otherwise on the next Business Day.
- 12.3 Where the Client is a joint holder, Pershing may treat a notice or other communication (including instructions) signed or received from one of the joint holder's as binding on all of them.
- 13. COMMENCEMENT OF PROVISIONS, WAIVER AND VARIATION**
- 13.1 Pershing can vary these Sponsorship Terms by giving the Client written notice of the variation. Pershing will give you:
- (a) at least 8 business days notice of the variation if the variation is, in Pershing's reasonable opinion, to remove any inconsistency between these Sponsorship Terms and the ASX Settlement Rules; and
- (b) at least 20 business days notice in other cases.
- 13.2 Subject to clause 13.1, a provision of these Sponsorship Terms, or a right created under it, may not be waived or varied except in writing signed by the party or parties to be bound.
- 13.3 Where this agreement contains provisions which come into effect by operation of the ASX Settlement Rules on a particular date (provision effective date) and the provision effective date is after the date of the agreement, those provisions only have effect from the provision effective date. You can obtain details of any such provisions and effective dates from the Intermediary.
- 14. SET OFF**
- 14.1 Pershing may set off any amount Pershing owes the Client against any amount the Client owes Pershing or any of Pershing's related companies.
- 15. APPLICABLE LAW**
- 15.1 These Sponsorship Terms are governed by the laws in force in New South Wales. The Client and Pershing submit to the non-exclusive jurisdiction of the courts of New South Wales.

16. COPIES OF THESE SPONSORSHIP TERMS

- 16.1 The Client is entitled to receive a copy of these Sponsorship Terms executed by Pershing. By returning one copy signed by the Client, the Client instructs Pershing not to send to it a hard copy of these Sponsorship Terms executed by Pershing. However, if the Client asks Pershing to, Pershing will provide the Client at any time with a hard copy of these Sponsorship Terms executed by both parties.

17. MEANING OF WORDS

ASX Clear means Australian Clearing House Pty Limited ABN 48 001 314 503.

ASIC means the Australian Securities and Investments Commission.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532) and its agents appointed under the ASX Settlement Rules.

ASX Settlement Rules means the business rules of ASX Settlement for CHES.

ASX means ASX Limited ABN 98 008 624 691.

bankrupt means being in a state of "bankruptcy" as that term is defined in the ASX Settlement Rules.

business day has the meaning given in the ASX Settlement Rules. Generally, it means any day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and a day that Australian Stock Exchange Limited declares is not a business day.

CHES stands for Clearing House Electronic Subregister System and has the meaning given in the ASX Settlement Rules. It is a system of registering financial products on computer.

CHES subregister has the meaning given in the ASX Settlement Rules. Generally, it means that part of a register of financial products that is administered by ASX Settlement.

controlling participant has the meaning given to it in the ASX Settlement Rules. Generally it means a person who has the capacity in CHES to transfer financial products in and out of a sponsored holding.

conversion has the meaning given in the ASX Settlement Rules. Generally, it means the movement of financial products from one holding on one subregister to another holding on another subregister without a change in legal ownership.

costs includes charges and expenses (including stamp duty and other government charges); and costs, charges and expenses in connection with legal and other advisers on a full indemnity basis.

financial products has the meaning given in the ASX Settlement Rules.

FOR financial products has the meaning given in the ASX Settlement Rules. In general, it refers to financial products which, because of legislation or a governing instrument, must not be owned beyond a specified limit by foreign persons.

holder record has the meaning given in the ASX Rules. Generally, it means the details recorded by securities clearing house in CHES for the purpose of operating one or more holdings.

holder record lock has the meaning given in the ASX Settlement Rules. Generally, it means the facility in CHES for preventing financial products from being deducted from a holding.

holding has the meaning given in the ASX Settlement Rules. Generally, it means a holding of financial products by a person, including, when introducing an example does not limit the meaning of the word to which the example relates to that example of examples of a similar kind.

issuer has the meaning given in the ASX Settlement Rules.

market transaction has the meaning given in the ASX Settlement Rules.

Registration Details has the meaning given in the ASX Settlement Rules. In general, it refers to the Client's name, address and a Residency Indicator.

residency indicator has the meaning given in the ASX Settlement Rules. In general, it refers to a code (being "D" for domestic, "F" for foreign and "M" for mixed) used to indicate the status for the purposes of the relevant legislation or governing instrument of the ultimate beneficial owner of FOR Financial Products in a holding on CHES.

scheduled time has the meaning given in the ASX Settlement Rules. The scheduled time varies depending on the act to which it relates.

subposition has the meaning given in the ASX Settlement Rules. Generally, it means an arrangement under which activity relating to the financial products may be restricted and access to the financial products given to a person other than the Client's normal sponsor.

trading participant has the meaning given in the ASX Settlement Rules.

transfer has the meaning given in the ASX Settlement Rules. Generally, it means a transfer of financial products to or from a holding on CHES.

withdrawal instructions has the meaning given in the ASX Settlement Rules. Generally, it means the instructions by a person who is sponsored on CHES for the withdrawal of financial products from the sponsored holdings.

Certain definitions refer to the ASX Settlement Rules. The Client should read those rules for the full terms of the definitions. The definition may change from time to time if the ASX Settlement Rules are changed.

The singular includes the plural and vice versa.

A reference to:

a document (including the ASX Settlement Rules) or agreement includes any variation or replacement of it; law means common law, principles of equity, and laws made by parliament (and laws made by parliament include regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them); and any thing includes the whole and each part of it.

Subordination Deed

Dated 9 January 2017

National Australia Bank Limited ACN 004 044 937 ("Senior Creditor")
Centuria Funds Management Limited ACN 607 153 588 as responsible
entity of the Centuria Capital Fund ARSN 613 856 358 ("Fund")
Centuria Capital Limited ACN 095 454 336 ("Guarantor")
360 Capital Custodian No. 2 Pty Ltd ACN 103 076 713 as trustee of the
360 Capital Finance Trust ("Junior Creditor")

King & Wood Mallesons
Level 61
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia
T +61 2 9296 2000
F +61 2 9296 3999
DX 113 Sydney
www.kwm.com
Ref: KMA:CC: 602-0019301

Subordination Deed

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Subordination Deed

Details

Date 9 January 2017

Parties

Senior Creditor	Name	National Australia Bank Limited
	ACN	004 044 937
	Address	Level 22, NAB House, 255 George Street, Sydney NSW 2000
	Fax	1300 602 185
	Email	gordon.hardie@nab.com.au
	Attention	Gordon Hardie
Fund	Name	Centuria Funds Management Limited (ACN 607 153 588) as responsible entity of the Centuria Capital Fund (ARSN 613 856 358)
	Address	Suite 39.01, Level 39, 100 Miller Street, North Sydney NSW 2060
	Fax	(02) 9460 2960
	Email	simon.holt@centuria.com.au
	Attention	Simon Holt
Guarantor	Name	Centuria Capital Limited
	ACN	095 454 336
	Address	Suite 39.01, Level 39, 100 Miller Street, North Sydney NSW 2060
	Fax	(02) 9460 2960
	Email	simon.holt@centuria.com.au
	Attention	Simon Holt
Junior Creditor	Name	360 Capital Custodian No. 2 Pty Ltd as trustee of the 360 Capital Finance Trust
	ACN	103 076 713
	Address	Level 8, 56 Pitt Street, Sydney NSW 2000

Email

tony.pitt@360capital.com.au

Attention

Tony Pitt

Subordination Deed

General terms

1 Definitions and interpretation

1.1 Definitions

These meanings apply unless the contrary intention appears:

Authorised Officer means

- (a) in the case of the Senior Creditor, a director or secretary of the Senior Creditor or any person who purports to be a "director", "chief", "counsel", "executive", "head", "president" or "manager" (or a person performing, or purporting to perform the functions of any of them) of the Senior Creditor; and
- (b) in the case of the Fund, the Guarantor or the Junior Creditor, a director or secretary of them or any other person specified by them as an Authorised Officer for the purposes of this document by a notice to the Senior Creditor accompanied by a copy of the person's signature certified by a director or secretary of the Fund or the Guarantor or the Junior Creditor (as the case may be) (and in respect of which the Senior Creditor has not received notice of revocation of the appointment).

Business Day means a day (not being a Saturday, Sunday or public holiday in that place) on which banks are open for general banking business in Sydney.

Controller has the meaning it has in the Corporations Act.

Corporations Act means the Corporations Act 2001 (Cwlth).

Costs includes costs, charges and expenses including those incurred in connection with advisers and any legal costs on a full indemnity basis.

Details means the section of this document headed "Details".

Encumbrance means any:

- (a) 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 and any "security interest" as defined in sections 12(1) or (2) of the PPSA; or
- (b) right, interest or arrangement which has the effect of giving another person a preference, priority or advantage over creditors including any right of set-off; or
- (c) third party right or interest or any right arising as a consequence of the enforcement of a judgment,

or any agreement to create any of them or allow them to exist.

Excluded Proceeds means any amount received or recovered by the Junior Creditor pursuant to a Permitted Enforcement.

Grantor means the TIX Grantor, the TOF Grantor and any other party (other than the Junior Creditor) to, or who has provided, a Permitted Encumbrance.

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); or
- (b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to its property; or
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute, or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the Senior Creditor); or
- (d) an application or order has been made (and, in the case of an application, it is not stayed, withdrawn or dismissed within 14 days), resolution passed, or any other action taken, in each case in connection with that person, in respect of any of (a), (b) or (c) above; or
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand; or
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which the Senior Creditor reasonably deduces it is so subject); or
- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

Junior Creditor Agreement means the document dated on or about the date of this document entitled "Loan agreement" between, among others, the Junior Creditor, the Fund, the Guarantor and the TIX Grantor.

Junior Creditor Permitted Encumbrance means any Encumbrance in existence as at the date of this document, granted by the Junior Creditor over all of its assets, but which is released or discharged on the date the Principal Sum (as defined in the Junior Creditor Agreement) is lent to the Fund.

Junior Creditor Termination Date has the meaning given in paragraph (a) of the definition of "Termination Date" in the Junior Creditor Agreement.

Junior Finance Documents means the Junior Credit Agreement and each other "Finance Document" (as defined in the Junior Credit Agreement).

Obligor means each of the Fund, the Guarantor and each Grantor.

Permitted Encumbrance means:

- (a) the "Original Security" as defined in the Junior Creditor Agreement as of the date of this document;
- (b) any Encumbrance granted pursuant to clause 11(a)(ii) ("LVR") of the Junior Creditor Agreement as of the date of this document.

Permitted Enforcement has the meaning given in clause 3.8 ("Permitted Enforcement").

PPSA means the Personal Property Securities Act 2009 (Cwlth).

Proceeds means, in respect of the Junior Creditor:

- (a) any amount received or recovered by the Junior Creditor in respect of its Subordinated Debt in the Winding Up of the Fund or the Guarantor; and
- (b) any amount received or recovered by the Junior Creditor in connection with a failure by it or the Fund or the Guarantor to comply with its obligations under this document

except for any Excluded Proceeds.

Receiver includes a receiver or receiver and manager.

Related Entity has the meaning it has in the Corporations Act.

Security Provider means a person (other than the Fund or the Guarantor) which at any time is liable by guarantee, indemnity or otherwise alone or jointly, or jointly and individually, to pay or indemnify against non-payment of the Senior Debt or any Subordinated Debt (as the context requires).

Senior Creditor Agreement means the document entitled "Multi-Option Facility Agreement" dated 23 November 2016 between (among others) the Fund (as a guarantor) and the Senior Creditor.

Senior Finance Documents means the Senior Creditor Agreement and each other Transaction Document (as defined in the Senior Creditor Agreement).

Senior Debt means all money which:

at any time;

for any reason or circumstance in connection with the Senior Finance Documents or this document (including transactions in connection with them);

whether under law or otherwise (including liquidated or unliquidated damages for default or breach of any obligation); and

whether or not of a type within the contemplation of the parties at the date of this document:

- (a) the Fund is or may become actually or contingently liable to pay to the Senior Creditor; or
- (b) the Senior Creditor has advanced or paid on the Fund's behalf or at the Fund's express or implied request; or
- (c) the Senior Creditor is liable to pay by reason of any act or omission on the Fund's part or that the Senior Creditor has paid or advanced following an act or omission on the Fund's part; or
- (d) the Fund would have been liable to pay to the Senior Creditor but the amount remains unpaid by reason of the Fund's Insolvency.

This definition applies:

- (i) irrespective of the capacity in which the Fund or the Senior Creditor became entitled to, or liable in respect of, the amount concerned;
- (ii) whether the Fund or the Senior Creditor are liable as principal debtor, or surety or otherwise;
- (iii) whether the Fund is liable alone, or together with another person;
- (iv) even if the Fund owes an amount or obligation to the Senior Creditor because it was assigned to the Senior Creditor, whether or not:
 - (A) the assignment was before, at the same time as, or after the date of this document; or
 - (B) the Fund consented to or was aware of the assignment; or
 - (C) the assigned obligation was secured before the assignment;
- (v) even if the Senior Debt was assigned to the Senior Creditor, whether or not:
 - (A) the Fund or Junior Creditor consented to or was aware of the assignment; or
 - (B) any of the Senior Debt was previously unsecured;
- (vi) if the Fund is a trustee, whether or not the Fund has a right of indemnity from the trust fund.

Subsidiary of an entity means another entity which:

- (a) is a subsidiary of the first entity within the meaning of the Corporations Act; or
- (b) is part of the consolidated entity constituted by the first entity and the entities it is required to include in the consolidated financial statements it prepares, or would be if the first entity was required to prepare consolidated financial statements.

A trust may be a subsidiary (and an entity may be a subsidiary of a trust) if it would have been a subsidiary under this definition if that trust were a corporation. For these purposes, a unit or other beneficial interest in a trust is to be regarded as a share.

Subordinated Debt means in respect of a Junior Creditor, all money which:

at any time;

for any reason or circumstance in connection with the Junior Finance Documents or this document (including transactions in connection with them);

whether under law or otherwise (including liquidated or unliquidated damages for default or breach of any obligation); and

whether or not of a type within the contemplation of the parties at the date of this document:

- (a) the Fund, any Grantor or the Guarantor is or may become actually or contingently liable to pay to the Junior Creditor; or
- (b) the Junior Creditor has advanced or paid on the Fund's, a Grantor's or the Guarantor's behalf or at the Fund's express or implied request; or
- (c) that Junior Creditor is liable to pay by reason of any act or omission on the Fund's, a Grantor's or the Guarantor's part or that the Junior Creditor has paid or advanced following an act or omission on the Fund's part; or
- (d) the Fund, a Grantor or the Guarantor would have been liable to pay to the Junior Creditor but the amount remains unpaid by reason of the Fund's or the Guarantor's Insolvency.

This definition applies:

- (i) irrespective of the capacity in which the Fund, a Grantor, the Guarantor or that Junior Creditor became entitled to, or liable in respect of, the amount concerned;
- (ii) whether the Fund, a Grantor or the Guarantor is liable as principal debtor, or surety or otherwise;
- (iii) whether the Fund, a Grantor or the Guarantor is liable alone, or together with another person;
- (iv) even if the Fund, a Grantor or the Guarantor owes an amount or obligation to that Junior Creditor because it was assigned to the Junior Creditor, whether or not:
 - (A) the assignment was before, at the same time as, or after the date of this document; or
 - (B) the Fund, a Grantor or the Guarantor consented to or was aware of the assignment; or
 - (C) the assigned obligation was secured before the assignment;
- (v) even if the Subordinated Debt was assigned to that Junior Creditor, whether or not:
 - (A) the Fund, a Grantor or the Guarantor or Senior Creditor consented to or was aware of the assignment; or
 - (B) any of the Subordinated Debt was previously unsecured;
- (vi) if the Fund, a Grantor or the Guarantor is a trustee, whether or not the Fund, a Grantor or the Guarantor has a right of indemnity from the trust fund.

Subordination Period means the period commencing on the date of this deed and ending on the date the Senior Debt is repaid and cancelled in full.

Taxes means taxes, levies, imposts, charges and duties (including stamp and transaction duties) imposed by any authority together with any related interest, penalties, fines and expenses in connection with them.

TIX Grantor means Centuria Investment Holdings Pty Limited (ACN 116 455 862) as trustee of the Centuria Capital No.2 Industrial Fund.

TOF Grantor means Centuria Investment Holdings Pty Limited (ACN 116 455 862) as trustee of the Centuria Capital No.2 Office Fund.

Trust means the trust described in the Details.

Trust Property means the property held by the Fund in its capacity as trustee of the Trust.

Winding Up means, in respect of a company, the happening of any of the following:

- (a) an order is made that it be wound up; or
- (b) appointment of a liquidator to it; or
- (c) appointment of a provisional liquidator to it and the provisional liquidator is required to admit all debts to proof or pay all debts capable of being admitted to proof proportionately; or
- (d) entry by it into a scheme of arrangement or deed of company arrangement, composition with, or assignment for the benefits of, all or any class of, its creditors.

1.2 General interpretation

Headings are for convenience only and do not affect interpretation. Unless the contrary intention appears in this document, the following applies:

- (a) the singular includes the plural and vice versa;
- (b) a reference to a document or an agreement (including this document) includes the document or agreement as varied, novated, supplemented, extended, replaced or restated;
- (c) the meaning of general words is not limited by specific examples introduced by "including", "for example" or "such as" or similar expressions;
- (d) a reference to a particular person includes the person's executors, administrators, successors, permitted substitutes (including persons taking by novation) and permitted assigns;
- (e) the word "person" includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority or any other entity or organisation;
- (f) a reference to a time of day is a reference to Sydney time;
- (g) a reference to, dollars, \$ or A\$ is a reference to the currency of Australia;
- (h) a reference to the word "law" includes common law, principles of equity and legislation (including regulations);
- (i) a reference to any legislation includes regulations under it and any consolidations, amendments, re-enactments or replacements of any of them;

- (j) a reference to the word "regulations" includes instruments of a legislative character under legislation (such as regulations, rules, by-laws, ordinances and proclamations);
- (k) an agreement, representation or warranty in favour of 2 or more persons is for the benefit of them jointly and each of them individually;
- (l) a reference to a group of persons is a reference to any 2 or more of them jointly and to each of them individually;
- (m) a reference to any thing (including an amount) is a reference to the whole and each part of it;
- (n) a reference to accounting standards is a reference to accounting standards, principles and practices generally accepted in the relevant place, consistently applied;
- (o) a reference to "property" or "asset" includes any present or future, real or personal, tangible or intangible property, asset or undertaking and any right, interest or benefit under or arising from it;
- (p) a reference to "control" includes control as defined in the PPSA;
- (q) a reference to "possession" includes possession as defined in the PPSA;
- (r) set off includes set off by way of combination of accounts.

1.3 Trustee limitation on liability

- (a) Subject to clause 1.3(c), a liability arising under or in connection with this document is limited to and can be enforced against the Fund only to the extent to which it can be and is in fact satisfied out of property of the Trust from which the trustee or responsible entity is actually indemnified for the liability. This limitation of the trustee's or responsible entity's liability applies despite any other provision of this document and extends to all liabilities and obligations of the trustee or responsible entity in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this document.
- (b) Subject to clause 1.3(c), no party to this document may sue a trustee or responsible entity in any capacity other than as the trustee or responsible entity of the Trust of which it is specified as trustee, including seeking the appointment of a receiver (except in relation to property of the Trust), a liquidator, an administrator or any similar person to the trustee or responsible entity or proving in any liquidation, administration or arrangement of or affecting the Fund (except in relation to property of the Trust).
- (c) The provisions of this clause 1.3 will not apply to any obligation or liability of a trustee or responsible entity to the extent that it is not satisfied because, under the Trust constitution or by operation of law, the trustee or responsible entity loses its right of indemnity out of the assets of the Trust or there is a reduction in the extent of the trustee's or responsible entity's indemnification out of the assets of the Trust, in either case as a result of the trustee's or responsible entity's fraud, wilful defaulting, negligence or breach of trust.
- (d) Nothing in clause 1.3(c) will make a trustee or responsible entity liable to any claim for an amount greater than the amount which the Senior Creditor or Junior Creditor (as applicable) would have been able to claim and recover from the assets of the Trust of which it is specified as

trustee or responsible entity in relation to the relevant liability if the Fund's right of indemnification out of the assets of that Trust had not been prejudiced by its failure to properly perform its duties.

- (e) A trustee or responsible entity is not obliged to do or refrain from doing anything under this document (including incur any liability) unless its liability is limited in the same manner as set out in this clause 1.3.
- (f) Without limiting the operation of the limitation of each trustee's or responsible entity's liability as set out in paragraphs (a) to (e) above, this clause 1.3 and any limitation of each trustee's or responsible entity's liability under the trust deed of the Trust is to be disregarded for the purposes of:
 - (i) determining when a liability of the trustee as trustee of the Trust is due and payable under any Senior Finance Document or Junior Finance Document;
 - (ii) determining whether an event of default has occurred under any Senior Finance Document or Junior Finance Document because of a failure by the trustee as trustee of the Trust to pay an amount payable by it under any Senior Finance Document or Junior Finance Document; or
 - (iii) interpreting the definition of "Secured Money" in any Senior Finance Documents,

but for no other purpose, including determining or interpreting the extent of the trustee's or responsible entity's liability or the extent to which the liability may be enforced against the trustee or responsible entity.

2 Purpose and consideration

This document sets out the terms on which the Subordinated Debt is subordinated to the Senior Debt. Each of the Senior Creditor, the Fund, the Guarantor and the Junior Creditor acknowledges incurring obligations and giving rights under this document for valuable consideration.

3 Subordination

3.1 Subordinated Debt not payable until Senior Debt repaid

The parties agree that subject to clause 3.2 ("Permitted payments"), clause 3.4 ("Effect of lodgment of proof") and clause 3.8 ("Permitted Enforcement") none of the Subordinated Debt is payable until the Senior Debt is repaid in full.

This clause applies despite any contrary agreement between the Junior Creditor and the Fund and the Guarantor.

3.2 Permitted payments

The Fund and the Guarantor may make payments of the Subordinated Debt while no Event of Default (as defined in the Senior Creditor Agreement) is continuing in accordance with:

- (a) clause 5 ("Interest") of the Junior Creditor Agreement;
- (b) clause 6 ("Conditional Placement") of the Junior Creditor Agreement;
- (c) clause 7 ("Fee") of the Junior Creditor Agreement;

- (d) clauses 11(a)(i) and 11(b) ("LVR") of the Junior Credit Agreement;
- (e) clause 4.1 ("Repayment") of the Junior Creditor Agreement, provided that the payment under clause 4.1 ("Repayment") of the Junior Creditor Agreement:
 - (i) can only be made on or after the Junior Creditor Termination Date and no earlier than that date; and
 - (ii) is funded by proceeds of a refinancing of the Subordinated Debt, such refinancing to be on terms approved by the Senior Creditor (acting reasonably).

For the avoidance of doubt, a Grantor may make payments to the Junior Creditor, and the Junior Creditor may receive payments from a Grantor, in respect of the Subordinated Debt at any time.

3.3 Junior Creditor's restrictions on a Winding Up

During the Subordination Period, the Junior Creditor may not prove, or vote, in respect of its Subordinated Debt during a Winding Up of the Fund or the Guarantor unless it does so in accordance with the Senior Creditor's instructions. (The Junior Creditor agrees to do these things in accordance with the Senior Creditor's instructions.)

3.4 Effect of lodgment of proof

At the same time as the Junior Creditor lodges proof of its Subordinated Debt, the Subordinated Debt (up to the amount claimed in the proof in accordance with the Senior Creditor's instructions) is payable.

3.5 Junior Creditor will direct payment to Senior Creditor

During the Subordination Period, if the Senior Creditor asks, the Junior Creditor agrees to direct payment of its Proceeds to the Senior Creditor, in the form prescribed by law or, if no form is prescribed, in a form approved by the Senior Creditor.

3.6 Proceeds held on trust

During the Subordination Period, immediately after receipt of the Proceeds, the Junior Creditor agrees to hold the Proceeds on trust for the Senior Creditor and to deposit them into an account specifically designated by the Senior Creditor. The Junior Creditor agrees to distribute the Proceeds:

- (a) first, to the Senior Creditor to satisfy the Senior Debt; and
- (b) secondly, to the extent of any balance after repayment of the Senior Debt, to itself to satisfy its Subordinated Debt.

3.7 Junior Creditor to pay over amounts recovered

If, other than as contemplated by clause 3.2 ("Permitted payments") or clause 3.8 ("Permitted Enforcement") an amount (in the form of money or any other property) which is not Excluded Proceeds:

- (a) is received or recovered by the Junior Creditor on account of its Subordinated Debt (which is not subject to the trust in clause 3.6 ("Proceeds held on trust")); or
- (b) is paid to any person other than the Junior Creditor in connection with the Junior Creditor's Subordinated Debt; or

- (c) is set off against the Junior Creditor's Subordinated Debt (whether by operation of law or otherwise),

that Junior Creditor agrees to immediately pay to the Senior Creditor an amount equal to the lesser of:

- (i) the amount received, recovered, paid or set off; or
- (ii) the Senior Debt at that time.

3.8 Permitted Enforcement

The Junior Creditor may take steps to:

- (a) enforce any security interest under a Permitted Encumbrance, in accordance with and subject to the terms of that Permitted Encumbrance;
- (b) accelerate payment of any Secured Money under and as defined in a Permitted Encumbrance, in accordance with and subject to the terms of that Permitted Encumbrance and the Junior Finance Documents; and
- (c) accelerate payment of amounts owing to it under the Junior Credit Agreement in accordance with and subject to the terms of the Junior Credit Agreement, but only to the extent required in order to enforce its rights under a Permitted Encumbrance,

without the prior consent of the Senior Creditor (any such step being a "Permitted Enforcement").

For the avoidance of doubt and for so long as clause 3.1 applies, in the event of a default (howsoever described) under a Junior Finance Document, the Junior Creditor is entitled only to be paid and to otherwise receive or recover amounts owing to it by the Fund, the Guarantor or a Grantor, from a Grantor under and pursuant to the terms of a Permitted Encumbrance to which that Grantor is a party, and may not receive or recover any such amounts from the Fund or the Guarantor.

4 Representations and warranties

4.1 Junior Creditor and Fund representations and warranties

Each of the Junior Creditor, the Fund and the Guarantor represents and warrants (except in relation to matters disclosed to the Senior Creditor and accepted by the Senior Creditor in writing) that:

- (a) **(status)** it has been incorporated or formed in accordance with the laws of its place of incorporation or formation, is validly existing under those laws; and
- (b) **(power)** it has power to enter into this document, comply with its obligations under it and exercise its rights under it; and
- (c) **(no contravention)** the entry by it into, its compliance with its obligations and the exercise of its rights under, this document do not and will not conflict with:
 - (i) its constituent documents or cause a limitation on its powers or the powers of its directors to be exceeded; or
 - (ii) any law binding on or applicable to it; and

- (d) **(authorisations)** it has in full force and effect each authorisation necessary for it to enter into this document, to comply with its obligations and exercise its rights under it, and to allow them to be enforced; and
- (e) **(validity of obligations)** its obligations under this document are valid and binding and are enforceable against it in accordance with its terms subject to any stamping and registration requirements, applicable equitable principles and laws generally affecting creditors' rights; and
- (f) **(benefit)** it benefits by entering into this document; and
- (g) **(no benefit to related party)** no person has contravened or will contravene Chapter 2E (related parties) or Part 2J.3 (financial assistance) of the Corporations Act (or any equivalent legislation in any other jurisdiction) by entering into this document or participating in any transaction in connection with this document; and
- (h) **(no Encumbrances)** no Encumbrance exists in respect of any Subordinated Debt other than a Permitted Encumbrance or a Junior Creditor Permitted Encumbrance; and
- (i) **(not Insolvent)** it is not Insolvent; and
- (j) **(documents and information)** in the case of the Fund and the Guarantor only, all documents (including the Junior Finance Documents) and information given to the Senior Creditor by or on behalf of the Fund or the Guarantor or any of its Subsidiaries in connection with this document, each Subordinated Debt or any transaction in connection with them are complete and not misleading or deceptive, in any material respect (including by omission) as at the date they are given or as at their stated date; and
- (k) **(not a trustee)** unless stated in the Details, it does not enter into this document as trustee.

4.2 Junior Creditor representations and warranties

The Junior Creditor represents and warrants to the Senior Creditor that it is the beneficial owner of, and has good title to, its Subordinated Debt, free from Encumbrance except for the Permitted Encumbrances.

4.3 Trustee representations and warranties

The Fund represents and warrants (except in relation to matters disclosed to the Senior Creditor and the Junior Creditor and accepted by the Senior Creditor and the Junior Creditor in writing) that:

- (a) the Trust of which it is trustee or responsible entity has been duly established;
- (b) it is the only trustee or responsible entity of the Trust;
- (c) it has been validly appointed as trustee or responsible entity of the Trust and no action has been taken or proposed to remove it as trustee or responsible entity of the Trust;
- (d) no resolution has been passed or direction been given for the winding up or termination of the Trust or distribution of the Trust Property of the Trust;
- (e) it has the right to be fully indemnified out of the Trust Property in respect of its obligations under this document;

- (f) the Trust Property is sufficient to satisfy all of its obligations under this document;
- (g) it has not exercised its powers under the constituent documents of the Trust to release, abandon or restrict any power conferred on it by such constituent documents where to do so would adversely affect the trustee's right to be indemnified out of the Trust Property;
- (h) it enters into this document to which it is expressed to be a party as part of the proper administration of the Trust by the trustee or responsible entity and it has complied with all its duties as a trustee of the Trust and there has been no allegation that it has not;
- (i) all acts of internal management of the Trust in respect of this document and the assumption by the trustee of liability for the performance of its obligation under this document has been duly performed and all consents, authorisations and approvals required are in full force and effect;
- (j) no Trust Property has been re-settled or set aside or transferred to any other trust;
- (k) the constituent documents of the Trust comprises all the terms which govern the trust and constitutes legal, valid and binding obligations enforceable in accordance with its terms and neither such constituent documents nor any part of them is void, voidable or otherwise unenforceable;
- (l) true copies of the constituent documents of the Trust have been provided to the Senior Creditor and the Junior Creditor and disclose all the terms of the Trust;
- (m) the Trust has been duly established as a managed investment scheme; and
- (n) in its capacity as trustee or responsible entity for the Trust, it is not in default under the relevant trust deed.

4.4 Repetition of representations and warranties

The representations and warranties in this clause 4 are taken to be made on the date of this document and also made (by reference to the then current circumstances):

- (a) on each date on which the Senior Creditor provides financial accommodation to or at the request of the Fund; and
- (b) every 3 months after the date of this document.

Any disclosure against a representation and warranty does not limit the Senior Creditor's right under this document (unless the Senior Creditor has accepted that disclosure in writing).

4.5 Reliance

Each of the Junior Creditor and the Fund and the Guarantor acknowledges that the Senior Creditor has entered into this document in reliance on the representations and warranties in this clause 4.

5 Undertakings

5.1 Junior Creditor's restrictions

Without the consent of the Senior Creditor and except as otherwise expressly permitted by this document, the Junior Creditor may not, and may not agree to, do any of the following during the Subordination Period:

- (a) **(no demand)** demand or accept payment, repayment of or otherwise allow its Subordinated Debt to be satisfied or extinguished except as permitted under clauses 3.2 and 3.8; or
- (b) **(not sue or take other action)** sue for or take any other action to recover its Subordinated Debt except as contemplated under clause 3.8; or
- (c) **(vary)** vary, replace, transfer, waive or release any of its rights or obligations under clause 5 ("Interest"), 6 ("Conditional Placement"), 10.6(d) ("General Undertakings – LVR") or 11 ("LVR") of the Junior Creditor Agreement or rescind or terminate any agreement in connection with its Subordinated Debt (except that the Senior Creditor's consent may not be unreasonably withheld or delayed; or
- (d) **(set off)** exercise any right of set off in respect of its Subordinated Debt except in connection with any payments permitted under clause 3.2 or as contemplated under clause 3.8; or
- (e) **(negotiable instruments)** permit its Subordinated Debt to be evidenced by a negotiable instrument unless the instrument is expressed on its face to be subject to this document or deposited with the Senior Creditor; or
- (f) **(borrow)** raise financial accommodation from, or otherwise create or increase indebtedness to, the Fund or the Guarantor; or
- (g) **(Encumbrance or guarantee)** accept the benefit of any Encumbrance or guarantee, indemnity or assurance against financial loss in respect of its Subordinated Debt (except for a Permitted Encumbrance or under the terms of the Junior Creditor Agreement); or
- (h) **(requisition)** pass or agree (as applicable):
 - (i) a resolution for the winding up of the Fund or the Guarantor; or
 - (ii) any arrangement, assignment or composition or protection from any creditors under statute for the Fund or the Guarantor; or
 - (iii) a resolution for the appointment of an administrator to the Fund; or
- (i) **(vote)** vote:
 - (i) for the winding up of the Fund or the Guarantor; or
 - (ii) in connection with any proposed arrangement, assignment or composition or protection from any creditors under statute for the Fund or the Guarantor; or
- (j) **(apply to court)** apply to the court to wind up, or prove in the winding up of, the Fund or the Guarantor.

5.2 Fund's restrictions

Without the consent of the Senior Creditor and except to the extent otherwise expressly permitted by this document, the Fund or the Guarantor must not, and must not agree to, do any of the following during the Subordination Period:

- (a) **(repay)** pay, repay, purchase or otherwise satisfy or extinguish any Subordinated Debt other than as permitted under clauses 3.2 and 3.8; or
- (b) **(Encumbrance or guarantee)** create or allow to exist any Encumbrance or guarantee, indemnity or assurance against financial loss in respect of any Subordinated Debt (other than any Permitted Encumbrances or except under the terms of the Junior Creditor Agreement); or
- (c) **(vary)** vary, replace, transfer, waive, release or affect any of its rights or obligations under clause 5 ("Interest"), 6 ("Conditional Placement"), 10.6(d) ("General Undertakings – LVR") or 11 ("LVR") of the Junior Creditor Agreement or rescind or terminate any agreement in connection with any Subordinated Debt (except that the Senior Creditor's consent may not be unreasonably withheld or delayed); or
- (d) **(set off)** exercise any set off in respect of any amount payable to it by the Junior Creditor; or
- (e) **(arrangements)** enter into any arrangement, take any action or fail to do any thing, which results in any Subordinated Debt not being subordinated to the Senior Debt; or
- (f) **(change of Junior Creditor details)** notify the Senior Creditor at least 7 days before:
 - (i) the Junior Creditor (or if the Details indicate that the Junior Creditor is a trust or partnership, the trust or the partnership) changes its name as recorded in a public register in its jurisdiction of incorporation or in its constituent documents; and
 - (ii) any ACN or ARBN allocated to the Junior Creditor (or if the Details indicate that the Junior Creditor is a trust or partnership, any ABN or ARSN allocated to the trust or any ABN allocated to the partnership) changes, is cancelled or otherwise ceases to apply to it (or if it does not have any such applicable number, one is allocated, or otherwise starts to apply, to it); and
 - (iii) the Junior Creditor becomes trustee of a trust, or a partner in a partnership, not stated in the Details.

5.3 Trustee undertakings

Without the consent of the Senior Creditor and the Junior Creditor, the Fund must:

- (a) exercise its right of indemnity from Trust Property in respect of obligations it incurs in its capacity as trustee or responsible entity;
- (b) comply with its obligations as trustee or responsible entity where a failure to do so could adversely affect its right to be indemnified out of Trust Property;
- (c) not do anything which could restrict, release, waive, harm, impair or otherwise detrimentally affect its right of indemnity from the Trust

Property in respect of obligations incurred by it in its capacity as trustee or responsible entity;

- (d) not resign or be removed as trustee or responsible entity and do everything within its power to prevent a new or additional trustee or responsible entity being appointed;
- (e) not vest or resettle any of the Trust Property;
- (f) unless required by law, not vary, add to or delete any term of the constituent documents of the Trust;
- (g) not acquire any Trust Property other than in the name of the trustee or responsible entity;
- (h) not do, or fail to do, anything in breach of the terms of the constituent documents of the Trust;
- (i) not exercise any power to change the vesting date or allow the early determination of the Trust;
- (j) not amend or revoke any constituent documents;
- (k) not blend or mix the Trust Property with any other property; and
- (l) not do anything which changes or would change the application of the laws relating to income tax to the Trust.

6 Senior Creditor restrictions

The Senior Creditor must not create or allow to exist any Encumbrance in respect of the Senior Debt over any property or asset which is the subject of the Permitted Encumbrances. For the avoidance of doubt, the Senior Creditor must not take any Encumbrance from the TIX Grantor or the TOF Grantor or take any Encumbrance over any asset or property owned or held by the TIX Grantor or the TOF Grantor from time to time.

7 Changes to rights

7.1 Rights of the Senior Creditor are protected

Rights given to the Senior Creditor under this document, and the Junior Creditor's liabilities under it, are not affected by any act or omission by the Senior Creditor or any other person or any other thing which might otherwise affect them under law or otherwise. For example, those rights and liabilities are not affected by:

- (a) any act or omission:
 - (i) varying, replacing, supplementing, extending or restating in any way and for any reason any agreement or any arrangement under which the Senior Debt or Subordinated Debt is expressed to be owing, such as by adding, replacing or changing the purpose of a facility, increasing a commitment or facility limit or extending the term of a facility including in connection with a restructuring or refinancing of the secured money, changing the agent or substituting a financier);
 - (ii) releasing the Fund or the Guarantor or any Security Provider or giving them a concession (such as more time to pay);

- (iii) releasing any person who gives a guarantee or indemnity in connection with any of the Fund's or the Guarantor's obligations;
- (iv) releasing, losing the benefit of, or not obtaining or perfecting any Encumbrance or negotiable instrument;
- (v) by which the obligations of the Junior Creditor, Fund, the Guarantor or any Security Provider may not be enforceable;
- (vi) by which any person who was intended to guarantee or provide an Encumbrance securing the Senior Debt does not do so, or does not do so effectively;
- (vii) by which the Junior Creditor is discharged from its obligations to the Senior Creditor under an agreement or by operation of law;
- (viii) by which any Encumbrance which could be registered is not registered;
- (b) a person dealing in any way with an Encumbrance, guarantee, indemnity, judgment or negotiable instrument;
- (c) the death, mental or physical disability or Insolvency of any person including the Fund or the Guarantor or the Junior Creditor;
- (d) changes in the membership, name or business of any person;
- (e) the Fund or the Guarantor opening an account with them;
- (f) acquiescence or delay by the Senior Creditor or any other person;
- (g) an assignment or novation of rights in connection with the Senior Debt or Subordinated Debt.

Subject to the terms of this deed, the Senior Creditor may act freely in its interests in relation to any matter concerning the Senior Debt without regard to the interests of the Junior Creditor or the terms of any Subordinated Debt and without incurring any liability to the Junior Creditor.

7.2 Reinstatement of rights

Under law relating to Insolvency, a person may claim that a transaction (including a payment) in connection with this document or the Senior Debt is void or voidable. If a claim is made and upheld, conceded or compromised, then:

- (a) the Senior Creditor is immediately entitled as against the Junior Creditor to the rights under this document in respect of the Senior Debt to which it was entitled immediately before the transaction; and
- (b) on request from the Senior Creditor, the Fund, the Guarantor and the Junior Creditor agrees to do anything (including signing any document) to restore to the Senior Creditor any right the Senior Creditor held from the Fund or the Guarantor or the Junior Creditor immediately before the transaction.

The Junior Creditor's and Fund's and Guarantor's obligations under this clause are continuing obligations, independent of the Junior Creditor's and Fund's and Guarantor's other obligations under this document and continue after this document ends.

7.3 No merger

This document does not merge with or adversely affect, and is not adversely affected by, any of the following:

- (a) any guarantee, indemnity or Encumbrance or other right, power or remedy to which the Senior Creditor is entitled; or
- (b) a judgment which the Senior Creditor obtains against the Junior Creditor or the Fund or the Guarantor or any other person in connection with the Senior Debt.

The Senior Creditor may still exercise its rights under this document as well as under the judgment, guarantee, indemnity, Encumbrance or right, power or remedy.

7.4 Junior Creditor's rights are suspended

As long as any of the Senior Debt remains unpaid, the Junior Creditor may not, without the Senior Creditor's consent:

- (a) exercise any legal right to claim to be entitled to the benefit of any of the Senior Creditor's rights (including the benefit of any Encumbrance securing the Senior Debt); or
- (b) claim an amount from the Fund or the Guarantor or any other under a right of indemnity or contribution.

7.5 Refinancing of Senior Debt

Subject to clause 6, the Junior Creditor acknowledges and agrees that the Senior Debt may be varied, extended and/or refinanced and that the Senior Finance Documents may be varied, replaced, transferred, waived, released, rescinded or terminated without the prior written consent of the Junior Creditor, and, upon written notice from the Fund and/or the Senior Creditor, each of the Fund, the Guarantor and the Junior Creditor agrees to enter into a deed on the same (or substantially the same) terms as this document with the Senior Creditor.

8 Payments

Each of the Junior Creditor, the Fund and the Guarantor agrees to make payments (including by way of reimbursement) under this document:

- (a) in full without set off or counterclaim, and without any deduction or withholding in respect of Taxes unless prohibited by law; and
- (b) if the payment relates to the Senior Debt, in the currency in which the payment is due, and otherwise in Australian dollars, in immediately available funds.

9 Costs

The Fund agrees, within 5 Business Days of demand, to pay or reimburse:

- (a) **(transaction costs)** the Senior Creditor its reasonable Costs in connection with the preparation, negotiation, execution and registration of this document and giving and considering consents, waivers, variations, discharges and releases and producing documents and providing information in connection with this document;

- (b) **(other costs)** the Senior Creditor's and any Attorney's Costs of exercising, enforcing or preserving rights, powers or remedies (or considering doing so) in connection with this document; and
- (c) **(Taxes)** stamp duty, registration and similar Taxes or fees paid or payable, in connection with this document or a payment or receipt or any other transaction contemplated by this document (including any fines and penalties in connection with any of these amounts). However, the Fund need not pay or reimburse a fine or penalty to the extent that it has given the Senior Creditor all necessary documents and sufficient cleared funds in sufficient time to enable the Senior Creditor to pay those Taxes or fees by the due date.

10 Dealings

10.1 Dealings by Junior Creditor

During the Subordination Period, without the consent of the Senior Creditor:

- (a) the Junior Creditor may not assign, create or allow to exist an Encumbrance in connection with, or otherwise deal in any way with, its Subordinated Debt or allow any interest in it to arise or be varied (except for any Junior Creditor Permitted Encumbrance or any assignment or transfer by the Junior Creditor where the relevant assignee or transferee has signed a deed on substantially the same terms as this deed with the other parties to this deed); and
- (b) the Fund and the Guarantor may not consent to any purported assignment, the creation of any Encumbrance or other dealing with the Subordinated Debt, or the creation or variation of any interest in it (except for a Permitted Encumbrance).

Any attempt to do so is ineffective and each of the Fund and the Guarantor agrees that:

- (i) despite any purported consent or dealing, the Fund and the Guarantor will continue to make all payments in respect of the Subordinated Debt to the Junior Creditor, unless otherwise directed by the Senior Creditor; and
- (ii) the restrictions in this clause are an inherent element of the Subordinated Debt as if they were originally a component of it.

10.2 Dealings by Junior Creditor or Fund

Neither the Junior Creditor, nor the Fund or the Guarantor, may assign or otherwise deal with its rights under this document or allow any interest in it to arise or be varied, without the Senior Creditor's consent except in the case of the Junior Creditor, as permitted under clause 10.1(a).

10.3 Dealings by Senior Creditor

The Senior Creditor may assign or otherwise deal with its rights under this document in any way it considers appropriate provided that the assignee signs a deed on substantially the same terms as this deed with the other parties to this deed. If the Senior Creditor does this, neither the Fund, the Guarantor nor the Junior Creditor may claim against any assignee (or any other person who has an interest in this document) any right of set off or other rights it has against the Senior Creditor.

11 Notices and other communications

11.1 Form - all communications

Unless expressly stated otherwise in this document, all notices, certificates, consents, approvals, waivers and other communications in connection with this document must be in writing, signed by the sender (if an individual) or an Authorised Officer of the sender and marked for the attention of the person identified in the Details or, if the recipient has notified otherwise, then marked for attention in the way last notified.

11.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 11.1 ("Form - all communications"). However, the email must state the first and last name of the sender.

Communications sent by email are taken to be signed by the named sender.

11.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details; or
- (b) sent by prepaid ordinary post (airmail, if appropriate) to the address set out or referred to in the Details; or
- (c) sent by fax to the fax number set out or referred to in the Details; or
- (d) sent by email to the address set out or referred to in the Details.

However, if the intended recipient has notified a changed address or fax number, then communications must be to that address or number.

11.4 When effective

Communications take effect from the time they are received or taken to be received under clause 11.5 ("When taken to be received") (whichever happens first) unless a later time is specified.

11.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, 3 days after posting (or seven days after posting if sent from one country to another); or
- (b) if sent by fax, at the time shown in the transmission report as the time that the whole fax was sent; or
- (c) if sent by email:
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) 4 hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

11.6 Receipt outside business hours

Despite clauses 11.4 ("When effective") and 11.5 ("When taken to be received"), if communications are received or taken to be received under clause 11.5 after 5.00 pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00 am on the next Business Day and take effect from that time unless a later time is specified.

12 General

12.1 Realisation of distributions

If the Senior Creditor receives a distribution other than in the form of money in connection with the Subordinated Debt, the Senior Creditor may realise it in any way it considers appropriate and the Senior Debt is not taken to be reduced by the distribution until the realisation proceeds are applied towards the Senior Debt.

12.2 Prompt performance

If this document specifies when a party agrees to perform an obligation, the party agrees to perform it by the time specified. Each party agrees to perform all of its other obligations promptly. Time is of the essence in this document in respect of an obligation of the Fund, the Guarantor or the Junior Creditor to pay money.

12.3 Certificates

The Senior Creditor may give the Fund, the Guarantor or the Junior Creditor a certificate about an amount payable or other matter in connection with this document. The certificate is sufficient evidence of the amount or matter, unless it is proved to be incorrect.

12.4 Set off

The Senior Creditor may set off any amount owing by the Senior Creditor to the Fund, the Guarantor or the Junior Creditor (whether or not due for payment) against any amount due for payment by the Fund, the Guarantor (as applicable) to the Senior Creditor in connection with this document.

The Senior Creditor may do anything necessary to effect any set off under this clause (including varying the date for payment of any amount owing by the Senior Creditor to the Fund, the Guarantor or the Junior Creditor and making currency exchanges). This clause applies despite any other agreement between the parties.

A security interest created by this document over any account with the Senior Creditor into which money is credited is subject to the Senior Creditor's rights under this clause. This clause also applies despite any other agreement between the parties.

12.5 Discretion in exercising rights

Other than as expressly set out in this document, the Senior Creditor may exercise a right, power or remedy or give or refuse its consent, approval or a waiver in connection with this document in its absolute discretion (including by imposing conditions).

12.6 Partial exercising of rights

If the Senior Creditor does not exercise a right, power or remedy in connection with this document fully or at a given time, the Senior Creditor may still exercise it later.

12.7 Conditions of consents, approvals or waivers

Each of the Fund, the Guarantor and the Junior Creditor agrees to comply with all conditions in any consent, approval or waiver given in connection with this document.

12.8 No liability for loss

The Senior Creditor is not liable for any loss, liability or Costs caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising, a right, power or remedy in connection with this document, except to the extent such loss, liability or cost is due to the Senior Creditor's fraud, gross negligence or wilful default.

12.9 Conflict of interest

The Senior Creditor may exercise its rights, powers and remedies in connection with this document even if this involves a conflict of interest or the Senior Creditor has a personal interest in their exercise.

12.10 Remedies cumulative

The rights, powers and remedies of the Senior Creditor under this document are in addition to other rights and remedies given by law independently of this document.

12.11 Other Encumbrances or judgments

This document does not merge with or adversely affect, and is not adversely affected by, any of the following:

- (a) any Encumbrance or other right, power or remedy to which the Senior Creditor is entitled; or
- (b) a judgment which the Senior Creditor obtains against the Fund, the Guarantor or the Junior Creditor in connection with the Senior Debt.

The Senior Creditor may still exercise its rights, powers or remedies under this document as well as under the judgment, other Encumbrance or the right, power or remedy.

12.12 Indemnities and reimbursement obligations

Any indemnity, reimbursement or similar obligation in this document given by the Fund, the Guarantor or the Junior Creditor:

- (a) is a continuing obligation despite any intervening payment, settlement or other thing; and
- (b) is independent of the Fund's, the Guarantor's and the Junior Creditor's other obligations under this document; and
- (c) survives the termination or discharge of this document, the discharge of financial accommodation and the satisfaction of any payment or obligation secured by this document.

It is not necessary for the Senior Creditor to incur expense or make payment before enforcing a right of indemnity in connection with this document.

12.13 Inconsistent law

To the extent permitted by law, this document prevails to the extent it is inconsistent with any law.

12.14 Supervening law

Any present or future law which operates to vary the obligations of the Fund, the Guarantor or the Junior Creditor in connection with this document with the result that the Senior Creditor's rights, powers or remedies are adversely affected (including by way of delay or postponement) is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

12.15 Provisions prohibited by law

If:

- (a) a law would otherwise make a provision of this document illegal, void or unenforceable; or
- (b) a provision of this document would otherwise contravene a requirement of a law or impose an obligation or liability which is prohibited by law,

this document is to be read as if that provision were varied to the extent necessary to comply with that law or, if necessary, omitted.

12.16 Variation and waiver

A provision of this document, or right created under it, may not be varied or waived except in writing signed by the party or parties to be bound.

12.17 Confidentiality

Each party agrees not to disclose information provided by any other party that is not publicly available (including the existence or contents of this document) except:

- (a) to any person in connection with an exercise of rights or a dealing with rights or obligations under this document (including preparatory steps such as negotiating with any potential transferee of the Senior Creditor's rights or other person who is considering contracting with the Senior Creditor in connection with this document); or
- (b) to officers, employees, legal and other advisers and auditors of the Fund, the Guarantor, Junior Creditor or the Senior Creditor; or
- (c) to any party to this document or any Related Entity of any party to this document, provided the recipient agrees to act consistently with this clause 12.17; or
- (d) with the consent of the party who provided the information (such consent not to be unreasonably withheld); or
- (e) any disclosure the disclosing party reasonably believes is required by any law, stock exchange or rating agency (except this paragraph does not permit any party to disclose any information under section 275(4) of PPSA unless section 275(7) of the PPSA applies).

Each party consents to disclosures made in accordance with this clause 12.17.

12.18 Further steps

Each of the Fund, the Guarantor and the Junior Creditor agrees to do anything (such as obtaining consents, signing and producing documents, producing receipts and getting documents completed and signed) which the Senior Creditor reasonably asks and considers necessary to:

- (a) ensure that this document is enforceable, perfected (including, where possible, by control in addition to registration) and otherwise effective; or
- (b) enable the Senior Creditor to exercise its rights in connection with this document; or
- (c) bind the Fund, the Guarantor or the Junior Creditor and any other person intended to be bound under this document; or
- (d) show whether it is complying with this document.

12.19 Supply of information

If the Senior Creditor or the Junior Creditor reasonably asks, each of the Fund, the Guarantor or the Senior Creditor (as applicable) and the Junior Creditor agrees to supply the Senior Creditor or the Junior Creditor (as the case may be) with any information about or documents affecting:

- (a) the Senior Debt; or
- (b) any Subordinated Debt; or
- (c) this document.

12.20 Exercise of rights by Senior Creditor

If the Senior Creditor exercises a right, power or remedy in connection with this document, that exercise is taken not to be an exercise of a right, power or remedy under the PPSA unless the Senior Creditor states otherwise at the time of exercise. However, this clause does not apply to a right, power or remedy which can only be exercised under the PPSA.

12.21 No notice required unless mandatory

To the extent the law permits, the Junior Creditor waives:

- (a) its rights to receive any notice that is required by:
 - (i) any provision of the PPSA (including a notice of a verification statement); or
 - (ii) any other law before a secured party or Receiver exercises a right, power or remedy; and
- (b) any time period that must otherwise lapse under any law before a secured party or Receiver exercises a right, power or remedy.

If the law which requires a period of notice or a lapse of time cannot be excluded, but the law provides that the period of notice or lapse of time may be agreed, that period or lapse is one day or the minimum period the law allows to be agreed (whichever is the longer).

However, nothing in this clause prohibits the Senior Creditor from giving a notice under the PPSA or any other law.

12.22 Each signatory bound

This document binds each person who signs as Fund, the Guarantor or Junior Creditor even if another person who was intended to sign does not sign it or is not bound by it.

12.23 Counterparts

This document may consist of a number of copies, each signed by one or more parties to the agreement. If so, the signed copies are treated as making up the one document.

12.24 Governing law and jurisdiction

The law in force in New South Wales governs this document.

The parties submit to the non-exclusive jurisdiction of the courts of that place. To the extent permitted by law, the law of the Commonwealth as it applies in that jurisdiction governs a security interest provided for under this document.

12.25 Serving documents

Without preventing any other method of service any document in a court action may be served on a party by being delivered or left at that party's address for service of notice under clause 11.3 ("Delivery").

12.26 Termination

This deed, and the subordination contemplated under it, will terminate on the expiry of the Subordination Period.

EXECUTED as a deed

Subordination Deed

Signing page

FUND

EXECUTED by CENTURIA FUNDS
MANAGEMENT LIMITED AS
RESPONSIBLE ENTITY OF THE
CENTURIA CAPITAL FUND in
accordance with section 127(1) of the
Corporations Act 2001 (Cth) by
authority of its directors:

Signature of director

JOHN EDWARD MCBAIN

Name of director (block letters)

Signature of director/company
secretary*

*delete whichever is not applicable

Name of director/company secretary*
(block letters)

*delete whichever is not applicable

GUARANTOR

EXECUTED by CENTURIA CAPITAL
LIMITED in accordance with section
127(1) of the *Corporations Act 2001*
(Cth) by authority of its directors:

Signature of director

JOHN EDWARD MCBAIN

Name of director (block letters)

Signature of director/company
secretary*

*delete whichever is not applicable

Name of director/company secretary*
(block letters)

*delete whichever is not applicable

JUNIOR CREDITOR


EXECUTED by 360 CAPITAL
CUSTODIAN NO.2 PTY LIMITED AS
TRUSTEE OF THE 360 CAPITAL
FINANCE TRUST in accordance with
section 127(1) of the *Corporations Act*
2001 (Cth) by authority of its directors:



Signature of director

Tony Pitt

Name of director (block letters)



Signature of director/company
secretary*

*delete whichever is not applicable

Alan Raymond Sutton
Name of director/company secretary*
(block letters)

*delete whichever is not applicable

SENIOR CREDITOR

SIGNED, SEALED AND DELIVERED
for and on behalf of NATIONAL
AUSTRALIA BANK LIMITED by its
duly constituted
attorney.....
who holds the position of Level___
Attorney under Power of Attorney dated
1 March 2007 registered no 39 book
4512
in the presence of:

Signature of witness

Name of witness (block letters)

Signature of Level ___ Attorney

JUNIOR CREDITOR

EXECUTED by 360 CAPITAL
CUSTODIAN NO.2 PTY LIMITED AS
TRUSTEE OF THE 360 CAPITAL
FINANCE TRUST in accordance with
section 127(1) of the Corporations Act
2001 (Cth) by authority of its directors:

.....
Signature of director

.....
Signature of director/company
secretary*

*delete whichever is not applicable

.....
Name of director (block letters)

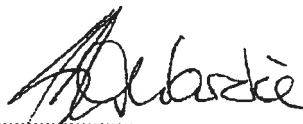
.....
Name of director/company secretary*
(block letters)

*delete whichever is not applicable

SENIOR CREDITOR

SIGNED, SEALED AND DELIVERED
for and on behalf of NATIONAL
AUSTRALIA BANK LIMITED by its
duly constituted
attorney.. GORDON HADUE
who holds the position of Level 2
Attorney under Power of Attorney dated
1 March 2007 registered no 39 book
4512

In the presence of:


.....
Signature of Level 2 Attorney

Timothy de Vere White
.....
Signature of witness

TIMOTHY DE VERE WHITE
.....
Name of witness (block letters)