Memorandum Setting Forth Provisions Intended for Inclusion in Instruments

FORM OF REGISTRABLE MEMORANDUM
Section 209 Land Transfer Act 2017
MEMORANDUM no. 2024/4370

BARCODE

Class of Instrument in which provisions intended to be included

Mortgage (all obligations)

Person executing Memorandum:

RABOBANK NEW ZEALAND LIMITED at Hamilton

The following provisions of this Memorandum including the contents page set out below are intended for inclusion in instruments of the above class:

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1. DEFINITIONS AND INTERPRETATION

1.1 In this Memorandum (and each Mortgage), unless the context requires otherwise:

"**Attorney**" means a person for the time being appointed as an attorney for the Bank to sign deeds and documents on behalf of the Bank (whether or not the person has other powers under that appointment);

"**Bank**" means Rabobank New Zealand Limited (company number 2874) a duly incorporated company and registered bank carrying on business from Level 4, 32 Hood Street, Hamilton, and includes the successors and assigns of the Bank or any of them;

"**Business**" means any trade, farming or business activity of any kind conducted by the Mortgagor on or from the Land for the purpose of earning income (whether or not the business is run at a profit);

"**CCRA**" means the Climate Change Response Act 2002;

"**Collateral Securities**" means all general security agreements, specific security agreements, mortgages, guarantee or indemnity given in respect of an obligation of any party under the Financial Documents and any other legal or equitable mortgage, encumbrance, lien, pledge, trust, financial lease, sale and lease, sale and repurchase, title retention (other than in respect of goods purchased in the ordinary course of trading), charge or similar interest imposed by statute, or any other security interest of any nature, securing the payment to the Bank of any Moneys Secured and any other securities and guarantees that are expressly or by implication collateral to this Mortgage;

"**Consent**" means any resource consent (as defined in the RMA) and any other consent, approval, licence, determination, permission or right of any kind, which is required by any governmental agency in relation to the Land or any Land Use;

"**discharge**" means a discharge or release, in either case whether full or partial;

"**disposal**" includes any sale, assignment, exchange, transfer, concession, loan, lease, surrender of lease, licence, reservation, waiver, compromise, discharge, security, dealing with, parting with possession or the granting of any option, right or interest, or any agreement for any of these. Any reference to "dispose" means to make a disposal;

"**dissolution**" of any person includes the death, bankruptcy, winding up or liquidation of that person, and any equivalent or similar procedure under the law of any jurisdiction in which that person is incorporated, domiciled or resident or carries on Business or has assets;

"**Distribution**" has the meaning given to that term by the Companies Act 1993;

"**Enforcement Event**" means any of the events specified in clause 17.1;

"**Facility**" means any financial accommodation, services or facilities provided at any time by the Bank including but not limited to the transactions listed in the definition of "Moneys Secured";

"**Financial Documents**" means all documentation including Security Documents which set out the terms and conditions pursuant to which any Facility is provided by the Bank including any and all

documents that may be required to be executed by either the Mortgagor or the Bank as part of or as a condition of any Facility provided or to be provided by the Bank;

"**governmental agency**" includes any government or any governmental, semi-governmental or judicial entity or authority, or legislative body, or any person or bodies charged with the administration of any law or any local or statutory authority;

"**GST**" means goods and services tax, as that term is defined in the Goods and Services Tax Act 1985;

"**Guarantor**" means any party who has a granted a guarantee and/or indemnity in favour of the Bank in respect of any of the obligations and liabilities of the Mortgagor to the Bank, and includes their respective successors, assigns and executors and administrators and if more than one the covenants contained in this Mortgage shall bind those persons jointly and severally as principal debtors;

"**Land**" means:

(a) the real property described in the Mortgage Instrument and any part of it, including all buildings, fixtures, improvements, and other permanent structures on that real property;

(b) all plants, trees, timber and crops on or attached to that real property; and

(c) all of the Mortgagor's estate or interest in that real property;

"**Land Use**" means any use of the Land, including any activity or Business on, or in respect of, the Land;

"**law**" includes common law and any constitution, decree, judgment, legislation, order, ordinance, regulation, by-law, statute or other legislative measure in each case of any jurisdiction whatever, and "lawful" and "unlawful" will be construed accordingly;

"**Memorandum**" means this registered memorandum of mortgage terms as registered by the Bank with Land Information New Zealand in accordance with section 209 of the Land Transfer Act 2017;

"**Moneys Secured**" means all or any indebtedness, liabilities or obligations of the Mortgagor to pay money to the Bank arising or owing at any time pursuant to any Facility or Financial Documents (to which the Mortgagor is a party) or on any other basis whatsoever and without limitation includes:

(a) all moneys advanced, credited, paid over or otherwise made available, lent and all other banking accommodation or financial assistance provided by the Bank, directly or indirectly, to the Mortgagor or to any other person on behalf of or at the request or direction of the Mortgagor in any way before, at the time of, or after the execution or registration of this Mortgage and all principal, interest, fees, costs, losses and expenses or other moneys or liabilities payable to or in favour of or incurred by the Bank in respect of such moneys;

(b) all further advances made available by the Bank to the Mortgagor (to a person whose obligations to the Bank have been guaranteed by the Mortgagor) by way of financial accommodation (as defined in section 93 of the PLA);

(c) all moneys which are or may become payable by the Mortgagor under any Financial Documents or in respect of a bank account of the Mortgagor;

(d) all moneys which are or may become payable by the Mortgagor to the Bank on or in respect of any bill of exchange, promissory note, letter of credit, bond, note, or other instrument whether or not negotiable or transferable;

(e) all moneys which are or may become payable in respect of any guarantee, indemnity or other obligation (express or implied) given or undertaken to the Bank by the Mortgagor, or by the Bank to any person on behalf of, or at the request or direction of the Mortgagor;

(f) interest, accounts, financing charges, commissions, fees, (including exchange fees) and other charges charged or incurred by the Bank and all costs, expenses or losses incurred by the Bank in respect of any business done, loans, advances or accommodation or assistance provided, or other transaction entered into for or on behalf of, or at the request or direction of the Mortgagor;

(g) all moneys, liabilities or pecuniary obligations which are or may become payable to the Bank by the Mortgagor under any security (whether or not collateral to this Mortgage) or any other transaction, document or engagement or in any other manner;

(h) where the Mortgagor consists of partners in an unincorporated partnership, all indebtedness (incurred on any basis whatsoever) to the Bank of all and any former, present and future partners of the relevant partnership;

(i) where the Mortgagor consists of trustees of a Trust, all indebtedness (incurred on any basis whatsoever) to the Bank of all and any former, present and future trustees of the relevant Trust; and

(j) all moneys which are or may become payable to the Bank by the Mortgagor under any provision of, or otherwise in relation to this Mortgage (including without limitation under clause 10).

The moneys, liabilities and obligations described above are in all cases to be regarded as Moneys Secured whether or not:

(a) they are matured or unmatured, direct or indirect, absolute or contingent, or liquidated or unliquidated;

(b) they are payable on any account, and whether or not within the scope of the relationship of banker and customer, and whether or not they arise by agreement (express or implied), by operation of law, or any other manner;

(c) they relate to the Mortgagor alone, or where there is more than one person comprising the Mortgagor, to any one or more of those persons and in any case, either jointly or together with any other person;

(d) they are owed or incurred by the Mortgagor as principal debtor or as surety;

(e) they were payable or incurred before, at the same time as, or at any time after the execution or registration of this Mortgage, and whether or not any Financial Documents were executed before, at the same time as, or at any time after the execution or registration of this Mortgage; and/or

(f) moneys are held by the Bank in a suspense account, or are intended to be appropriated by the Bank on behalf of the Mortgagor or any creditors of the Mortgagor including the Bank;

"**Mortgage**" means each Mortgage Instrument incorporating the terms of this Memorandum;

"**Mortgage Instrument**" means a paper mortgage instrument or an electronic mortgage instrument registered pursuant to an authority and instruction form authorising registration of a mortgage with Land Information New Zealand in each case granted by the Mortgagor in favour of the Bank (as mortgagee) over the Land;

"**Mortgagor**" includes:

(a) every person who grants this Mortgage as mortgagor of the Land and their respective successors, assigns and executors and administrators; and

(b) every person who is a registered proprietor of the Land for so long as this Mortgage is registered against the Land (including for the avoidance of doubt any person who accepts as transferee a transfer of the Land subject to this Mortgage subject to and in accordance with section 203 PLA),

and the covenants in this Mortgage shall bind such persons jointly and severally as principal debtors;

"**on demand**" means on demand in writing signed by the Bank, any Attorney, manager or solicitor of the Bank and delivered in accordance with clause 41 or as otherwise permitted by law;

"**person**" includes a natural person, firm, company, corporation, an incorporated body of persons, organisation or trust, and any state, government or governmental agency, in each case whether or not that person has a separate legal personality;

"**PLA**" means the Property Law Act 2007;

"**Priority Limit**" means the amount (plus interest on that amount, if not otherwise specified in the Mortgage Instrument) set out in the Mortgage Instrument as the mortgage priority amount for the purposes of section 92 of the PLA only;

"**Quota**" means any right, consent, license or approval issued by any governmental agency for the quantity of production or sale of any crop, produce or other product capable of being produced on or from the Land or any wool or livestock or trees on the Land;

"**Receiver**" means a receiver, manager, or receiver and manager appointed pursuant to clause 19, and includes any permitted delegate or sub-delegate of any of them;

"**RMA**" means the Resource Management Act 1991;

"**Security**", "**Securities**" and "**Security Documents**" means each of securities and guarantees listed in the Financial Documents and includes without limitation this Mortgage and any Collateral Securities; and

"**Trust**" has the meaning defined in clause 37.1.

1.2 In this Memorandum (and each Mortgage):

(a) The headings are inserted for convenience only and will be ignored in construing this Memorandum (and each Mortgage).

(b) A gender includes the other gender.

(c) The singular includes the plural and vice versa.

(d) References to any legislation or to any provision of legislation are deemed to be references to that legislation or provision as amended, re-enacted or substituted from time to time and, unless otherwise stated, to New Zealand legislation. Unless the context requires otherwise, all such references also include any statutory instruments issued under any such legislation or provision.

(e) References to any document include references to that document as modified, novated, supplemented, varied or replaced from time to time.

(f) Anything which may be done at any time may also be done from time to time.

(g) A reference to a clause is a reference to a clause of this Memorandum.

2. PAYMENT OF MONEYS SECURED

2.1 Where the Bank and the Mortgagor have agreed terms as to the payment to the Bank of any Moneys Secured the Mortgagor must pay that Moneys Secured to the Bank strictly in accordance with the terms of that agreement.

2.2 Where there are no agreed terms between the Bank and the Mortgagor as to the payment to the Bank of any Moneys Secured, the Mortgagor must pay such Moneys Secured to the Bank on demand.

2.3 The Mortgagor must execute any instruments providing for payment of any Moneys Secured which the Bank may from time to time request and must make all payments of Moneys Secured to the Bank free of any deduction, set off or counterclaim.

2.4 The Bank is entitled to appropriate or apply any amount held or received by it in reduction of the Moneys Secured in any manner and to any accounts whether in credit or debit (with power to carry to a suspense account and appropriate at the Bank's discretion) as the Bank wishes.

3. INTEREST ON MONEYS SECURED

3.1 Where the Bank and the Mortgagor have agreed the interest rate payable from time to time on any Moneys Secured, the Mortgagor must pay interest on that Moneys Secured to the Bank at the rate agreed.

3.2 Where the Bank and the Mortgagor have not agreed the interest rate payable from time to time on any Moneys Secured, the Mortgagor must pay interest on Moneys Secured to the Bank at the rate determined by the Bank.

3.3 Where the Bank and the Mortgagor have agreed the method of calculation of interest on any Moneys Secured, the Mortgagor must pay interest on Moneys Secured to the Bank calculated by the agreed method.

3.4 Where there is no agreement between the Bank and the Mortgagor as to the method of calculation of interest on any Moneys Secured, the following provisions will apply:

(a) Interest will accrue from day to day on the balance of Moneys Secured which are outstanding from time to time; and

(b) Interest will be calculated from the time the Moneys Secured are provided, or, where there is no provision of Moneys Secured, from the time when the Mortgagor first became liable to pay the Moneys Secured to the Bank.

3.5 There will be no set off for the purposes of calculation of interest or for any other purpose as between the debit balance in any account and any credit balance in any other account unless the Bank agrees otherwise in any particular case.

3.6 Where a rate of interest is agreed or determined pursuant to clauses 3.1-3.4, such rate shall continue to the charged before and after judgment.

4. DEFAULT INTEREST

4.1 Where the Bank and the Mortgagor have agreed the circumstances in which default interest is payable in respect of any Moneys Secured and the applicable rate for the default interest, the Mortgagor must pay default interest to the Bank at the agreed rate in accordance with the terms of that agreement.

4.2 Where there is no such agreement between the Mortgagor and the Bank, the following provisions will apply:

(a) if any Moneys Secured are not paid on the date when it is due, the Mortgagor must pay interest to the Bank on that unpaid Moneys Secured at a rate to be determined by the Bank from time to time calculated on a day to day basis; and

(b) the Bank may capitalise all or any interest or other moneys on which default interest is payable. This may be done by the Bank regardless of whether the Mortgagor has died, become bankrupt, been subject to dissolution or whether or not the relationship of banker and customer may have ceased. Any moneys capitalised or the inclusion of any moneys with principal and any balance carried forward to account stated will not be regarded as a fresh advance by the Bank to the Mortgagor unless the Bank has debited the moneys to the Mortgagor's account to that intent by express entry in the Bank's books. The Bank may take such action by entry in its books, and need not give notice to the Mortgagor.

5. SECURITY

5.1 The Mortgagor, as security for the Moneys Secured hereby:

(a) mortgages to the Bank all the Mortgagor's right, title and interest (present, future, legal and equitable) in the Land; and

(b) assigns to the Bank absolutely all the Mortgagor's right, title and interest (present, future, legal and equitable) in:

(i) all insurance policies relating to the Land;

(ii) all moneys payable to the Mortgagor during the term of this Mortgage arising:

(1) from the cultivating, harvesting, selling or otherwise utilising of all trees, timber, logs or crops grown or growing on the Land now or in the future, including pursuant to any forestry right or profit à prendre; and

(2) out of the ownership, use or occupation of the Land or any agreement relating to its ownership, use or occupation, including sale proceeds, rents, any damages and the proceeds of any insurance (including in respect of loss of earnings or income);

(iii) any Quota in respect of the Land; and

(iv) any Consent issued in respect of the Land or any Land Use.

6. MORTGAGOR'S CONTINUING REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

6.1 The Mortgagor represents and warrants to the Bank so long as any money remains owing under the Financial Documents that:

(a) all information provided to the Bank from time to time is and will be true, complete and accurate in all material respects and that the Mortgagor is not aware of any facts or circumstances which have not been disclosed to the Bank and which, if disclosed, might affect the decision of a prudent person considering whether to provide financial accommodation to the Mortgagor; and

(b) the Mortgagor (being an individual) has committed no act of bankruptcy and has not been adjudicated bankrupt or made an assignment of property or composition of debts under any law relating to bankruptcy; and

(c) no order has been made or resolution passed for the dissolution or voluntary administration of the Mortgagor (if a company or limited partnership), and no receiver or manager has been appointed for all or any part of the Mortgagor's assets, and the directors of the Mortgagor are not accustomed or under any obligation to act in accordance with the directions of any one or more of the Mortgagor's creditors, or (being a partnership) the Mortgagor has not been dissolved; and

(d) the Mortgagor has not suspended payments of any of its debts and is able to pay its debts and is solvent, and has not commenced negotiations with one or more of its creditors with a view to a general re-scheduling of any part of its indebtedness or entered into any arrangement for the benefit of its creditors, and has not ceased or threatened to cease to carry on its business; and

(e) no distress or execution has been levied or issued upon or against any of the property or assets or undertakings of the Mortgagor and no judgment has been obtained against the Mortgagor remaining unsatisfied for a period of seven days or more; and

(f) the value of any Security or any other securities held by the Bank from any Guarantor has not adversely changed to a material extent, and no Guarantor has given notice terminating or reducing their liability in whole or in part; and

(g) no event or change has occurred affecting the assets, affairs or financial condition of the Mortgagor or any related company of the Mortgagor or any Guarantor as a result of which the Mortgagor or any such Guarantor may not be able to perform and observe their obligations under the Financial Documents or any Security; and

(h) the Mortgagor has not failed to comply with any law or regulation applicable to the assets charged under any Security; and

(i) the Mortgagor has not defaulted under any other agreement or security or guarantee to which it is a party to an extent or in a manner which might have a material adverse effect on the Mortgagor's Business or financial position; and

(j) there has not occurred in respect of any Guarantor any of the events specified in paragraphs (b), (c), (d) or (e) of this clause; and

(k) the execution and/or registration of this Mortgage is valid and does not violate any existing law or regulation or any document or agreement to which a Mortgagor is a party or which is binding upon the Mortgagor or any of its assets; and

(l) all consents, licences, approvals and authorisations of every government authority required to be obtained by the Mortgagor in connection with the execution, registration, delivery and performance of this Mortgage have been obtained and are valid and subsisting; and

(m) all information relating to the Mortgagor provided to the Bank in connection with this Mortgage is true in all material respects and is not, by omission or otherwise, misleading in any material respect; and

(n) all of the rates, taxes, insurance premiums and other outgoings of the Mortgagor that are due and payable in respect of the Land have been paid and where such amounts have not been paid the Bank has been informed; and

(o) each Mortgagor has complied with all statutes and regulations applicable to it, the Land and any Land Use, and any business carried on by it, including the Business and any Land; and

(p) no litigation, or other proceedings are current, pending or threatened which if adversely determined would or could have a material effect on business assets or the financial condition of the Mortgagor; and

(q) no event has occurred or is occurring which constitutes an Enforcement Event; and

(r) in respect of each Mortgagor that is, or purports to be, a body corporate that:

(i) the Mortgagor is duly incorporated and has the corporate power to own its own property and to carry on its own business, including the Business, as is now being conducted; and

(ii) the execution, delivery and performance of this Mortgage by the Mortgagor does not violate the constitution of the Mortgagor and, if the Mortgagor is listed on the New Zealand Exchange, the listing requirements (or equivalent) have been fully complied with; and

(iii) the Mortgagor has the power, and has taken all corporate and other action required, to enter into this Mortgage to which it is party and to authorise the execution, registration, delivery of this Mortgage and the performance of its obligations under this Mortgage; and

(iv) the Mortgagor has filed all corporate notices and effected all registrations with the relevant authorities as required by law, and all such filing and registrations are current complete and accurate; and

(s) if the Mortgagor is a company, it is not insolvent, nor are there any proceedings to appoint a liquidator or an administrator of any kind; and

(t) if the Mortgagor is a partnership, except as notified to the Bank by the Mortgagor in writing, there has not been any change in the constitution of the partnership that the Mortgagor has not notified to the Bank; and

(u) no event has occurred which constitutes or with the giving of notice and/or the lapse of time and/or a relevant determination by the Bank would constitute an Enforcement Event; and

(v) the Mortgagor must give the Bank written notice if anything covered by any of these statements changes, ceases to be true, or becomes misleading. The Mortgagor acknowledges that the Bank has agreed to provide the Facilities relying on the statements set out in this clause being true.

7. WARRANTIES TO CONTINUE

7.1 The representations and warranties contained in clause 6 above shall be deemed to be repeated by the Mortgagor on every day whilst any Moneys Secured remain outstanding by reference to the facts and circumstances then existing on each day until all of the Moneys Secured are repaid in full and this Mortgage is discharged by the Bank.

8. CONTINUING UNDERTAKINGS

8.1 So long as any Moneys Secured remains owing, the Mortgagor:

(a) must provide on the written request of the Bank such financial information relating to the Mortgagor and its related companies as the Bank may reasonably require including but not limited to business and/or property valuations, cash forecasts, annual accounts, half-yearly accounts and management or other financial accounts; and

(b) must keep all its insurable assets fully insured against all insurable commercial risks to the Bank's satisfaction; and

(c) where the Mortgagor is a company, shall not without the Bank's prior written consent:

(i) make any Distribution other than the commercial prudent payment of dividends out of business profits; or

(ii) enter into or become subject of any amalgamation under the Companies Act 1993 ; and

(d) must duly and punctually observe all laws applicable to the Land, Land Use and the Business and to obtain, perform under and keep in force, all licences, consents and authorities required for the purpose of the Business, for the Land and/or any Land Use, and to obtain renewals of all such licences, consents and authorities, and in particular:

(i) all Consents required under the RMA and all notices and orders issued to you under the RMA; and

(ii) all certificates, compliance documents, warrants of fitness and other necessary authorities under the Building Act 2004; and

(e) must not charge, surrender, vary, assign or transfer any such licences, consents or authorities referred to in (d) above (including without limitation any Consents) without the Bank's prior written consent; and

(f) must not to discontinue, materially alter or put at risk by sale, guarantee or otherwise any part of the Mortgagor's Business, undertaking or property; and

(g) must promptly inform the Bank of any breach or anticipated breach of the undertakings made in this clause, and of any representation or warranty made in clause 6 becoming or being likely to become incorrect.

9. UNDERTAKINGS TO CONTINUE

9.1 The undertakings contained in clause 8 shall be deemed to be repeated by the Mortgagor on every day during the term of this Mortgage by reference to the facts and circumstances then existing on each day until the Moneys Secured are repaid in full and this Mortgage is discharged by the Bank.

10. LOSSES EXPENSES AND COSTS

10.1 The Mortgagor must punctually pay all rates, taxes, assessments, charges, liens and any other outgoings imposed on the Land or the owner or occupier of the Land, or in connection with any Land Use.

10.2 The Mortgagor must pay to the Bank all costs, losses and expenses incurred by the Bank in connection with:

(a) the negotiation, preparation, execution, delivery, registration, administration and discharge of this Mortgage; and

(b) the actual or attempted exercise, enforcement or preservation of any rights and remedies under this Mortgage, including suing for or recovering the Moneys Secured (this includes the giving of any notice under the PLA and any inspection or valuation of the Land at any time); and

(c) the granting of any waiver or consent, or any variation, discharge or transfer of this Mortgage (whether full or partial), required by the Mortgagor; and

(d) dealing with any request or requirement made of the Bank by any person having or claiming an interest in the Land.

Payment must be made on demand, on a full indemnity basis (including legal costs on a full solicitor/client basis and GST on such costs).

10.3 The Mortgagor must pay all fees, duties and taxes (including fines, interest and penalties), which may be payable in connection with the execution, delivery, registration, performance, enforcement, variation, or discharge of this Mortgage. The Mortgagor must also indemnify the Bank against all liabilities with respect to any delay or omission to make any such payment.

10.4 All costs, losses and expenses payable to the Bank under this clause 10 will be payable by the Mortgagor on demand, will form part of the Moneys Secured, and until payment will accrue interest determined in accordance with clauses 3 or 4.

10.5 The Bank may, without notice to or authority from the Mortgagor, debit any bank account of the Mortgagor with an amount equivalent to any costs, losses or expenses together with any interest payable on them by the Mortgagor.

11. PAYMENTS BY THE MORTGAGOR - GENERAL

11.1 The Mortgagor must execute all payment authorisations, direct debit or direct credit authorities and other documents required for payment of Moneys Secured which the Bank may require.

11.2 The Bank may apply any amount held or received by it, to reduce any Moneys Secured in any manner it thinks fit. That may be done by applying the amount in whole or in part to any account (whether in credit or debit) with the Bank and to any portion of Moneys Secured (with power to carry to a suspense account and to appropriate at the discretion of the Bank) whether or not the Mortgagor has given any direction to the contrary.

11.3 The Mortgagor authorises the Bank to set-off as follows:

(a) By applying any credit balance of the Mortgagor on any account in any currency towards repayment of any Moneys Secured. The Bank may make any payments necessary to enable that application to occur, without any prior notice or demand.

(b) If at any time any amount payable by the Mortgagor is contingently due or any amount due is not quantified, the Bank may withhold payment of any credit balance or other amount and the payment of any interest or other moneys on it, pending the amount payable by the Mortgagor becoming due and/or being quantified. The Bank may also set off the maximum liability which may at any time be owing to it by the Mortgagor. In each case the Bank need not give prior notice or make a demand.

(c) For the purposes of this clause 11.3, the Bank:

(i) is authorised to break any term deposit and to use all or any part of any credit balance to buy any other currencies which may be necessary to effect any set-off; and

(ii) is not obliged to exercise any of its rights under this clause 11.3. Such rights will be without prejudice and in addition to any other rights under this Mortgage and any right of set off, combination of accounts, lien or other right to which the Bank is at any time otherwise entitled.

(d) The rights of the Bank under this clause 11.3 are contractual rights affecting the terms on which any credit balance is held and the creation of those rights does not constitute the creation of any security over or other proprietary interest in that credit balance.

11.4 The Mortgagor must make all payments to the Bank as directed by the Bank from time to time.

11.5 Unless the Bank agrees otherwise in writing, the Mortgagor must pay all moneys to the Bank no later than 2pm on the day for payment, and where that date is not a day on which the Bank is open for business, then on the next day on which the Bank is open for business. Any payment made later than 2pm or on a day when the Bank is not open for business is deemed to be one made the next day on which the Bank is open for business.

11.6 In calculating interest or the amount due from the Mortgagor, no credit will be given for any moneys paid into any account under the name or control of the Mortgagor or under any other name, except moneys paid into an overdrawn account with the Bank in reduction of the Moneys Secured. No debit balance of any account will be set off against any credit balance of any other account, in each case unless the Bank agrees otherwise in writing. This provision will not:

(a) preclude the Bank from making demand under this Mortgage at any time; or

(b) preclude the Bank from applying any credit balance in any other account to reduce the Moneys Secured at any time; or

(c) deprive the Bank of any other right including any right of set off or lien.

12. FOREIGN CURRENCY

12.1 If the Moneys Secured are denominated in a currency other than New Zealand dollars ("foreign currency") then unless the Bank has exercised the discretion to convert the foreign currency into New Zealand dollars under any provision in any agreement (without prejudice to the exercise of any such discretion), the following will apply:

(a) The Mortgagor must pay the Bank the Moneys Secured in the foreign currency.

(b) If the Mortgagor fails to pay the Moneys Secured in the foreign currency the Bank may purchase the amount of the foreign currency which is unpaid. In that event:

(i) the Bank will notify the Mortgagor of the amount of the foreign currency purchased, the date of purchase and the New Zealand dollar price paid; and

(ii) the Mortgagor must pay on demand to the Bank that New Zealand dollar price and interest on that price from the date of purchase determined in accordance with clauses 3 or 4; and

(iii) liability under paragraph (ii) of this clause is in substitution for liability in respect of the foreign currency purchased.

The Bank may exercise its rights under this paragraph (b) as it thinks fit, without prior notice to the Mortgagor and without prejudice to any other remedy it may have.

(c) Without prejudice to the provisions of this clause 12, the Mortgagor must indemnify the Bank against any loss it may suffer directly or indirectly as a result of exchange rate changes or transactions entered into to protect against exchange rate changes, before the Bank receives all amounts due under paragraphs (a) and/or (b) of this clause 12. This indemnity includes any loss arising through any requirement for judgment or proof in dissolution to be in New Zealand dollars. The Mortgagor also agrees to pay interest in accordance with clauses 3 or 4 in respect of any such loss.

13. PRIORITY

13.1 For the purposes of section 92 of the PLA, and without prejudice to the restriction contained in clause 14.4, the maximum amount for which this Mortgage has priority, in relation to any subsequent mortgage over the Land is the Priority Limit (subject to the provisions of any priority agreement executed by the Bank after the date of this Mortgage). This clause shall not be construed as limiting the amount of the Moneys Secured nor as a waiver of priority under any other law in respect of any amount of the Moneys Secured that may exceed the Priority Limit.

14. NATURE OF THE SECURITY

14.1 This Mortgage will operate as a continuing security for the Moneys Secured irrespective of:

(a) any sum which may be paid to the credit of any account of the Mortgagor with the Bank; and

(b) the appointment, retirement or removal at any time of a Receiver; and

(c) the exercise by the Bank or a Receiver of any power conferred by this Mortgage, or by law; and

(d) any settlement of account,

and will remain in full force and effect and extend to cover all of the Moneys Secured until a final discharge of this Mortgage has been executed by the Bank.

14.2 This Mortgage is collateral with and secures the same moneys as are intended to be secured by Collateral Securities (if any). This Mortgage and each Collateral Security will be read and construed together so that a default under one of them is deemed to be a default under each of them. However, the Bank may pursue its remedies and exercise its powers under this Mortgage or any Collateral Security separately or concurrently and in any order it thinks fit.

14.3 Nothing contained in this Mortgage or any Collateral Security will merge, discharge, abate, or prejudice any other security now or in future held by the Bank for payment of the Moneys Secured. Neither this Mortgage, any Collateral Security nor any other security will affect any claim or demand which the Bank has now or may in the future have against any other person as surety or on any bill of exchange or promissory note, letter of credit, bond, note or other document for the Moneys Secured nor operate as payment of the Moneys Secured until it has been paid in cash.

14.4 The Mortgagor must not without the prior written consent of the Bank:

(a) dispose of or permit the disposal of the Land; or

(b) create or permit any security other than this Mortgage over the Land; or

(c) change the status of the Land under any statute; or

(d) change the Land Use; or

(e) apply for or obtain from any governmental agency any money or material or otherwise do or permit anything to be done as a result of which any security or liability will be or might be imposed upon the Land, or as a result of which the Land will or might be disposed of.

14.5 The Mortgagor will immediately inform the Bank of the fact that any additional or replacement record of title for all or any part of the Land has been or will be issued as soon as the Mortgagor becomes aware of that fact. If the Mortgage does not, by operation of law, automatically become registered on any such additional or replacement record of title in respect of all or any part of the Land, the Mortgagor will do all things necessary to grant and register with Land Information New Zealand in favour of the Bank (as mortgagee) a mortgage over every additional or replacement record of title in respect of the Land Bank immediately upon request. Any such new mortgage will be identical to this Mortgage or will be on the Bank's standard form at that date. It will rank in priority over all other charges and interests affecting the Land except any to which this Mortgage is subject.

14.6 Where this Mortgage is subject to any prior mortgage or charge, the Mortgagor will duly and punctually pay all money secured by, and comply with the terms contained or implied in, every prior mortgage or charge.

15. REMEDIAL ACTION BY THE BANK

15.1 Whenever the Mortgagor fails to observe or perform any of its obligations under this Mortgage the Bank, without prejudice to its other rights, powers and remedies will be entitled, but not obliged, to pay all moneys and do all things which it deems necessary or desirable to remedy any such default or otherwise protect the security created by this Mortgage. Without limitation, the Bank may do this:

(a) by taking possession of the Land, in order to sell, preserve or protect the Land (subject always to compliance with the PLA); or

(b) by discharging the obligations of the Mortgagor for rent, or interest or other amounts under any security or obligation or otherwise.

15.2 The Mortgagor must pay to the Bank all moneys expended under clause 15.1. The Mortgagor must also pay interest on such moneys, determined in accordance with clauses 3 or 4, from the date on which such moneys are paid by the Bank until their payment by the Mortgagor. Until paid such moneys and interest accrued on those moneys will form part of the Moneys Secured. Payment must be made on demand on a full indemnity basis (including all legal costs on a full solicitor and client basis and GST on such costs).

16. BANK'S AGENTS MAY ENTER ON LAND

16.1 The Mortgagor gives any employee of the Bank or any other person who is authorised for this purpose by the Bank permission to enter the Land without notice at any reasonable time for the purpose of inspecting any part of the Land (including buildings and improvements) or of exercising any of the Bank's powers in respect of the Land. The Mortgagor must give the Bank and its agents any reasonable assistance which may be required for the purpose of this clause 16.

17. DEFAULT

17.1 Each of the following shall constitute an Enforcement Event under this Mortgage:

(a) The Mortgagor fails to pay any Moneys Secured on the due date for payment or on demand if payable on demand; or

(b) The Mortgagor commits any breach of, or omits to observe any of its obligations contained in this Mortgage or any of the Financial Documents; or

(c) In the opinion of the Bank, the Moneys Secured are applied for any purpose other than the purpose for which the Moneys Secured were provided; or

(d) Any security in favour of any person over any of the assets (including the Land) of the Mortgagor is enforced or becomes enforceable; or

(e) Any Consent necessary at any time in connection with this Mortgage, or the implementation or performance of it, expires or is revoked, cancelled, withdrawn or modified in a manner unacceptable to the Bank or otherwise ceases to remain in full force and effect, and is not replaced by a Consent acceptable to the Bank; or

(f) Without the prior written consent of the Bank:

(i) the Mortgagor ceases or threatens to cease to carry on all or substantially all of its Business or operations (except in the case of a body corporate for the purpose of and followed by an amalgamation or solvent reconstruction on terms previously approved in writing by the Bank); or

(ii) the Mortgagor amalgamates any part of the Land with any other land, changes the status of the land, or changes the Land Use; or

(iii) the Mortgagor amalgamates with any other person, and the Bank forms the opinion that, as a result, there is a material adverse effect on the ability of the Mortgagor to meet any of its obligations to the Bank; or

(g) A petition is filed, or an application or an order is made or a resolution is passed or proposed, for the dissolution of the Mortgagor or, if a body corporate, any holding company of either of them (except for the purpose of and followed by an amalgamation or solvent reconstruction on terms previously approved in writing by the Bank); or

(h) A liquidator, provisional liquidator, trustee, receiver, manager, receiver and manager, administrator, inspector appointed under any legislation, or similar officer, is appointed in respect of the Mortgagor, or any encumbrancer takes possession of the whole or any part of their respective assets, or application is made for the appointment of any of the officials referred to in this clause 17.1(h); or

(i) Any step is taken to appoint a statutory manager (including the making of any recommendation in that regard by the Financial Markets Authority) under the Corporations (Investigation and Management) Act 1989 in respect of the Mortgagor or any "associated person" (as that term is defined in the Corporations (Investigation and Management) Act 1989) of the Mortgagor, or any of them is declared at risk under the provisions of the Corporations (Investigation and Management) Act 1989; or

(j) The Mortgagor, if a body corporate, without the prior written consent of the Bank reduces or takes any action to reduce its capital (including by purchase of its own shares but not including by redemption of redeemable preference shares), or cancels or reduces or takes any action to cancel and reduce the liability of any shareholder of the Mortgagor in respect of any shares held by that person; or

(k) Attachment, distress or any other execution is levied or enforced or commenced against any of the assets of the Mortgagor and is not discharged or stayed within seven days, or a judgment is obtained against the Mortgagor; or

(l) The Mortgagor or, if a body corporate, any holding company or director of any of them:

(i) is unable to pay its debts when due; or

(ii) is deemed unable to pay its debts under any law; or

(iii) enters into dealings with any of its creditors with a view to avoiding, or in the expectation of, insolvency; or

(iv) makes a general assignment or any arrangement to compromise or composition with or for the benefit of any of its creditors; or

(v) stops or threatens to stop payments generally in the case of a company subject to the Companies Act 1993, or becomes insolvent under that Act, or commits any act of bankruptcy under the Insolvency Act 2006 in the case of a natural person; or

(m) If a body corporate, any change occurs in the legal and/or beneficial ownership of the Mortgagor or any holding company of the Mortgagor, or the Mortgagor ceases to be controlled by the same persons as at the date of this Mortgage; or

(n) If a body corporate, any change occurs in the statute, constitution, rules, or other governing document of the Mortgagor which in the opinion of the Bank is prejudicial to its security under this Mortgage; or

(o) Any provision of this Mortgage:

(i) wholly or partially ceases to have effect, otherwise than in accordance with its terms or as permitted by this Mortgage, or by performance of their obligations under this Mortgage by the parties to it; or

(ii) is or becomes void, voidable, illegal, invalid or unenforceable (other than by reason only of a party waiving any of its rights), or of limited force and effect, or the performance of any such provision becomes illegal; or

(p) Any undertaking given to the Bank by or on behalf of the Mortgagor is breached or not wholly performed within the period specified in that undertaking or if no period is specified, within seven days after the date of that undertaking; or

(q) Any local authority or governmental agency takes any action under, or there is any claim or requirement of expenditure or alteration of activity pursuant to any provision of the RMA or any other enactment relating to use of land or the environment; or

(r) The Land is taken under any law or the Land Use is no longer a permitted activity under the RMA or would no longer be a permitted activity but for any current resource consent or existing use rights (as those expressions are defined by or are applicable to the RMA); or

(s) In relation to the Land or Land Use:

(i) a breach of any Consent or law occurs or is threatened or any legal process or proceedings in respect of any such breach are commenced, which may in the opinion of the Bank:

A. result in a material adverse effect, as that term is used in the RMA; or

B. affect the value of any asset which is the subject of any security in favour of the Bank; or

C. adversely affect the Land, any Land Use, Consent or any Business;

D. adversely affect the interests of the Bank under this Mortgage; or

(ii) if any circumstance arises which in the opinion of the Bank may give rise to any other breach of the kind referred to in clause 17.1(s)(i); or

(iii) the Mortgagor, without the prior written consent of the Bank, transfers or surrenders any Consent or allows any Consent to lapse or be cancelled; or

(t) The Mortgagor or any subsequent mortgagee or security holder at any time under any statutory or other right requires the Bank to execute a transfer in lieu of a discharge of any prior mortgage; or

(u) The Land is sold under a power of sale in any mortgage or other security over which this Mortgage has priority; or

(v) Any event referred to in clause 32.3 occurs; or

(w) Any representation or warranty made in clause 6 is untrue or incorrect or

(x) The Mortgagor or any Guarantor fails to pay any amount when due to any person other than the Bank.

17.2 Any failure to act, delay or acquiescence by the Bank after acquiring knowledge of any of the Enforcement Events will not prejudice, or operate as a waiver of, the power of the Bank under this clause 17 unless the Bank agrees in writing to a particular event. In that case that agreement will relate only to the particular event and will not prejudice the rights of the Bank to exercise any of the powers provided in this Mortgage in the future.

18. BANK'S POWERS ON ENFORCEMENT

18.1 Without prejudice to any of the other rights powers or remedies the Bank may have under this Mortgage or at law the Bank may, subject to, the expiry of any notice period required by the PLA or any other law and compliance with the Farm Debt Mediation Act 2019 (if applicable), at any time after the occurrence of an Enforcement Event:

(a) terminate without notice any obligations the Bank may have to provide financial accommodation or other services to the Mortgagor; and

(b) declare the whole of the Moneys Secured to be due and payable, so that it will immediately become due and payable; and

(c) sell the Land or any part of it in accordance with clauses 18.2 to 18.6; and

(d) enter into possession of the Land as mortgagee.; and

(e) do anything the Mortgagor could do in relation to all or part of the Land including (but not limited to) collecting and receiving rents and/or other income payable in respect of the Land or any part of it; and

(f) appoint a Receiver in accordance with clause 19.

18.2 If the Bank exercises its power of sale, it may sell the Land subject to and in accordance with the provisions of section 178 of the PLA, or any of them, as applicable, as varied by this Mortgage.

18.3 If the Bank, for the purpose of exercising its power of sale, exercises the power to subdivide the Land, in accordance with the PLA, it will not be liable for any loss the Mortgagor may suffer arising out of the subdivision or sale.

18.4 In the event that the Bank exercises its power of sale:

(a) the Bank may allow a purchaser to make payment for the purchase of the Land on any terms acceptable to the Bank; and

(b) if the Bank allows any purchase money to be left outstanding on credit or if the terms of purchase include payment by instalments, any money left unpaid will be deemed to be a continuing unsatisfied part of the Moneys Secured. That outstanding money will accrue interest (payable by the Mortgagor) until it is actually received by the Bank. Any interest paid by the purchaser in respect of the purchase money left outstanding on credit or otherwise unpaid will be set off against the interest payable by the Mortgagor under this clause 18.4; and

(c) the Bank will not be liable for any outstanding moneys or for any loss the Mortgagor may suffer arising out of any term agreed to by the Bank relating to the purchase.

18.5 If any agreement for sale is cancelled when purchase moneys have already been applied, the Bank will be entitled to make all allowances and refunds to the purchaser as a purchaser may be entitled to at law on the cancellation of an agreement. The full amount of all allowances and refunds will become part of the Moneys Secured from the date of payment to the purchaser. The Bank will not be responsible for anything done or omitted by any purchaser. The Bank will not be obliged to enforce any right or power contained in any agreement for sale against any purchaser.

18.6 In the event that the Bank exercises its power of sale, the proceeds arising from the sale shall be applied in accordance with section 185 of the PLA.

19. RECEIVER

19.1 The Bank may at any time after the occurrence of an Enforcement Event appoint in writing a Receiver, manager or receiver and manager of the income, assets and undertaking of the Land or of any Business. The Receiver will be the agent of the Mortgagor and the Mortgagor alone will be responsible for the acts and defaults of the Receiver. The Bank may remove the Receiver and appoint any new Receiver as it thinks fit.

19.2 Where the Bank appoints two or more persons as Receiver, then unless the appointment expressly states otherwise, those persons will be deemed to have been appointed with power to act jointly and severally.

19.3 The Receiver will, subject to the expiry of any applicable notice period required by law, have power:

(a) to demand and recover all or any part of the income of the Land by action or otherwise in the name of the Mortgagor or the Bank to the full extent of the Mortgagor's estate or interest in the Land and to give effectual receipts for them; and

(b) to borrow and secure any money which may in the Receiver's opinion be required in order to more effectively carry on any Business or otherwise realise any income of the Land; and

(c) to carry on trade, sell or assign or otherwise dispose of any Business or any of its assets and to give effectual receipts for them; and

(d) to exercise any powers which may have been delegated to the Receiver by the Bank being powers of the Bank contained in this Mortgage or any Collateral Security.

19.4 If directed to do so in writing by the Bank the Receiver will insure and keep insured against loss or damage by fire or any other risk any building, effects or property comprised in the Land (whether affixed to the Land or not). Any premiums, costs or expenses incurred may be paid out of any money received by the Receiver.

19.5 All moneys received by the Receiver will (subject to the claims of any secured or unsecured creditors ranking in priority to this Mortgage and any law) be applied:

(a) firstly, in payment of all costs, losses, charges and expenses (including all legal costs on a full solicitor/client basis) of and incidental to the appointment of the Receiver and the exercise of the powers of the Bank or the Receiver (including remuneration of the Receiver but subject to any direction made by any court in that respect); and

(b) secondly, in payment of any preferential payment which may be payable by the Receiver under the provisions of section 30 of the Receiverships Act 1993; and

(c) thirdly, in payment to the Bank of the Moneys Secured; and

(d) lastly, in payment of any surplus to the Mortgagor or any other person entitled to it.

19.6 In the event that any part of the Moneys Secured is contingently owing or not yet owing at the time of an application of money under clause 19.5 or clause 24.4 the Bank may deposit with any person (including the Bank) an amount not exceeding that part in an interest bearing deposit account on any terms and conditions the Bank thinks fit. The deposit may continue until that part becomes actually payable or ceases to be contingently owing. At that time the Bank may retain for its own account the amount which is then actually payable to it and deal with any balance in accordance with clause 19.5 or clause 24.4 as the case may be.

19.7 The remuneration of any Receiver may be fixed by the Bank at an amount, or on a basis, agreed between the Bank and the Receiver or, failing any agreement, as the Bank may think fit.

19.8 All costs, charges and expenses incurred by the Receiver may be paid by the Receiver out of any money received by the Receiver. A commission at a rate specified in the Receivers appointment or specified at any other time by the Bank may also be retained by the Receiver.

20. PERSONS DEALING WITH THE BANK OR THE RECEIVER TO BE PROTECTED

20.1 There will be no need for any purchaser or other person dealing with the Bank or the Receiver, or with any agent or attorney of the Bank or the Receiver to inquire:

(a) whether the security created by this Mortgage or any Collateral Security has become enforceable; or

(b) whether the Receiver has been properly appointed; or

(c) whether the powers which the Bank or the Receiver or any agent or attorney of those persons is purporting to exercise have become exercisable; or

(d) as to the necessity for, or the expediency of, the conditions subject to which any sale or lease is made or to which any security is given; or

(e) otherwise as to the propriety or regularity of any sale, lease, security, calling in, collection or conversion of any money or assets, or to see to the application of any money paid to the Bank or to the Receiver or to any agent or attorney of those persons.

The Mortgagor will have a remedy in respect of any actionable impropriety or irregularity in the execution of such powers in damages alone.

21. BANK AND RECEIVER TO BE PROTECTED

21.1 Where the Bank or the Receiver sells the Land pursuant to this Mortgage, they will be accountable for only so much of any purchase money which they actually receive. The Mortgagor will remain liable for the Moneys Secured beyond the amount of any moneys actually received.

21.2 Where the Bank or the Receiver enters into possession of the Land, neither will be liable to account as mortgagee in possession for any accidents occurring in any operations carried on or for any negligence, default or omission for which a mortgagee in possession might be held liable. Having gone into possession of the Land the Bank or the Receiver may at any time give up possession of the Land.

21.3 Neither the Bank nor the Receiver will be accountable for any losses which may occur as a result of the exercise, purported exercise or non-exercise of any of their rights, powers or remedies. In the event of any losses, those losses will form part of the Moneys Secured.

21.4 The Mortgagor must indemnify the Bank and the Receiver against any cost, loss, expense or liability incurred directly or indirectly in the exercise, purported exercise or non exercise of their rights powers and remedies or relating to the Land or its use. That indemnity will include any cost, loss, expense or liability consequent on any mistake or error of judgment or imposed by law. If the Bank requires, the indemnity may be satisfied out of the proceeds of the sale of the Land. The Bank may also indemnify the Receiver in respect of any such amounts if it wishes to do so.

22. POWER OF ATTORNEY

22.1 The Mortgagor irrevocably appoints the Bank, every Attorney of the Bank, the Receiver and the manager or acting manager for the time being of every branch of the Bank severally to be the Attorney of the Mortgagor:

(a) to do and execute anything which the Mortgagor covenants or agrees to do or execute under this Mortgage; and

(b) generally to do all things which may be, in the sole discretion of the Bank or any Attorney appointed under this clause 22, necessary or desirable in order to fully protect the interests of the Bank.

22.2 Nothing contained in this clause 22 will make it obligatory on the part of the Bank or any other Attorney to exercise any of the powers given or make the Bank or any other Attorney responsible for any loss arising from any action taken or any omission or neglect to act.

22.3 The Mortgagor ratifies anything done by any Attorney in accordance with this clause 22.

23. GENERAL OBLIGATIONS OF MORTGAGOR

23.1 The Mortgagor must punctually perform and observe all the terms and conditions of this Mortgage to which it is a party and will take all action within its power to ensure the punctual performance and observance of those terms and conditions (if any) to which it is not a party.

23.2 To the extent that it may do so without breaching this Mortgage, the Mortgagor must punctually pay all money secured by, and punctually perform and observe all the terms and conditions of every other security given by the Mortgagor to any person other than the Bank.

23.3 The Mortgagor will become liable to pay the Moneys Secured and be bound by this Mortgage immediately upon signing it (or upon registration with Land Information New Zealand in the case of an electronic Mortgage Instrument), even if this Mortgage has not been executed by any other person who is liable to pay the Moneys Secured.

23.4 If requested to do so the Mortgagor must produce to the Bank, or to any other person named for that purpose by the Bank, all accounts, financial statements, and any other financial information relating to the Mortgagor's own affairs which the Bank may require.

23.5 The Mortgagor will be in breach of an obligation under this Mortgage if a breach of that obligation is caused by another person, including persons that the Bank reasonably considers are under the control, direction or instruction of the Mortgagor.

24. INSURANCE

24.1 The Mortgagor must immediately insure all buildings, trees, crops and improvements on the Land, and will keep them insured for full replacement value, against loss or damage by fire, earthquake, riot, aircraft accident, flood, storm, and any other perils which are normally covered by a comprehensive insurance policy.

24.2 The Mortgagor will take out the insurance required by this clause 24 in the name of the Mortgagor and the Bank for their respective rights and interests and with an insurance office in New Zealand approved by the Bank. If this Mortgage is a first charge against the Land and the Bank requires it, the Mortgagor must deliver the insurance policy or the certificate of insurance (as the case may be) to the Bank.

24.3 The Mortgagor must punctually pay all premiums or any other sums of money necessary for keeping the insurances required by this clause 24 in force. The Mortgagor must produce the premium receipt to the Bank before 2pm on the due date for payment of the premium if the Bank requires it.

24.4 In the event of any buildings or other improvements on the Land being destroyed or damaged, all moneys received by the Bank under any insurance policy will, subject to the rights of any prior mortgagee, be applied at the Bank's sole option either:

(a) in rebuilding or repairing the buildings or other improvements; or

(b) in payment of any Moneys Secured, even if the Moneys Secured may not have become due.

25. MORTGAGOR TO MAINTAIN THE LAND AND THE BUILDINGS

25.1 The Mortgagor must:

(a) keep all buildings and other improvements on the Land and all other parts of the Land in good repair; and

(b) keep all ditches, drains, dams, sumps, and watercourses on the Land free from weeds and other obstructions and in good repair; and

(c) keep the Land free from contamination, and will not do or permit anything which may result in waste of, or otherwise reduce the value of the Land for security purposes; and

(d) not cause or permit (whether by way of any act or omission) any contamination of the Land, or of any water (including underground water), other land, buildings, or other improvements.

26. AGRICULTURAL COVENANTS

26.1 If the Land is used for farming purposes (including, but not limited to agricultural, horticultural, pastoral, or silvicultural purposes), the Mortgagor must at all times at its own expense:

(a) eradicate all noxious plants and vermin from the Land and all other plants and animals where to do so would be in accordance with the best principles of farming practices. The Mortgagor must comply with the law for the time being in force, and will do all things which may be required by the Bank, relating to these matters; and

(b) comply with the provisions of the Biosecurity Act 1993 and any regional or national pest management strategy implemented under the Biosecurity Act 1993 and any other law dealing with noxious weeds and vermin; and

(c) farm and manage the Land in a proper manner, and keep the Land cultivated and fertilised, in accordance with accepted principles of farming management and not allow the Land or any plants on it to deteriorate or be prejudicially affected; and

(d) keep in good repair all fences, gates, drains, sewers, buildings, irrigation systems, shelters, heating or atmospheric control systems, bridges, stockyards or any other improvements on the Land to the reasonable satisfaction of the Bank; and

(e) where appropriate, maintain all plants and trees on the Land and support their structures if any in accordance with the best principles of horticultural and silvicultural practice as the case may be; and

(f) provide a proper method of disposal of all effluent and comply with all statutes relating to the same; and

(g) comply with the Fire and Emergency New Zealand Act 2017; and

(h) comply with the Animal Products Act 1999 and all other statutes concerning the business of farming and with any order or requisition of any dairy or other inspector having authority; and

(i) keep all trees and vegetation on the Land properly cultivated, planted, stocked and manured and in neat order and preserve and keep well pruned and remove and replant any of them with replacement stock of no less quality than that which has died.

26.2 If the Land is used in whole or in part for forestry the Mortgagor grants and transfers to the Bank the following rights in the event of a default by the Mortgagor under the terms of this Mortgage:

(a) To establish, plan, manage, cultivate, protect, render productive, harvest, carry away, sell and otherwise utilise all trees, timber and logs growing or to be grown on the Land.

(b) To make, install and use such roadways, tracks and gates on the Land (whether existing or otherwise) as may be necessary for the purpose of exercising the rights conferred in paragraph (a) above.

(c) To, by itself or by its agents, servants, licensees and invitees, from time to time enter and pass and repass upon the Land with or without machinery, vehicles and plant of all kinds.

(d) To construct upon the Land such buildings, plant and other works as may be necessary or convenient for the full enjoyment of the rights granted.

(e) To place and stack upon any part of the Land as may be necessary or convenient any trees, timber or logs harvested pursuant to the rights granted under this clause 26.2.

(f) To generally do whatever the Mortgagor shall in its sole discretion determine may be necessary or convenient for obtaining the full benefits of the rights and privileges granted to enable the Bank to realise its security and recover the Moneys Secured.

26.3 The Mortgagor must not without the prior written consent of the Bank:

(a) register any forest on the Land as a 'carbon accounting area' under the CCRA;

(b) give any lien, instrument, or other security over any crop or produce, or any wool or livestock on the Land to any person other than the Bank;

(c) sell, lease, licence, surrender, or in any way dispose of, or deal with or grant security over any emission units, arising from any carbon accounting area registered on the Land, to which the Mortgagor is entitled under the CCRA; or

(d) sell, lease, licence, surrender, or in any way dispose of, or deal with, any Quota or Consent in respect of the Land; or

(e) do or permit anything which may cause any Quota or Consent in respect of the Land to be forfeited, surrendered or reduced.

26.4 If any Consents, including without limitation any water take, water discharge and/or effluent discharge Consents, form part of or are attached to the Land, then the Mortgagor warrants to the Bank that:

(a) the Consents are in full effect and relate to all of the activities carried out on the Land at the date this Mortgage is registered; and

(b) the Mortgagor must do everything which is necessary to apply for any renewals of the Consents within six months prior to their expiry date and to maintain existing Consents in full effect. The Mortgagor must also procure any other Consents which may be necessary for the successful cultivation and operation of the Land in the opinion of the Bank; and

(c) the Mortgagor must not do or permit anything which may prejudice the continued existence of Consents as part of the Land or which may result in the alteration in any way of any Consents; and

(d) in the event of any dispute between the Mortgagor and the Bank as to any of the matters referred to in paragraph (a) - (c) above, the Mortgagor will be bound by and will act in accordance with any decision by the Bank notified in writing to the Mortgagor; and

(e) the Mortgagor must procure the surrender of any lease, agreement or instrument in respect of any Consents at the Bank's request, for the purpose of furthering or securing the rights and interests of the Bank in the Consents; and

(f) the Mortgagor must grant to any nominee of the Bank any lease, agreement or instrument which the Bank may deem expedient for furthering or securing any Consents over the Land; and

(g) the Mortgagor must execute or procure by any person who is a holder of any Consents the execution of any documents the Bank may deem necessary for the purpose of enabling the Bank or its nominees to become the member in place of the Mortgagor of any scheme or association or company the membership of which is a necessary pre-requisite to the delivery of water to the Land, if requested to do so by the Bank.

27. MORTGAGOR TO CONTINUE BUSINESS

27.1 Where Business is carried on at the date of this Mortgage:

(a) The Mortgagor must not use the Land other than to carry on the Business without the prior written consent of the Bank.

(b) The Mortgagor must not cease to carry on the Business without the prior written consent of the Bank. Prior to receiving that consent the Mortgagor must continuously and fully carry on the Business or cause it to be carried on, on or from the Land in a proper and orderly manner in strict conformity with all laws and all Consents which may be issued in respect of the Land or in respect of the Business.

(c) The Mortgagor must do all things which may in the opinion of the Bank be necessary or desirable to obtain and keep in force any Consents and all renewals of those Consents.

(d) The Mortgagor must not charge or transfer to any other person or premises or surrender, cancel or suspend, any name or Consents for the time being existing in respect of the Business, or of the Land, or for any Land Use, without the prior written consent of the Bank. The Mortgagor must not permit any such change, transfer, surrender, cancellation or suspension without such consent.

(e) If the Mortgagor is for any reason in default under this clause 27 then, without in any way limiting any other provision of this Mortgage, the Bank may do all or any of the following things:

(i) transfer to the Bank or to any other person as the Bank may direct, any Consents issued in respect of the Land, or any Land Use, or in respect of the Business; or

(ii) where any Consent is not capable of being transferred to the Bank, apply for that Consent in its own name; or

(iii) otherwise do all things the Mortgagor is authorised or obliged to do or perform pursuant to this Mortgage.

28. NO ALTERATIONS

28.1 The Mortgagor must not without the prior written consent of the Bank:

(a) remove or dismantle any buildings or improvements on the Land, or permit any removal or dismantling (whether or not the buildings or improvements were placed or erected on the Land before on or after the date of this Mortgage); or

(b) construct or make any alterations to the buildings or other improvements on the Land, or permit any such construction or alterations.

28.2 Where the Bank gives its prior consent under clause 28.1, the provisions of clause 47 will apply in respect of any permitted construction or alteration as though it were a development as defined in that clause.

28.3 If any Enforcement Event has occurred the Bank may make any improvements or alterations to any building or other improvements on the Land which it considers necessary or advisable in order to make them better suited for letting, leasing or sale or to comply with the reasonable requests of any tenant or lessee.

29. COMPLY WITH LAWS AND ADVISE THE BANK

29.1 The Mortgagor must punctually comply with all laws now or later in force and all Consents relating to:

(a) animal welfare; or

(b) health and safety; or

(c) biosecurity; or

(d) the Land or the buildings or improvements (including fences), on the Land; or

(e) any forest on the Land (including as applicable the CCRA); or

(f) any Land Use; or

(g) any Business conducted on the Land or in the buildings on the Land; or

(h) the ownership or occupation of the Land.

29.2 The Mortgagor must immediately advise the Bank in writing of any contravention or threatened or likely contravention of any laws or Consents referred to in clause 29.1.

29.3 The Mortgagor must not apply for or obtain from the Crown or any statutory authority or governmental agency or any other person, any money or material thing which causes any charge or liability to be imposed on the Land in priority to this Mortgage, without the prior written consent of the Bank.

29.4 The Mortgagor must immediately deliver to the Bank a copy of any notice or other communication which refers to any decision, matter or event which may materially adversely affect the Land, any Land Use, Consent or any Business or which may materially adversely affect the interests of the Bank under this Mortgage. The Mortgagor must take all reasonable steps required by the Bank in respect of the subject matter of any such notice or other communication.

29.5 Without limiting clause 29.1, the Mortgagor must comply with, and will ensure that all buildings and other improvements on the Land comply with the provisions of the Building Act 2004. Without limiting this clause 29.5 the Mortgagor must ensure, if required by law, that an appropriate compliance schedule is maintained, and an appropriate warrant of fitness is kept current, in accordance with the provisions of the Building Act 2004. The Mortgagor must deliver a copy of any compliance schedule and warrant of fitness to the Bank immediately on issue.

29.6 The Mortgagor must obtain and maintain any Consents, and will not discharge or dispose of any Consent without the prior written consent of the Bank.

29.7 Where the RMA applies to the Land:

(a) If any Land Use is allowed only because of section 10 of the RMA, the Mortgagor will continually use and continue to use the Land so as to preserve the application of that section.

(b) If pursuant to the RMA, a Consent affecting the Land has been or is granted subject to any terms or conditions, the Mortgagor must continue to use the Land in strict compliance with those terms or conditions.

(c) The Mortgagor must take all necessary steps to prevent any use or rights enjoyed in respect of the Land from lapsing if the loss of that use or right may in the opinion of the Bank materially affect the Bank's security.

(d) If the Mortgagor receives notice of any proposed variation of a plan or of a rule in a plan or of a condition attaching to a Consent affecting the Land then the Mortgagor will notify the Bank within seven days. If requested by the Bank, the Mortgagor must at its sole cost take all

reasonable steps to oppose any such variation. The Mortgagor must not instigate or pursue any proceedings which may affect such a variation without the Bank's prior written consent.

(e) Any expression which is defined in the RMA will have the same meaning (where the context permits) in this clause 29.7.

30. LICENSED PREMISES

30.1 Where the Land or any part of it consists of "licensed premises" within the meaning of the Sale and Supply of Alcohol Act 2012, the Mortgagor must ensure that the provisions of the Sale and Supply of Alcohol Act 2012 are complied with at all times. In particular the Mortgagor must ensure that:

(a) all licences required under the Sale and Supply of Alcohol Act 2012 are obtained, maintained and renewed; and

(b) all conditions of such licences are complied with; and

(c) any activity or Business on or in respect of the licensed premises is conducted in a proper, lawful and orderly manner.

31. LEASES

31.1 Where the Land is or includes any lease or licence (in this clause called "the lease") the following clauses will apply.

31.2 The Mortgagor must punctually pay the rent reserved by the lease when it becomes due and will perform all the covenants, conditions and agreements contained or implied in the lease. If the Mortgagor is in default under the lease it will be lawful but not obligatory for the Bank (without prejudice to any of its other rights, powers or remedies under the lease), and at the expense of the Mortgagor:

(a) to pay any moneys and to do any acts reasonably necessary for the full or (at the Bank's option) partial performance of the covenants, conditions or agreements in the lease; and

(b) if necessary or convenient for the purpose of exercising any of the powers conferred on the Bank by this Mortgage, to enter by its servants, agents, contractors or workmen on the Land.

31.3 The Mortgagor must at its own cost do all things which are required of it for obtaining renewals of the lease or a new lease of the Land and invoking rent reviews including all things required of the Mortgagor for the appointment of a valuer or arbitrator. If the Mortgagor fails to do any such things or if the Mortgagor fails to pay any associated expenses it will be lawful for the Bank to do any such things in its own name and to pay any such expenses. Any costs incurred in this way by the Bank will become part of the Moneys Secured.

31.4 On obtaining a renewal or extension of the lease or a new lease the Mortgagor must immediately mortgage it to the Bank to secure the payment of any Moneys Secured then unpaid and in the meantime will hold it in trust for the Bank.

31.5 The Bank alone will be entitled to receive any moneys payable to the Mortgagor for improvements or as compensation or otherwise in respect of the Land or any part of it. No person paying any

such money to the Bank need be concerned to inquire whether any default or breach has been made by the Mortgagor under this Mortgage or whether the Bank is legally entitled to receive such moneys or not.

31.6 The Mortgagor will not be entitled to exercise the powers of leasing and accepting surrenders of leases conferred by statute, the general law or otherwise without the Bank's prior written consent.

31.7 The Mortgagor must not lease or give a licence to or part with possession of the Land without the Bank's prior written consent.

31.8 If requested by the Bank the Mortgagor must deliver the lease to the Bank and verify full particulars of it as the Bank may request.

31.9 As at the date of this Mortgage the Mortgagor is not in default under the lease and no other party to the lease has any rights to enforce forfeiture or cancellation of the lease.

31.10 If a notice relating to the lease is served on the Mortgagor under any law the Mortgagor shall immediately deliver a copy of that notice to the Bank.

31.11 The Mortgagor must not allow any lessee or forestry right holder in respect of any part of the Land to register any part of the Land subject to that lease or forestry right as a carbon accounting area under the CCRA without the Bank's prior written consent.

32. UNIT TITLES

32.1 Where the Land is or includes any stratum estate under the Unit Titles Act 2010 (in this clause 32 called "the UTA") clauses 32.2 to 32.6 will apply.

32.2 The Mortgagor must:

(a) punctually pay to the body corporate all moneys payable by the Mortgagor pursuant to the UTA and the rules of the body corporate ("the rules"); and

(b) comply with all the obligations of the Mortgagor under the Act and the rules; and

(c) if required by the Bank, maintain a mortgage redemption policy in accordance with section 137(1)(b) of the UTA in the name of the Bank for an amount not less than the Moneys Secured and the moneys secured under any other mortgage over the Land notwithstanding that a mortgagee under any prior mortgage may not require the Mortgagor to effect such insurance. The Mortgagor must deliver any such insurance policy together with a copy of the "principal insurance policy" (within the meaning given to that term by section 134(1) of the UTA) to the Bank which will be entitled to the exclusive custody of it; and

(d) require the body corporate to maintain an insurance policy over all buildings and other improvements on the Land in accordance with the provisions of section 135 of the UTA; and

(e) give to the Bank any information relating to the affairs of the body corporate which the Bank may reasonably require. Production of a copy of this Mortgage by the Bank to the secretary

of the body corporate will be sufficient authority for the secretary to give the Bank any information which the Mortgagor would be entitled to be given; and

(f) take all reasonable steps from time to time necessary to enforce the obligations of the body corporate and other proprietors under the UTA and the rules.

32.3 Despite anything else contained or implied in this Mortgage, the Moneys Secured will immediately become payable and may be called up by the Bank in the event of:

(a) the destruction of or damage to the principal unit so that it is no longer habitable;

(b) an administrator being appointed under section 141 of the UTA; or

(c) any application being made to a Registrar-General of Land or to a court for the cancellation of the unit plan or of the settlement of any scheme which affects the Land, without the written consent of the Bank.

32.4 The Mortgagor's voting rights under the UTA may be exercised by the Bank subject to section 96(8) of the UTA. The Mortgagor must not vote on any special resolution put to a meeting of the body corporate without the prior written consent of the Bank. The Mortgagor must then vote only as directed by the Bank.

32.5 The terms used in this clause 32 will have the meanings that they would have if used in the UTA.

33. MANAGEMENT OF THE LAND

33.1 The Mortgagor will not without the prior written consent of the Bank:

(a) cease to occupy the Land personally; or

(b) grant any lease, forestry right or permit occupation of the Land by any other person; or

(c) give consent to any assignment, sub-lease or variation of any lease or permitted sub-lease of the Land to any other person; or

(d) accept from any other person a surrender of any lease of the Land; or

(e) do anything with a view to forfeiting any lease of the Land.

33.2 The Mortgagor must:

(a) punctually collect any rent and other moneys payable in respect of the occupation or use of the Land by any person for any purpose; and

(b) pay any such moneys into a bank account with the Bank any other bank nominated by the Bank in the name of the Mortgagor; and

(c) apply any such moneys to the payment of any part of the Moneys Secured as it falls due for payment.

33.3 If any Enforcement Event occurs the Bank may, in the name of and on behalf of and at the cost and risk of the Mortgagor:

(a) begin and pursue forfeiture and other proceedings in the event of default by any lessee of any of its obligations under any lease of the Land; and

(b) enter negotiations for and conclude any lease, tenancy agreement, licence to occupy, forestry right or any other estate interest or right to occupy the Land and any renewal, variation or replacement in whole or in part on any terms and conditions the Bank may think fit. The Bank may execute and register any document which may be necessary or desirable in its opinion to negotiate or conclude any such lease or other interest as detailed in this paragraph; and

(c) generally do all things, as if the Bank were the Mortgagor, which may in the opinion of the Bank be necessary or desirable to protect or preserve this Mortgage or any Collateral Security or to ensure an adequate financial return from the Land. Such things may include but are not limited to:

(i) giving any notice, complying with any requisition or lodging any objection; and

(ii) engaging in and settling or compromising any rent review negotiations or form of litigation (including arbitration); and

(iii) appearing before any tribunal whether in support of or objecting to any application; and

(iv) appointing any counsel, advisors, valuers, arbitrators, assessors or any other persons who may in the Bank's opinion be necessary or desirable.

33.4 The Mortgagor acknowledges and agrees that the rights conferred on the Bank by clause 33.3 will not have the effect of:

(a) making the Bank in any way responsible for the Mortgagor; or

(b) creating any liability of the Bank to the Mortgagor or any other persons; or

(c) binding the Bank to account to the Mortgagor for rent or any other consideration.

The absence of liability conferred by this clause 33.4 extends to Attorneys and any other person employed or engaged by the Bank.

33.5 No person dealing with the Bank need be concerned to inquire whether the rights which the Bank purports to exercise have become exercisable or whether anything done purportedly under the rights conferred by clause 33.3 has been validly done.

34. PRIVACY OF INFORMATION

34.1 The Bank is authorised by the Mortgagor:

(a) to use any information it holds at any time about the Mortgagor for any purpose in relation to its usual business functions and activities; and

(b) to collect information from any other person about the Mortgagor for the purpose of carrying on its usual business functions and activities; and

(c) to disclose information about the Mortgagor to:

(i) any person who gives any guarantee, provides insurance or provides any other form of credit support in respect of the Mortgagor's obligations to the Bank; or

(ii) any potential assignee or transferee under clause 35.1, or any other person with whom the Bank may wish to enter into contractual relations in connection with this Mortgage.

34.2 The Privacy Act 2020 may entitle the Mortgagor to have access to and to request the collection of any personal information which the Bank holds about the Mortgagor.

35. ASSIGNMENT

35.1 The Bank may assign or transfer this Mortgage and/or all or any of its rights, title and interest under this Mortgage at any time to any person it wishes.

35.2 The Mortgagor may not assign or transfer this Mortgage and/or all or any of its rights, title and interest under this Mortgage.

36. GOODS AND SERVICES TAX

36.1 The Mortgagor will immediately advise the Bank in writing:

(a) should the Mortgagor be, or be liable to become, registered with the Inland Revenue Department for GST pursuant to the Goods and Services Tax Act 1985; or

(b) if the Land will be used for the purposes of any registered taxable activity at any time during the term of this Mortgage; or

(c) if the sale of the Land would be a taxable supply of the Mortgagor.

36.2 If any of the circumstances described in clause 36.1 are applicable, the Mortgagor must immediately provide the Bank with the Mortgagor's GST registration number.

36.3 If the Mortgagor should terminate its registration with the Inland Revenue Department for GST pursuant to the Goods and Services Tax Act 1985 it will immediately advise the Bank in writing.

37. PROVISIONS APPLYING TO A TRUSTEE BORROWER

37.1 This clause shall apply where a Mortgagor has given this Mortgage as the trustee of a trust specified in the Financial Documents or any other trust not disclosed to the Bank (called the "**Trust**").

37.2 The Mortgagor represents and warrants to the Bank that:

(a) The Trust is validly created and existing and no circumstances exist by which it may be determined and no date for the vesting of any of the Trust's assets has passed;

(b) The Mortgagor (or each Mortgagor where there is more than one) is validly appointed as a trustee of the Trust, is not in breach of its obligations as trustee and no circumstances exist by which it may be removed;

(c) This Mortgage is granted pursuant to and in proper exercise of the powers of the Mortgagor as trustee of the Trust and all formalities required in connection with such acceptance have been complied with in accordance with the applicable trust deed and the Trusts Act 2019;

(d) This Mortgage and performance by the Mortgagor of its obligations under the Financial Documents are for a proper purpose of, and provides commercial benefit, to the Trust;

(e) The Mortgagor is entitled to be fully indemnified out of the assets of the Trust for its liability under this Mortgage and has not charged its right of indemnity to any other party;

(f) The Mortgagor is the legal owner of all the assets of the Trust;

(g) There is no dispute between the Mortgagor and any other person in relation to the Trust or the Trust assets; and

(h) The Mortgagor is empowered to carry on its Business as now conducted or contemplated and to own its property and assets in its capacity as trustee of the Trust and there is no restriction or condition upon such activity by it.

37.3 The Mortgagor must not without the Bank's consent:

(a) Cease to be the trustee of the Trust nor will it do anything which would cause or enable its removal, nor will it retire, as trustee of the Trust;

(b) Allow any person (who is not already party to this Mortgage) to be become a trustee of the Trust (whether in replacement of, or in addition, to the Mortgagor);

(c) Cause or permit the Trust to be determined or a vesting date to be passed;

(d) Do or permit anything which adversely affects the Mortgagor's right of indemnity against the Trust's assets;

(e) In any way vary or permit to be varied the terms of the Trust;

(f) Resettle, set aside, distribute or dispose of any Trust asset; or

(g) Delegate any powers of the Mortgagor as trustee of the Trust or exercise any power of appointment.

37.4 The Mortgagor must at the request of the Bank provide full financial and other details of the Trust.

37.5 The Mortgagor irrevocably and unconditionally grants the Bank direct access and recourse to the Trust's assets to recover any money not paid on time under this Mortgage.

37.6 Subject to clause 37.3(b), the Mortgagor must procure that if any person who is not already party to this Mortgage subsequently becomes a trustee of the Trust (whether in replacement of, or in addition, to the Mortgagor) that:

(a) the Land is transferred, subject to the Mortgage, into the names of each new trustee, together with all continuing trustees of the Trust together as registered proprietors and Mortgagor, such that each such new and continuing trustee of the Trust as Mortgagor are personally liable to the Bank for the payment of all the Moneys Secured and the performance of all other obligations secured by this Mortgage in accordance with section 203(1)(a) of the PLA; and

(b) each new trustee executes each such Financial Document as required by the Bank where the new trustee agrees to perform the obligations identical to those of the Mortgagor under the Financial Documents (whether as borrower or guarantor or otherwise).

38. WAIVERS AND REMEDIES

38.1 Time is of the essence of this Mortgage but no failure or delay on the part of the Bank to exercise any right, power or remedy under this Mortgage will operate as a waiver of it. No single or partial exercise of any right, power or remedy will preclude any other or further exercise of it or the exercise of any other right, power or remedy.

38.2 The rights, powers and remedies provided in this Mortgage are cumulative on, and will not exclude, any rights, powers or remedies provided by law.

38.3 Where the Bank is supplying financial services to the Mortgagor for "business transaction" purposes within the meaning of that term in section 43 of the Consumer Guarantees Act 1993 (in this clause 38.3 called "the Act"), the provisions of the Act will not apply to this Mortgage. Where the financial services are supplied other than for business purposes, the Act will apply to this Mortgage.

39. PARTIAL INVALIDITY

39.1 In the event that any provision of this Mortgage is or becomes illegal, invalid or unenforceable in any respect under the law of any relevant jurisdiction, that illegality, invalidity or unenforceability will not affect the ability of the Bank to enforce the provisions or, as the case may be, the remaining provisions, of this Mortgage. The legality, validity or enforceability of those provisions under the law of any other jurisdiction will not in any way be affected or impaired by it.

40. PROVISIONS OF THIS MORTGAGE TO SURVIVE DISCHARGE

40.1 The obligations of the Mortgagor contained in this Mortgage will survive the repayment of the Moneys Secured and a discharge of this Mortgage. Each indemnity given under this Mortgage will constitute a continuing obligation of the Mortgagor, which is separate and independent from its other obligations under this Mortgage. Each and every indemnity will apply irrespective of any indulgence granted by the Bank and will continue in full force and effect regardless of any judgment, order, claim or proofs for a liquidated amount in respect of any sum due under this Mortgage, or any other judgment or order.

40.2 Whether or not the Bank may have received the whole of the Moneys Secured due to it, it will not be obliged to execute a discharge of this Mortgage or the charge created by this Mortgage unless it is satisfied that:

(a) no further moneys may become payable by the Mortgagor to the Bank in the future; and

(b) no payment made or to be made in the future by the Mortgagor may be avoided, or required to be repaid by the Bank under any law relating to insolvency.

41. NOTICES AND DEMANDS

41.1 Any demand or notice required or authorised to be served on the Mortgagor or to any other person under or in relation to this Mortgage may be signed on behalf of the Bank by any Attorney, manager or solicitor of the Bank and the following provisions apply:

(a) A notice or demand may be given either by personal delivery, by facsimile, by post (ordinary or registered), or by email.

(b) If given by post, a notice or demand will be posted in an envelope addressed to the recipient at its address specified in this Mortgage or any other new address notified in writing to the Bank by the Mortgagor. If the recipient has left either of those addresses, then to the last notified address.

(c) If given by personal delivery, a notice or demand will either be left at the address of the recipient referred to in paragraph (b) of this clause 41.1 or given to the recipient personally.

(d) If given by facsimile, a notice or demand will be sent to the recipient at any such facsimile number notified in writing to the Bank by the Mortgagor unless the recipient has since notified the Bank in writing that it no longer holds that facsimile number.

(e) If given by email, a notice or demand will be sent to the recipient at the email address notified in writing to the Bank by the Mortgagor unless the recipient has since notified the Bank in writing that it no longer holds that email address.

(f) If posted, a notice or demand will be deemed to have been received by the recipient on the fourth day after the date of posting.

(g) If personally delivered a notice or demand will be deemed to have been received by the recipient on the day it was delivered.

(h) If sent by facsimile, a notice or demand will be deemed to be given at the time specified in a written transmission report from the machine that transmitted the facsimile which evidences full transmission free of errors to the facsimile number of the party who was given notice.

(i) If sent by email, a notice or demand will be deemed to be given at the time the communication enters the recipient's communication system.

41.2 If the address of the Mortgagor changes, the Mortgagor must immediately give the Bank notice of the new address.

41.3 If a notice or demand is served on any one Mortgagor, then that notice or demand will be deemed to have been served on any other Mortgagors.

41.4 Any service effected in accordance with this clause will be valid and effectual notwithstanding that at the date of service, the Mortgagor, whether to the knowledge of the Bank or not, is dead,

mentally incapable, bankrupt, subject to dissolution or absent from New Zealand or does not receive the demand or notice and notwithstanding any other matter or event whatsoever.

41.5 Where a demand or notice is not served in accordance with any of the foregoing methods, it will nevertheless be sufficiently served if actually received by the Mortgagor.

41.6 The modes of service provided by this clause do not limit any other sufficient and lawful modes of service and are subject to any mandatory provisions in any statute.

41.7 The validity of any notice or demand will not be affected by any error or omission in it. The Mortgagor will have no right of action, claim or demand against the Bank because of any such error or omission in the exercise or enforcement by the Bank of its powers, rights and remedies contained in this Mortgage including its power of sale, based on that notice or demand.

41.8 If the Mortgagor is not resident in New Zealand, then the Bank may withhold provision of financial accommodation or other services to the Mortgagor until the Mortgagor has appointed an agent in New Zealand for the purpose of accepting service on its behalf under sections 353 to 355 of the PLA.

42. IMPLIED COVENANTS

42.1 The covenants, conditions and powers in the Second Schedule to the PLA shall, for the purposes of this Mortgage, be negatived or varied in so far as any of them contradicts, or is inconsistent with, the terms of this Mortgage.

43. BANK'S CONSENTS AND CERTIFICATES

43.1 The Bank will have absolute discretion to give or withhold its approval or consent, and may give its approval or consent subject to any condition it wishes.

43.2 If the Bank gives any certificates as to any amount or any fact which might reasonably be expected to be within the Bank's knowledge, that certificate will be prima facie evidence of that amount or fact.

44. MINORS

44.1 If the Mortgagor includes a minor (with or without the knowledge of the Bank), then the liability of the Mortgagor or any person comprising the Mortgagor who is not a minor will not be limited by any lack of capacity of the minor. Nor will that liability be limited by there being no or limited recourse against or right of contribution from the minor, or by reason of time or other indulgence granted to the minor.

45. NO MERGER

45.1 The Bank's rights to payment of any Moneys Secured will not merge in the Mortgagor's obligation to pay that Moneys Secured under this Mortgage. The Bank may demand payment of any Moneys Secured and may exercise its rights, powers and remedies under this Mortgage whether or not any obligation relating to it is still current or has not fallen due.

46. JURISDICTION AND GOVERNING LAW

46.1 This Mortgage will be governed by and construed in accordance with the laws of New Zealand, and the parties to it submit to the non-exclusive jurisdiction of the courts of New Zealand.

47. DEVELOPMENT

47.1 For the purposes of this clause "development" means any subdivision, construction, development work, alteration, improvement or other such work carried out on the Land.

47.2 Where the Bank is advancing any part of the Moneys Secured to enable any development the Bank will not be obliged to make any advances or provide any other services to the Mortgagor until the development has been completed, unless the Bank and the Mortgagor enter an express agreement which overrides this clause 47.2.

47.3 The Mortgagor must:

(a) obtain the Bank's prior written consent to the development and the plans and specifications for it; and

(b) obtain any necessary Consent from any relevant authority or governmental agency; and

(c) if called on by the Bank, produce a survey certificate that the development will be constructed entirely within the boundaries of the Land; and

(d) immediately and continuously proceed with the development in a proper and workmanlike manner and in accordance with all plans and specifications for the development consented to by the Bank and any authority or governmental agency responsible for issuing appropriate Consents for the development.

47.4 The Mortgagor must ensure that in completing the development the Mortgagor and the development comply strictly with:

(a) any relevant plan (as defined in the RMA); and

(b) any necessary Consent; and

(c) all relevant statutes, regulations and bylaws; and

(d) any conditions imposed by any competent authority in respect of the development; and

(e) the plans and specifications consented to by the Bank.

47.5 The Bank may call for any certificates, valuations, or any other information which it considers necessary or prudent for the purposes of this clause 47, to be provided at the Mortgagor's cost.

47.6 If the Mortgagor fails to comply with the provisions of clause 47.3 then the Bank (without derogating from any of its other rights, powers or remedies) may immediately do all things which in its sole opinion may be necessary to complete the development and to ensure that no charges or encumbrances take priority over this Mortgage or any Collateral Security.

CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

We, **Suzanne Michelle Mace** of Hamilton in New Zealand, Company Secretary, and **Samantha Jane Roche** of Hamilton in New Zealand, Senior Legal Counsel, certify –

1. THAT by deed dated 18 April 2000 (Sup Doc 5944), Rabobank New Zealand Limited of Level 4, 32 Hood Street, Hamilton, New Zealand appointed us its attorneys.

2. THAT we have not received notice of any event revoking the power of attorney.

SIGNED at Hamilton on 2 July 2024

Suzanne Michelle Mace

Samantha Jane Roche

47.7 The Mortgagor assigns to the Bank the benefit of the Mortgagor's right, title and interest in any Consents related to the development.

47.8 Despite the Bank's consent to any development, the Bank assumes no responsibility or liability to the Mortgagor for any matter in relation to the development. Completion of the development by the Bank in accordance with this clause 48 will not imply the exercise by the Bank of any care or skill and will not relieve the Mortgagor from its warranties, covenants and obligations to ensure good and proficient completion of the development.

47.9 The Mortgagor indemnifies and agrees to keep indemnified the Bank against any claims or demands made against the Bank arising from the Bank's completion of the development pursuant to this clause 47. The Bank will not incur any liability in respect of any decision it makes not to complete the development or to discontinue the development having commenced completion of it.

47.10 All moneys expended by the Bank in doing anything pursuant to this clause will form part of the Moneys Secured.

Dated this 2nd day of July 2024

Execution

SIGNED for and on behalf of)
RABOBANK NEW ZEALAND)
LIMITED by its Attorneys)
in the presence of:)

Signature

Ingrid Duncan
Full Name

Hamilton
Address

Legal Counsel.
Occupation

Signature
Samantha Roche
Name

Signature
Suzanne Mace
Name

MEMORANDUM no. 2024/4370

Land Transfer Act 2017

Sup Doc 2497838 Me
Cpy – 01/01, Pgs – 041, 14/08/24, 11:

MUM 13085434.1 Me
Cpy – 01/02, Pgs – 041, 14/08/24, 11:

MORTGAGE

REGISTRAR-GENERAL OF LAND NEW ZEALAND

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

For Registrar-General of Land"

Registered pursuant to Section 209 of the
Land Transfer Act 2017

Registrar-General of Land
Land Registry
(Abstract number/date 14.8.24)
13085434.1