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20 July 2006

Mr Arthur and Mrs Fiona Cristian
11 Roycroft Street
BOWRAL NSW 2576

By Express Post



DIBBS ABBOTT STILLMAN | LAWYERS

Dear Mr & Mrs Cristian

PERPETUAL LIMITED v CRISTIAN
Our Ref: JAB/GTB/3301650

I refer to your email to Gary Koning on 19 July 2006.

As requested, please find **enclosed** a copy of Memorandum No 2477234, filed in the Land Titles Office (NSW) on 23 September 1996 which is exhibit number "AS-4" of the Affidavit of Amanda Sherwood filed in the Supreme Court on 14 July 2006.

Yours faithfully
Dibbs Abbott Stillman

Jacqueline Bruce
Lawyer
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Partner Responsible: Gerard Breen

Encl

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RP63



MEMORANDUM

Section 80A Real Property Act 1900

B



2477234H

H

(A) LODGED BY

L.T.O. Box <i>185H</i>	Name, Address or DX and Telephone Clayton Utz, Solicitors Levels 27-35, No. 1 O'Connell Street SYDNEY NSW 2000, DX 370 SYDNEY Telephone: (02) 9353 4000 REFERENCE (max. 15 characters): 676/147	LM MM
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(B) The Applicant CLAYTON UTZ requests the Registrar General to record this memorandum, comprising ¹³~~45~~ pages, which contains provisions deemed to be incorporated in any instrument which refers to it.

(C) *John Hamilton Loxton* Signator of Applicant or Authorised Officer
JOHN HAMILTON LOXTON, PARTNER Name and Position of Authorised Officer

INSTRUCTIONS FOR COMPLETION

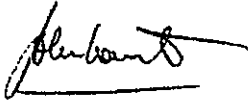
- This form and any annexures to it must be completed clearly and legibly in permanent, dense, black or dark blue print. If using a dot-matrix printer the print must be letter-quality.
- Do not use an eraser or correction fluid to make alterations: rule through rejected material. Initial each alteration in the lefthand margin.
- The following instructions relate to the marginal letters on the form.
 - This section is to be completed by the person or firm lodging the memorandum at the Land Titles Office.
 - Insert the name of the relevant lending institution, lessor, etc, and the number of pages in the memorandum.
 - To be signed by the Applicant or an authorised officer where the Applicant is a corporation.
 - Annexures may be used as required.
The clauses must be numbered consecutively from number 1.
The margins on this page and on any annexure must be those specified in the Real Property Act Regulations.
The paper used for any annexure must be of not less substance than 105 grams per square metre; however if one side only is used it should be not less than 80 grams per square metre.
Rule through and initial all blank pages.

Filed in the Land Titles Office on 23 / 9 / 1996

(D)

PROVISIONS REFERRED TO

SEE ANNEXURE "A"

A handwritten signature in black ink, appearing to read "J. Lambert", is written over a horizontal line.

**THIS IS THE ANNEXURE "A" REFERRED TO IN THE REAL PROPERTY ACT FORM
RP63 "MEMORANDUM" MADE BY PERPETUAL TRUSTEES AUSTRALIA LIMITED
ACN 000 431 827**

1. UNDERSTANDING THIS MORTGAGE MEMORANDUM

1.1 Words with Special Meaning

In this Mortgage Memorandum certain words or phrases which commence with capital letters have a special meaning. Those words are listed below:

"Collateral Security" means any other security (eg. a mortgage or a charge) given at any time by anybody to the Mortgagee to secure the Debt or part of the Debt.

"Debt" means all money owing by You to the Mortgagee now or in the future under the Mortgage or a Secured Arrangement.

"Land" means the land specified in the Mortgage and includes all buildings, fences, structures, carpets, floor coverings, light fittings, blinds, curtains and other objects attached to the land. It includes any contract or other rights relating to that land such as building contracts, leases, development approvals, building approvals, other approvals, plans, specifications, consents and licences relating to the use of the land, and all income (such as rent) to be derived from the land at any time. It also includes any right to occupy, lease, or licence relating to or adjoining the land.

"Mortgage" means the mortgage signed by You which incorporates this Mortgage Memorandum and includes the terms of this Mortgage Memorandum. If there is any inconsistency between the mortgage and this Mortgage Memorandum, then the provisions of the mortgage will prevail to the extent of the inconsistency.

"Mortgagee" means the mortgagee named in the Mortgage and includes anyone else who acquires an interest in the Mortgagee's rights under the Mortgage.

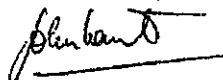
"Secured Arrangement" means any agreement (including in the form of accepted letters of offer or loan contracts), deed or arrangement, other than any Collateral Security, under which You incur or owe obligations to the Mortgagee or under which the Mortgagee has rights against You, including any such agreement, deed or arrangement which You agree in writing is to be secured by the Mortgage after having received a copy of it.

"You" means each mortgagor named in the Mortgage.

1.2 General Interpretation

In this Mortgage Memorandum:

- (a) the singular includes the plural and vice versa.
- (b) a reference to a "person" includes a natural person and a corporation.
- (c) a reference to a document or agreement include all variations, novations or replacements.



- (d) where any word or phrase has a special meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning.
- (e) a reference to any person (including You or the Mortgagee) includes the person and the successors in title, transferees or executors of the person.
- (f) headings are for convenience only and do not affect interpretation.
- (g) a reference to any law includes any statutory modification or re-enactment or any statutory provision substituted therefor, and all ordinances, by-laws, regulations and other statutory instruments issued thereunder.
- (h) a reference to a clause is a reference to a clause of this Mortgage Memorandum.
- (i) if there is more than one person identified as "You", that expression will be construed to refer to, and Your obligations under the Mortgage will bind, each of You separately and all of You as a group.

1.3 Mortgage made

The Mortgage is made on the day that it is signed and dated by or on behalf of the Mortgagee or its solicitor or, if the Mortgage is not to be signed by or on behalf of the Mortgagee, then the Mortgage is made on the day that it is delivered to the Mortgagee or its solicitor.

2. THE DEBT

2.1 Payment of the Debt

You must pay the Debt to the Mortgagee on the dates agreed between You and the Mortgagee in a Secured Arrangement.

2.2 Indemnity for Your default

To the extent permitted by law, and if applicable, a Consumer Credit Code, you must indemnify the Mortgagee for all losses, enforcement expenses or costs the Mortgagee incurs as a result of Your defaulting under the Mortgage or any Secured Arrangement. This indemnity continues even if the Mortgagee releases the Land from the Mortgage.

3. THINGS YOU MUST AND MUST NOT DO RELATING TO THE LAND

3.1 You Mortgage the Land

You mortgage to the Mortgagee the whole of the Land to secure payment of the Debt.

3.2 You must keep the Land insured

You must keep the Land insured for not less than its full insurable value as required by the Mortgagee (generally the Mortgagee will accept Your insurer's estimate)

against loss or damage by fire, storm, tempest, and any other risk specified by the Mortgagee. You must also maintain any other insurances required by the Mortgagee. All insurances must be with an insurer approved by the Mortgagee. The Mortgagee's interest must be noted on all policies until the Debt is repaid. If loss or damage occurs, only the Mortgagee will be entitled, subject to any laws, to enforce and settle any claim against the insurer. Any money paid by the insurer must be paid direct to the Mortgagee and the Mortgagee may apply that money to repair or rebuilding, repayment, or hold it as additional security for the Debt. You must tell the Mortgagee promptly if You make any insurance claim, or are entitled to make any insurance claim. You must pay all insurance premiums on or before the due date and if required by the Mortgagee provide evidence to the Mortgagee of the currency of all policies relating to the Land, and provide copies of those policies. You must not do or omit to do anything by which any insurance policy relating to the Land could be prejudiced or cancelled or be subject to an increased premium. Once the Debt is repaid, the Mortgagee will release to You any surplus insurance proceeds.

3.3 You must make necessary repairs

You must make all repairs necessary to keep the Land in good repair. When the Mortgagee considers it necessary, the Mortgagee may require You to promptly carry out any work that the Mortgagee considers necessary, including any work required by an authority (eg. a local council). The Mortgagee or its agents may enter the Land at any reasonable time to inspect it and to do anything that the Mortgagee is entitled to do under the Mortgage.

3.4 Altering the Land

You must not demolish, extend, or alter the Land without the Mortgagee's prior written consent. You must not do or allow anything to be done which adversely affects the value of the Land or the effectiveness of the Mortgage as a security to the Mortgagee.

3.5 You must pay all rates and taxes

You must punctually pay all rates, taxes, charges, outgoings and assessments (including council rates, general rates, water rates, and land tax) payable or assessed in respect of the Land or on the owner or occupier of the Land. You must produce to the Mortgagee on demand evidence of payment. If these amounts are not paid by You, the Mortgagee may decide to pay them and such amounts spent by the Mortgagee will be an enforcement expense and will form part of the Debt secured by the Mortgage.

3.6 Your obligations in dealing with the Land

- (a) **Provide information.** You must provide to the Mortgagee on demand full details of anything relating to the Land including any leases, licences, or other agreements relating to the Land and full details of the use to which the Land is being put. You must also tell the Mortgagee if anything happens which materially affects the Land (eg. fire, damage, rezoning).
- (b) **No noxious uses.** You must not carry on nor permit to be carried on the Land any noxious, noisy, illegal or offensive activity.

- (c) **Not change the use.** You must not change the use of the Land except with the Mortgagee's prior written consent. If there is a business conducted on the Land, You must conduct the business in a proper and efficient manner and keep the business open at all usual times for that kind of business, and You must obtain and keep current any licences held or required in connection with that business.
- (d) **Approvals.** You must maintain any approvals relating to the Land (eg. development approvals, building approvals, licences and so on), and must take any action the Mortgagee requires in relation to those approvals.
- (e) **Selling or leasing.** Subject to any laws, and if applicable, a Consumer Credit Code, You must obtain the Mortgagee's prior written consent before dealing with the Land in any way. For example, You must obtain the Mortgagee's prior written consent before You sell, lease, licence, accept or permit a surrender, assignment or variation of any lease or any licence, consent to or permit any sublease or assignment or variation of any sublease, or subdivide, or consolidate the Land or any part of it. However, You need not obtain the Mortgagee's consent to a standard residential lease of the Land for a term of 12 months or less. Because "Land" includes any income from the Land, this clause prevents You from dealing with the income relating to the Land in any way without the Mortgagee's prior written consent.
- (f) **Rentals.** The Mortgagee may direct how the rental or any other income from the Land will be paid or collected. You must sign anything reasonably required by the Mortgagee for this purpose. For example, the Mortgagee may require a specific managing agent to be used, and for that managing agent to pay the rental or other income direct to the Mortgagee, or the Mortgagee may require the tenant to pay directly to the Mortgagee.
- (g) **Rentals to be at market rent.** You must ensure that any leasing or other dealing with the Land is at a fair market rent.
- (h) **Securities.** You must obtain the Mortgagee's prior written consent before you create or allow to exist another mortgage, charge or any other security in connection with the Land.
- (i) **Adverse dealings.** If any dealing which the Mortgagee considers to be adverse to its interests is lodged on the title to the Land, You must immediately take any action required by the Mortgagee to remove it.
- (j) **Comply with easements and restrictions.** You must fully comply with any covenants or easements (eg. a right of access over a part of your property given to someone such as a neighbour) or licences or other notifications affecting the Land including any requirements or any law or any notices or orders given by any authority (eg. a local council).
- (k) **Not leave vacant.** If there are any buildings on the Land, You must not leave them unoccupied for a continuous period of more than 30 days without the Mortgagee's prior written consent.

- (l) **Encroachments.** If the Land encroaches onto any adjoining land, you must either stop the encroachment, or get an easement from the owner of the adjoining land to allow it to continue. You must provide the Mortgagee with copies of all notices relating to encroachments on or by the Land.

3.7 **Adjoining land**

If You acquire any other land to be used or held in conjunction with the Land, You must immediately notify the Mortgagee of this and the Mortgagee reserves the right to require You to immediately mortgage the other Land to the Mortgagee.

3.8 **Protection of the environment**

You must make sure that during the term of the Mortgage there is nothing on the Land and nothing concerning the Land, any use of the Land or any neighbouring land which causes or may cause contamination or environmental damage. You must promptly take any action the Mortgagee reasonably requires to rectify any breach of this clause. The Mortgagee may require a report on environmental issues to be prepared if the Mortgagee has reasonable cause to believe this clause has been or is likely to be breached. The cost of such a report will be an enforcement expense and will form part of the Debt secured by the Mortgage.

4. **ADMINISTRATIVE MATTERS**

4.1 **Title documents**

Unless the Mortgagee has consented to a prior mortgage over the Land, you must deposit with the Mortgagee all documents of title and leases in respect of the Land and any other documents relating to the Land which the Mortgagee requests.

4.2 **Registration**

You must do everything you are asked to do to enable the Mortgagee to register the Mortgage in the manner and within the time limits provided by law.

4.3 **Blanks**

You authorise the Mortgagee to fill in blanks in the Mortgage.

5. **DEFAULT**

5.1 **When there is default**

Default generally occurs if You fail to do something You are obliged to do, if You do something You are obliged not to do, or if something happens (even though outside Your control) which is prohibited or triggers default under the Mortgage or a Secured Arrangement. If any one or more of the following occur the Mortgagee may decide default has occurred.

- (a) You fail to pay the Debt on time.

- (b) You fail to comply with, or default under, the Mortgage, or any Secured Arrangement.
- (c) There is default under any Collateral Security.
- (d) There is a default under any other mortgage or charge affecting the Land (whether or not granted to the Mortgagee).
- (e) The Land is resumed, surrendered, exchanged or taken out of Your control in any way.
- (f) Any court order is enforced against the Land.
- (g) The value of the Land is materially adversely affected.
- (h) The amount secured by any other mortgage or charge over the Land is increased.
- (i) You breach any undertaking or warranty given at any time to the Mortgagee.
- (j) If You are a company:
 - (i) without the prior written consent of the Mortgagee, there is any change in ownership or control of the company or any company of which You are a subsidiary;
 - (ii) proceedings are commenced to wind up the company;
 - (iii) a receiver, manager, receiver and manager, administrator, controller, provisional liquidator, or liquidator is appointed to any part of Your assets;
 - (iv) any action is commenced to strike the company's name off any register of companies; or
 - (v) without the prior written consent of the Mortgagee, the company reduces or proposes to reduce its authorised capital.
- (k) If You are a trustee and without the prior written consent of the Mortgagee, there occurs:
 - (i) the appointment of a new or additional trustee;
 - (ii) any resettlement of the trust or variation of the trust deed;
 - (iii) any vesting or distribution of any assets of the trust;
 - (iv) any breach of the trust by You;
 - (v) You for any reason lose or cease to be entitled to Your right of indemnity against the assets of the trust; or

- (vi) as a result of your act or omission the assets of the trust are diminished or made less accessible to the Mortgagee.

5.2 The Mortgagee's rights on default

At any time after default occurs, the Mortgagee can take any of the actions listed below provided notice has been given in accordance with laws governing the exercise of power of sale as mortgagee and provided the provisions of any applicable laws relating to enforcement and the Consumer Credit Code have been complied with. The Mortgagee can take action even if the Mortgagee does not do so promptly after the default occurs. The Mortgagee can exercise these rights with or without taking possession of the Land. If the Mortgagee holds Collateral Security, it can enforce any one of the securities first or all of them at the same time. The Mortgagee will not be liable to You for any loss or damage of any kind caused by the exercise by the Mortgagee of any of its rights under this clause.

- (a) Exercise any right, power, or privilege conferred by any law, the Mortgagee, any Collateral Security or any Secured Arrangement.
- (b) Deal in any way the Mortgagee considers fit with the Land (including the contracts and other property included in the definition of Land). For example, the Mortgagee may:
 - (i) eject You or any other occupants from the Land and take possession of the Land. If the Mortgagee takes possession, the Mortgagee can subsequently withdraw from possession of the Land;
 - (ii) direct any tenants to pay rent to the Mortgagee;
 - (iii) sell the Land in one line or by separate lots;
 - (iv) rescind, vary, or complete any contract for sale of the Land;
 - (v) lease or licence the Land (and if there are restrictions in the statutes governing property as to the nature of leases that a mortgagee (such as the Mortgagee) may grant, those restrictions do not apply to the Mortgagee);
 - (vi) subdivide or consolidate the Land;
 - (vii) repair, cleanse, repaint, demolish, rebuild, alter or construct completely new buildings or structures on the Land;
 - (viii) prepare plans and specifications and obtain approvals from any competent authority;
 - (ix) give or transfer the Land to any competent authority; or
 - (x) acquire additional land for development, sale, or lease in conjunction with the Land.

- (c) **Remove any property from the Land** (eg. furniture and personal effects) and, as your agent, sell or otherwise deal with those goods without receiving any money for them.
- (d) **Pay any money owing to any person in relation to the Land or goods on the Land** (eg. owing under hire purchase agreements and leases). The amount paid by the Mortgagee will be an enforcement expense and will form part of the Debt secured by the Mortgage.
- (e) **Appoint one or more persons to be joint or several agents, receivers, managers, or receivers and managers of the whole or any part of the Land** (including the contracts and other property included in the definition of Land) on terms and for fees approved by the Mortgagee. Those persons may exercise any of the powers conferred on the Mortgagee under the Mortgage, or conferred by law. The Mortgagee may remove any of those persons and appoint replacements whenever it wishes.
- (f) **Pay and obtain a transfer or a discharge of any other mortgage or charge affecting the Land.**
- (g) **Perform any of Your obligations under the Mortgage.**

5.3 Moneys received

All moneys received by the Mortgagee as a result of the exercise of its rights under the Mortgage will, subject to any laws, be applied in the following order:

- (a) in payment of all costs and expenses incurred by the Mortgagee in exercising its rights under the Mortgage;
- (b) in payment of any prior mortgages, charges and other securities over the Land in order of their priority;
- (c) in payment of the Debt;
- (d) in payment of any subsequent mortgages, charges and other securities over the Land of which the Mortgagee is aware in order of their priority;
- (e) the balance (if any) belongs to You but does not carry interest.

5.4 The Mortgagee may retain an amount of money equal to any part of the Debt not then due for payment.

5.5 The money received by the Mortgagee may be used to pay any part of the Debt.

5.6 You are only credited with money from the date it is received by the Mortgagee.

5.7 To the extent the Mortgagee is obliged to or agrees to refund any money received to a trustee in bankruptcy or a liquidator, the money will be treated as if it had never been received and the Mortgagee will be entitled to all rights it has against You under the Mortgage.

6. MATTERS FOR DIFFERENT KINDS OF PROPERTY, AND BUILDING WORKS YOU CARRY OUT

This part of this Mortgage Memorandum sets out some provisions which relate to particular kinds of property or apply if You carry out any building works on the Land.

6.1 Land under shared title

This clause applies if the Land at any time comprises a lot within a subdivision, strata scheme, a community title scheme, units plan, or any other shared ownership arrangement.

- (a) **You must punctually pay all contributions and any other money which at any time is payable in respect of the Land in connection with the arrangement.**
- (b) **You must punctually comply with any obligations imposed on You in connection with the arrangement (eg. the by-laws or articles).**
- (c) **The Mortgagee in its discretion may exercise any voting rights referable to the Land in relation to the arrangement and according to any laws.**
- (d) **You must notify the body corporate of the Mortgagee's interest and have the Mortgagee's interest in the Land recorded in any appropriate records of the arrangement (eg. the strata roll).**
- (e) **You must ensure that the body corporate maintains all insurances which it is required to maintain by law.**
- (f) **You must notify the Mortgagee if you are aware of any proposed termination, variation, alteration, subdivision, consolidation, substitution or other dealing affecting the Land or any common property.**
- (g) **You irrevocably authorise the Mortgagee at any time to obtain from anybody any information in relation to the arrangement.**
- (h) **In addition to the other events of default specified in clause 5 of this Mortgage Memorandum, the Mortgagee may decide default occurs if anything occurs or is proposed in relation to the arrangement which materially adversely affects the value of the Land, Your ability to use the Land or any of the common property, or if there is any termination, variation, alteration, subdivision, consolidation, substitution or other dealing affecting any common property to which the Mortgagee has not consented.**

6.2 Agricultural lands

If any part of the Land is agricultural or pastoral land, You must properly manage and maintain the Land and keep the Land free from noxious animals and plants.

6.3 Building works on the Land

This clause applies if any building works are commenced on the Land. No building works may be commenced on the Land without the Mortgagee's prior written consent.

- (a) **You must complete the building works** expeditiously in accordance with the best skills and practices to the satisfaction of the Mortgagee and in accordance with plans and specifications approved by the Mortgagee and in accordance with all laws, approvals, consents and the requirements of any responsible authority (eg. a local council).
- (b) **You must comply with any obligations under any building contract** and pay any money due in connection with the building works as it becomes due (eg. pay the builder on the due date) including the professional and consultancy costs.
- (c) **You must not contract** with any person in relation to the works or alter the plans and specifications or building contract for the works without the Mortgagee's prior written consent. You must require the builder to promptly and properly perform its obligations under any building contract.
- (d) Upon completion of the building works if required by the Mortgagee, **You must obtain such certificates** as the Mortgagee reasonably requires to evidence that the building works have been properly completed. If You do not obtain such certificates, the Mortgagee may obtain them and any money that the Mortgagee spends in obtaining them will be an enforcement expense and will form part of the Debt secured by the Mortgage.
- (e) If You default in completing the building works, the Mortgagee may (but without being obliged to do so, and without taking possession of the Land) complete the works and may do anything and sign anything the Mortgagee considers appropriate to complete the building works. The Mortgagee need not complete the works and may sell the Land in its existing state and condition. **Any money that the Mortgagee spends completing the building works will be an enforcement expense and will form part of the Debt secured by the Mortgage.**
- (f) **In no circumstances will the Mortgagee be responsible for the building works even if the Mortgagee pays the builder direct.**

6.4 Leased Land

If all or any part of the Land is leased to you (ie. it is leasehold land), You must comply with all the terms of the lease and must promptly inform the Mortgagee of any default.

If the lease contains any option to renew, You must exercise the option to renew and grant to the Mortgagee a mortgage in a form approved by the Mortgagee over any lease for a further term.

You must not agree to any variation of any term of the lease or to any change in the rent without obtaining the Mortgagee's prior written consent.

7. ENFORCEMENT EXPENSES

7.1 Enforcement expenses may become payable under the Mortgage in the event of default under clause 5.

7.2 You must pay the Mortgagee all reasonable enforcement expenses the Mortgagee reasonably incurs or expends in exercising its rights under the Mortgage. In the case of legal fees and disbursements, these are payable on the higher of a full indemnity basis or a solicitor and own client basis.

8. GENERAL MATTERS

This part of this Mortgage Memorandum sets out some general provisions.

8.1 You must notify the Mortgagee of certain things

You must promptly notify the Mortgagee in writing if default occurs, if there is any damage to the Land (including the contracts and other property included in the definition of Land), or anything happens which materially affects the Land or its value or the effectiveness of the Mortgage as a security to the Mortgagee.

8.2 Statutes

There may be some statutes (ie. laws passed by parliament) or other law (usually called the common law) intended to limit mortgagees' rights. Subject to clause 8.9, none of these statutes or laws will operate to limit the Mortgagee's rights under the Mortgage unless by law those rights cannot be negated. In particular, the Mortgagee need only wait for one day after default occurs and need not give any notice before exercising any right, power (including the power of sale), obligation or remedy under the Mortgage unless required by law, and if the law does require notice, the Mortgagee need only give one day's notice or the shortest notice required by that law. If any of the provisions of the Mortgage are illegal or become illegal at any time, the affected provisions will cease to have effect, but the balance of the Mortgage will remain in full force and effect.

8.3 The Mortgagee's certificate

A certificate which has been signed by or on behalf of the Mortgagee is sufficient evidence of any fact or matter stated in the certificate, including:

- (a) that a default has occurred under the Mortgage; and
- (b) the amount due and payable by You under the Mortgage.

8.4 Governing law

The Mortgage is governed by the law of the State or Territory where the Land is situated and the courts of that State or Territory can deal with any matter relating to the Mortgage.

8.5 How the Mortgagee can deal with the Mortgage

The Mortgagee may assign or otherwise deal with the Mortgage in any way it wishes. You must sign anything and do anything the Mortgagee reasonably requires to enable any dealing with the Mortgage. Of course, any dealing with the Mortgage does not change Your obligations under the Mortgage.

8.6 Disclosure of Information by the Mortgagee

In exercising its powers to assign or otherwise deal with the Mortgage, subject to any relevant legislation the Mortgagee may disclose to anybody any information about You, the Land, and the Mortgage.

8.7 Your Liability continues

- (a) **Your obligations under the Mortgage continue irrespective of anything which happens to You, the Debt, or anything else. For example, the obligations continue if You die or are made bankrupt, if You are a partnership and the partnership ends or the members change, or if You are a company and it is dissolved or wound up.**
- (b) **The Mortgagee need not give a discharge of the Mortgage until it is satisfied there is no likelihood of any Debt being due by You to the Mortgagee. Even if the Mortgage is discharged, any of the Debt which is outstanding, or becomes outstanding after the discharge, must still be paid.**

8.8 Power of attorney

To assist the Mortgagee in ensuring that the Mortgage is valid and to protect its interest after default occurs, You must give to the Mortgagee and certain other people Your power of attorney as set out in this clause.

You irrevocably and for valuable consideration appoint the Mortgagee and any receiver, manager, or receiver and manager appointed by the Mortgagee and each of the Mortgagee's directors and managers from time to time alone or together to be Your attorneys to sign anything and do anything required to make sure the Mortgage is valid. At any time after default occurs Your attorneys can sign anything and do anything they wish in relation to the Land (including the contracts and other property included in the definition of Land). In addition, the attorneys can exercise any powers, authorities, duties or functions as a trustee if you are a trustee and may sign things and do things which benefit the Mortgagee.

8.9 Consumer Credit Code

This clause 8.9 applies to the extent that a Consumer Credit Code applies to the Mortgage.

- (a) **If that Code would otherwise make a provision of the Mortgage illegal, void or unenforceable or a provision of the Mortgage would otherwise contravene a requirement of that Code or impose an obligation or liability which is prohibited by that Code, the Mortgage is to be read as if that**

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provision were varied to the extent necessary to comply with that Code or, if necessary, omitted.

- (b) The Consumer Credit Code makes a mortgage void to the extent that it secures certain amounts. The Debt does not include any such amounts.

8.10 If You are a trustee

If You are at any time trustee of any trust, You are liable under the Mortgage in Your own right and as trustee of the trust. Accordingly, the Mortgagee can recover against the trust assets as well as from You.

8.11 Perfect the Mortgage

You must sign anything and do anything the Mortgagee requires to perfect the mortgaging of the Land to the Mortgagee.

8.12 How notices may be given

The Mortgagee can give a notice to You personally or left at the address You nominate to the Mortgagee or in any other way the law allows.

8.13 Nomination

Subject to any law which requires otherwise, if there is more than one of You and each of You lives at the same address, You can nominate one of You to receive notices and other documents on behalf of all of You. If you do this, You acknowledge that while the nomination remains in force a notice or other document that is given to the nominated person is taken to have been given to each person who has signed the nomination.

8.14 Waiver

The Mortgagee only loses the power to exercise any of its rights under the Mortgage by an express written statement that the Mortgagee waives that right.

8.15 Mortgage Manager

The Mortgagee has appointed a mortgage manager to manage the Mortgage and the Secured Arrangements and to exercise all the powers, rights and functions of the Mortgagee under the Mortgage and the Secured Arrangements, on its behalf.

