

SENIOR TRUST CAPITAL LIMITED

JOHN LLEWELLYN JACKSON

EMPLOYEE SHARE LOAN

LOAN AGREEMENT dated

30 November

2012

PARTIES

1. Senior Trust Capital Limited at Auckland ("Lender")
2. John Llewellyn Jackson of Auckland, Company Director ("Borrower")

BACKGROUND

- A. At the request of the Borrower, the Lender has agreed to make available to the Borrower a loan facility of up to \$400,000.
- B. The terms and conditions of the Loan Facility are contained in this agreement.

AGREEMENT

1. INTERPRETATION

- 1.1 Definitions: In this agreement, unless the context otherwise requires:

"Borrower Shares" means the 400,000 ordinary shares in the Lender, subscribed for and issued in the name of the Borrower using the Loan Facility to satisfy the issue price for such shares.

"Business Day" means a day on which registered banks are open for general banking business in Auckland.

"Capital Raise" means the capital raise being undertaken by the Lender, pursuant to a Prospectus dated on or about the date of this agreement.

"Constitution" means the Constitution of the Lender as adopted or amended from time to time.

"Default Interest Rate" means 13% per annum.

"Event of Default" means any of the events described in Schedule 2.

"Expiry Date" means date of winding up of the Company.

"Loan Facility" means the loan facility of up to \$400,000 or, as the context may require, the principal amount of the Loan Facility for the time being outstanding.

"Minimum Amount" means the sum of \$1840,000, being the minimum amount the Lender requires to raise pursuant to its Prospectus and Investment Statement dated on or about the date of this agreement.

"PPSA" means the Personal Property Securities Act 1999.

"Quarter" means each consecutive period of three calendar months starting on each of the first days of April, July, October and January respectively during the term of the Loan Facility, and "Quarterly" shall be construed accordingly.

"Security Documents" means:

- a. this agreement;
- b. a General Security Agreement granted by the Borrower as debtor in favour of the Lender as the secured party, over the Borrower Shares;

"Security Interest" has the meaning set out in Section 17 of the PPSA.

1.2 Miscellaneous:

In this agreement unless a contrary intention appears:

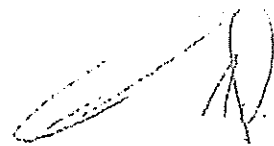
- (a) a reference to a person includes any other entity or association recognise plural and vice versa;
- (b) references to any legislation shall be deemed to be references to that legislation as amended, re-enacted or substituted from time to time;
- (c) any reference to law includes any common or customary law and any constitution, decree, judgment, legislation, order, ordinance, regulation, by-law, statute, treaty or other legislative measure, in each case of New Zealand.

2. LOAN FACILITY

- 2.1 The Lender agrees to make the Loan Facility available to the Borrower upon the terms and subject to the conditions contained in this agreement.
- 2.2 The Loan Facility is made available to the Borrower on the following conditions:
 - (a) that the Borrower enters into the Security Documents and that they continue to remain in place during the term of the Loan Facility; and
 - (b) that the Lender receives the Minimum Amount pursuant to its Capital Raise.
- 2.3 The Borrower shall use the Loan Facility to immediately apply in full towards subscription of the Borrower Shares, which shall then be issued fully paid.

3. REPAYMENT AND PREPAYMENT

- 3.1 The Borrower shall repay the Loan Facility in full to the Lender no later than the Expiry Date.
- 3.2 The Borrower may prepay the whole or any part of the Loan Facility at any time prior to the Expiry Date in multiples of not less than \$1,000.00 without notice and without penalty.
- 3.3 Prepaid amounts may not be redrawn.



4. **INTEREST**

- 4.1 The Loan Facility is interest free whilst the Borrower is employed by the Lender and if the Borrower ceases being an employee, the interest rate will be 8% per annum, payable Quarterly in arrears from the date that the Borrower ceases to be employed.

5. **DEFAULT INTEREST**

- 5.1 If the Borrower does not make payment of any amount payable under this agreement when it is due, then the Borrower shall pay interest at the Default Interest Rate from the due date to and inclusive of the day on which payment of the overdue sum is made.
- 5.2 Default interest shall be calculated daily on the basis of a 365 day year.

6. **PAYMENTS**

- 6.1 All payments by the Borrower to the Lender under this agreement shall be made no later than 3pm on the due date, to the account specified by the Lender from time to time, free and clear of any restriction and, except to the extent required by law, without deduction or withholding of any nature and without set-off or counterclaim.
- 6.2 If any payment by the Borrower falls due on a day which is not a Business Day it shall be made on the following Business Day.
- 6.3 The obligation of the Borrower to pay any money under this agreement shall only be discharged when the Lender is reasonably satisfied that the Borrower or any other person making any payment of such payment was solvent at the time of making that payment or, if the Lender is not reasonably satisfied of that, after the elapse of the period during which any such payment may become or be deemed to be avoided or voidable.

7. **REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS**

7.1 The Borrower:

- (a) represents and warrants to the Lender the representations and warranties set out in Schedule 1; and
- (b) undertakes to the Lender the undertakings set out in Schedule 1,

on (and including) the date of drawdown of the Loan Facility and on each day during the term of the Loan Facility

8. **EVENTS OF DEFAULT**

- 8.1 If an Event of Default occurs, whether or not within the control of the Borrower, then:
- (a) the Lender may call up and require immediate payment of all amounts for the time being owing under this agreement;



- (b) without limiting the Lender's rights under the Security Documents, the Loan Facility (including any default interest payable) shall at the election of the Lender constitute an "instalment of a call" for the purposes of clause 4.1 of the Constitution with respect to the Shares. Accordingly, the forfeiture provisions contained in the Constitution shall be applicable to the Shares.

9. INDEMNITY

- 9.1 The Borrower irrevocably indemnifies the Lender upon demand from and against any cost, loss, expense or liability reasonably incurred or sustained by it as a result of any amount payable to the Lender under any Security Document not being paid when due.

10. SET-OFF

- 10.1 The Borrower authorises the Lender, without prior notice or demand, to apply any credit balance of the Borrower held by the Lender in or towards satisfaction of any indebtedness (including amounts for which the Borrower indemnifies the Lender) due to the Lender by the Borrower under any Security Document that is outstanding.
- 10.2 The right to set-off is a contractual right and creates no mortgage or charge, and is in addition to any other rights which the Lender may have.

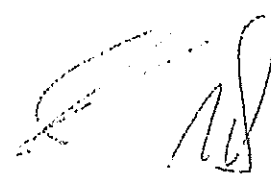
11. APPLICATION OF MONEYS

- 11.1 Any sum paid or received in respect of the Borrower's liabilities under this agreement may be applied by the Lender to principal, interest or any other amount due under this agreement in such proportions and order and generally in such manner as it thinks fit.

12. NOTICES

- 12.1
- (a) Any notice or other communication ("notices") given under this agreement must be in writing.
- (b) It may be served personally or sent to any of the relevant party's communication points listed below.
- (c) Each party will notify the other in writing of any changes.

The Borrower: John Llewellyn Jackson
 Address: 272 Great Sth Rd Greenlane
 Address: c/- PO Box 113120 Newmarket, Auckland



The Lender: Senior Trust Capital Limited (Attention: the Directors)

Address: Level 2, 18 Broadway, Newmarket, Auckland

PO Box: PO Box 113 120, Newmarket, Auckland

12.2 Notices are deemed served at the following times:

- (a) when given personally, upon delivery;
- (b) when sent by post (other than airmail) or document exchange, 3 Business Days after posting;
- (c) when sent airmail outside New Zealand, 5 Business Days after posting;
- (d) when sent by facsimile or email, upon receipt of a sent message confirmation or 1 Business Day after sending (whichever occurs first).

12.3 Any notice which has been served on a Saturday, Sunday or public holiday is deemed to be served on the first Business Day after that day.

12.4 A notice may be given by an authorised officer, employee or agent.

12.5 Notice may be given personally to a director, employee or agent of the party at that party's address or to a person who appears to be in charge at the time of delivery or according to section 387 to section 390 of the Companies Act 1993.

13. MISCELLANEOUS

13.1 Severance

Any illegality, unenforceability or invalidity in this agreement will not affect the rest of this agreement which will remain in full force and effect.

13.2 Time of Essence

In this agreement, time is of the essence in respect of all of the obligations of the Borrower.

13.3 Waiver or Releases

- (a) If the Lender delays or does not exercise any right or remedy under this agreement, it is not a waiver of that right or remedy.
- (b) The single or partial exercise of any right or remedy under this agreement does not preclude the exercise of any other right or remedy or its further exercise.
- (c) The rights and remedies provided in this agreement are cumulative. They do not exclude any rights or remedies provided by law.

- (d) Any waiver or consent given by the Lender must be in writing and will be effective only in the specific instance and for the specific purpose for which it is given.

13.4 Variation

This agreement may be varied only by agreement in writing signed by the parties.

13.5 Further Assurances

Each party must execute and do all acts and things necessary or desirable to implement and give full effect to the provisions and purpose of this agreement and the Security Documents.

13.6 Non Merger

The terms of this agreement shall not merge on either the execution of this agreement or any drawdown of the Loan Facility, but shall remain fully enforceable notwithstanding any rule of law to the contrary.

13.7 Privacy Act

The Borrower irrevocably authorises the Lender to discuss the Borrower's financial affairs at any time with the Borrower's accountants, auditors, legal and financial advisers, and requests those people to provide to the Lender any information regarding the Borrower upon request by the Lender.

13.8 Survival of Provisions

The provisions of this agreement shall survive the repayment of the Loan Facility and any part of it, and the termination of this agreement.

13.9 Personal Property Securities Act 1999 ("PPSA")

- (a) The Borrower waives any rights to receive a copy of a verification statement under the PPSA and agrees, to the extent permitted by law, that in respect of any arrangement between the Borrower and the Lender:
 - (i) sections 114(1)(a), 133 and 134 of the PPSA shall not apply;
 - (ii) the Borrower shall have none of the rights referred to in paragraphs (c)-(e) and (g)-(j) of s 107(2) of the PPSA; and
 - (iii) where the Lender has rights in addition to those in Part 9 of the PPSA, those rights shall continue to apply and, in particular, shall not be limited by s 109 of the PPSA.

13.10 Counterparts Execution

This agreement may be executed in two or more counterparts, all of which will be deemed to constitute the same instrument. The Lender may accept as an original a facsimile or scanned copy of this agreement executed by the Borrower and a facsimile or scanned copy, when taken with a counterpart executed by the Lender will be deemed to be one original copy of this agreement.




EXECUTION

SIGNED for and on behalf of **SENIOR TRUST CAPITAL LIMITED** as Lender by:

Witness

Occupation

Address

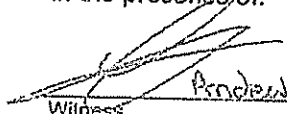


Director

Director/Authorised Signatory

Note: If two directors sign, no witness is necessary. If a director and authorised signatory sign, both signatures are to be witnessed. If the director and authorised signatory are not signing together, a separate witness will be necessary for each signature.


SIGNED by **JOHN LLEWELLYN JACKSON** as Borrower
in the presence of:



Witness
Andrew Figueira

Solicitor
Occupation

Andrew
Address



John Llewellyn Jackson

SCHEDULE 1

1. REPRESENTATIONS AND WARRANTIES

1.1 The Borrower represents and warrants that

- (a) no Event of Default has occurred and is continuing unremedied, nor will any Event of Default result from the execution and delivery of the Security Documents.
- (b) this agreement and the Security Documents constitute legal, valid and binding obligations of the Borrower enforceable in accordance with their respective terms;
- (c) all consents and other authorisations required by the Borrower, or otherwise appropriate for it to obtain, in connection with the Security Documents, and the transactions contemplated by those documents, have been obtained or effected and are in full force and effect, and there are no qualifications or limitations affecting such consents or other authorisations which have not been notified to the Lender;
- (d) the Borrower is the sole legal and beneficial owner of the Borrower Shares, free of any encumbrance and Security Interests;
- (e) there is no current, pending or threatened action or proceeding affecting the Borrower before any court, government, agency or arbitrator other than as disclosed in writing to the Lender and expressly accepted in writing by the Lender.

1.2 The representations and warranties contained in this Schedule shall be deemed to be repeated by the Borrower on each day during the term of the Loan Facility until the Expiry Date of the Loan Facility, by reference to the facts and circumstances existing on that date.

1.3 The Borrower acknowledges that the Lender has made the Loan Facility available to the Borrower in reliance on these representations and warranties.

2. UNDERTAKINGS

2.1 The Borrower shall:

- (a) use the Loan Facility for the purpose set out in clause 2 of this agreement;
- (b) perform all of his obligations under this agreement and the Security Documents;
- (c) promptly notify the Lender of the occurrence of any event which is, or with the passing of time or the giving of notice or both would become, an Event of Default.

2.2 The Borrower shall not:

- (a) dispose of any of the Borrower Shares;



- (b) create or permit to subsist any Security Interest whatever over all or any of the Shares, except:
 - (i) any security arising solely by operation of law, provided that any such security shall be discharged within 14 days after it arises unless the Lender is satisfied it is being contested in good faith by appropriate proceedings;
 - (ii) any security created or outstanding with the prior consent of the Lender which consent may be subject to such conditions as the Lender may specify.

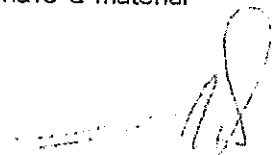
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SCHEDULE 2

1. EVENTS OF DEFAULT

1.1 An Event of Default occurs if any of the following events occur:

- (a) In the opinion of the Lender, any part of the Loan Facility is not being used for the purpose it was advanced; or
- (b) the Borrower fails to pay any amount payable to the Lender on its due date; or
- (c) the Borrower commits any other breach of, or omits to observe, any of its undertakings or obligations under this agreement or any other Security Document; or
- (d) any representation, warranty or statement made or deemed to be repeated by the Borrower in any Security Document is or was untrue or incorrect in any material respect when made, deemed repeated or delivered; or
- (e) any indebtedness of the Borrower is not paid when due or within any applicable grace period in any document relating to such indebtedness, or becomes (or becomes capable of being rendered) due and payable prior to its stated maturity by reason of an event of default, cancellation event, prepayment event or similar event (whatever called); or
- (f) an encumbrancer takes possession of any or all of the Borrower's assets, or a trustee, liquidator, receiver, receiver and manager, administrator, inspector under any legislation, or similar official, is appointed, or application is made to appoint any of the foregoing, in respect of the Borrower; or
- (g) a distress, attachment or other execution is levied or enforced upon, or commenced against, any asset of the Borrower and is not discharged or stayed within 14 days, or a judgment is obtained against the Borrower and is not satisfied, stayed or discharged within 14 days except, in each case, where the Lender is satisfied that the Borrower is contesting the same in good faith by appropriate proceedings; or
- (h) the Borrower is declared or becomes insolvent, is unable to pay his debts when they fall due, or is presumed unable to pay his debts within the meaning of the Insolvency Act or enters into dealings with, or for the benefit of, any of his creditors with a view to avoiding, or in expectation of, insolvency, or makes a general assignment or arrangement, compromise or composition with or for the benefit of any of his creditors, or stops or threatens to stop payments generally; or
- (i) an event of default, cancellation event, prepayment event or similar event (whatever called) occurs under any Security Document other than this agreement; or
- (j) an order is made requiring the Borrower to pay any debts of another body and such order may, in the reasonable opinion of the Lender, have a material adverse effect on the Borrower; or



- (k) any other event or series of events, whether related or not, occurs, or any circumstances arise or exist, which in the reasonable opinion of the Lender may have a material adverse effect on the Borrower.

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