



WANFUTENG BANK LIMITED

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General Lending Terms and Conditions v1_2019

INTRODUCTION

References to WBL

In these Terms and Conditions, 'we', 'us', 'our' and 'WBL' refers to Wanfuteng Bank Limited (CN 300929).

Read your product terms and conditions

You should read all relevant terms and conditions material that is provided to you and ask WBL about any issues that concern you.

This document does not contain all the precontractual information required to be given to you. The rest of the information is contained in your Letter of Offer.

Your Letter of Offer describes the annual percentage rate, repayments and credit fees and charges that apply to your loan or facility. When you accept the offer of credit from WBL, in your Letter of Offer, you agree to pay the annual percentage rate (interest) on the amount of credit provided by WBL and to pay the credit fees and charges and to make the repayments described in the Letter of Offer (but subject to change as described in this booklet and in the Letter of Offer).

If you accept the offer of credit made to you, the contract will be made up of (collectively, the "Agreement"):

- the terms in your Letter of Offer;
- these WBL General Lending Terms and Conditions ("Terms and Conditions"); and
- any special conditions accompanying your Letter of Offer or otherwise agreed in writing by you and WBL to be "Special Conditions";

as may be varied, amended and supplemented from time to time.

Part or all of these Terms and Conditions that are illegal or unenforceable may be severed from these Terms and Conditions and the remaining provisions of these Terms and Conditions remain in force.

TERMS AND CONDITIONS

1. Actual amounts you need to pay may be different from those in your Letter of offer

The actual amounts you need to pay under your loan or facility, including repayments and interest rates, may be different from the amounts set out in your Letter of Offer. This is because the financial details in your Letter of Offer are based on some assumptions that may change. The financial details in your Letter of Offer:

- use interest rates and fees applicable at the date of disclosure (set out in your Letter of Offer);
- assume the loan or facility will be fully drawn on the date of advance (where relevant) unless you nominated a progressive drawdown;
- include government duties and taxes payable on foreseeable withdrawals and receipts; and
- include periodic bank fees, where applicable, except when they are to be paid from another account.

2. Annual Percentage rate (interest rate) interest rates can change

Variable reference rates can be changed at any time including the period between the date of disclosure (set out in your Letter of Offer) and the date of drawdown.

Fixed reference rates can also be changed at any time before drawdown, but not once the loan has been drawn and the fixed interest rate period has started.

At the end of any fixed interest rate period, you may apply for another fixed interest rate period, and, if WBL agrees to your request, you will be advised of any extra or varied terms which will apply. Please note that fees may apply as set out in your covering Letter of Offer.

If your Letter of Offer provides for an interest rate margin, that margin will, unless varied by WBL, apply for the term of the loan or facility.

3. Notifying You of Interest Rate Change

If there is a change in the reference rate or interest rate margin that applies to your loan or facility, you will be notified no later than the date on which the change takes effect, by notice in writing or advertisement published in a national newspaper.

Details of the change will also appear on your next statement. For further information in respect of other changes that may be made in respect of interest rates, refer to Sections 36.2 and 37.2 below.

You can also check interest rates and reference rates on www.wanfutengbank.com or call WBL branch on (678) 28880 on business days from 8:30 am to 4:30 pm (excluding public holidays).

4. Processing of repayments, additional payments or other transactions

If you make a request in relation to your WBL loan or facility on a day that is not a business day, your request will generally be submitted for consideration on the following business day.

Generally, any transaction made on your WBL loan or facility will be processed on the same day as long as it is made before the following times:

- 3pm Vanuatu time on business days for repayments, withdrawals or deposits at WBL ATMs (or ATMs of associated financial institutions);
- 10pm Vanuatu time on business days for funds transfers made through WBL Internet Banking.

Any transaction made after these cut-off times may be processed on the following business day.

If a payment is made by mail it will be credited to your account by WBL on the date of receipt. You should allow a suitable amount of time for the mail to reach WBL.

If a cheque used for a repayment is dishonoured, the repayment will be treated as not having been made, and interest will continue to accrue on the unpaid daily balance until actual payment is received. If a repayment or other payment is due on the 29th, 30th or 31st of a month which does not contain such a date, it is due on the last day of that month.

If a repayment or other payment is due on a day which is not a business day, it must be paid on the next business day.

A repayment or other payment made to your account on the last day of a statement period may not appear on the statement issued for that period. If so, the repayment or other payment will instead appear on your next statement, together with its effective date.

5. How fees and charges are payable

Fees and charges are payable in the following manner:

- for continuing credit facilities, they will be added to the unpaid daily balance and accrue interest at the same rate, and in the same manner, as advances;
- for loans, during any Interest Only Period, they will be debited to your nominated WBL account on the day they are due; and
- in all other situations, they will be debited to your nominated WBL account on the day they are due. Where you have not nominated an account, they will be debited to your loan. Any fee debited to your loan which is not paid immediately will be added to the unpaid daily balance and accrue interest at the same rate as the principal.

When a fee is charged in arrears and your loan or facility is repaid or terminated before the fee is due to be charged, WBL can charge this fee on a pro-rata basis to cover the period up to the date of repayment or termination.

Information on current bank fees is also available via www.wanfutengbank.com, any WBL branch or by calling our branch on (678) 28880 on business days.

6. Changes to fees and charges

WBL can do the following:

	Minimum number of days of notice	Method of notice
Introduce a new fee, change the frequency or payment dates of each fee	30 days	By press advertisement, website notices, posters in branches, with details provided on next statement.
Increase a fee, change the method of calculation or manner of payment of each fee	30 days	By press advertisement, website notices, posters in branches, with details provided on next statement.
Decrease a fee	Day of change	By press Advertisement, website, posters in branches with details provided on next statement.

If any other change reduces your obligations, WBL can give less than 30 day notice but you will be notified with or on your next statement.

7. Government charges

Government duties, taxes and other charges incurred because of receipts and withdrawals (including cheques) made to or from your account, are payable by you.

8. Payments in the wrong currency

If for any reason:

- WBL receives or recovers an amount towards repayments of the facility or payment of any other costs payable by you in a currency other than the currency in which it should have been paid; and
- after WBL has converted that other currency to the correct currency there is not enough to pay off the full amount then due by you,

you must pay WBL the full amount of the shortfall.

9. Deduction from payments

You must not make any payment subject to any condition, restriction or claim you may have against WBL. You may make a withholding or deduction (including by way of set-off or counterclaim) from money you pay to WBL under this agreement only if that withholding or deduction is required by law. If the law requires you to make a withholding or deduction then the following rules apply:

- you must make sure that the withholding or deduction is for not more than the minimum amount required by that law;
- you must make sure that the withholding or deduction is paid to the relevant Governmental Agency by the due date for payment;
- you must send WBL, within 30 days of the withholding or deduction, a receipt showing that the withholding or deduction has been paid to the relevant Governmental Agency;
- you must increase the amount it pays to WBL so that WBL receives the amount it would have received had there been no withholding or deduction.

If WBL receives a Tax credit, refund or allowance resulting from an increased amount you paid under this Section 9, WBL will credit you with that part of the Tax credit, refund or allowance that it determines was obtained as a result of the increased amount you paid. This will be calculated so that WBL is in no better or worse position than it would have been had no amount been required to be paid under

this Section 9. However, WBL is under no obligation to disclose any information relating to the calculation of their Tax position, liability or benefits.

10. Privacy and confidentiality – WBL’s collection, use and disclosure of personal information

When you deal with WBL, we may collect and use some of your information, including details about your transactions, your financial conditions, your relationship with us and/or your loan/s or facility/ies (collectively referred to as “information”). We explain below when and how we may collect, use and disclose your information.

10.1 Collection of information

WBL may use and disclose the information we collect about you for the following purposes:

- (a) to provide information about a product or service;
- (b) to consider your request for a product or service;
- (c) to provide you with a product or service;
- (d) to tell you about other products or services;
- (e) to perform internal administrative, operational and technology tasks (including technology infrastructure maintenance and support, application maintenance and support, risk management, systems development and testing, credit scoring, staff training and market, customer satisfaction research and business continuity management);
- (f) to prevent or investigate any fraud, unlawful activity or misconduct (or suspected fraud, unlawful activity or misconduct);
- (g) as may be required under laws and/or by agreements with government agencies or revenue authorities, whether inside or outside of the country where your facility/ies is provided and held with us, to make inquiries about your tax status; and
- (h) as required by relevant laws and external payment systems, whether inside or outside of the country where your facility/ies is provided and held with us.

10.2 Absence of relevant personal information

If you do not provide some or all of the information requested, WBL may be unable to provide you with a product or service.

10.3 Disclosure of information by WBL

By applying for and/or continuing to use the loan/s or facility/ies provided by us, you acknowledge and agree that any information that WBL has collected or will collect from or about you from time to time may be disclosed to and/or collected, held, processed, stored in electronic or virtual data storage, or used, in whole or in part, in any country by the following persons:

- (a) any outsourced provider, contractors, agents, auditors and advisers which WBL or any WBL Group Member engages to carry out or assist with its banking functions and activities (for example mailing houses, credit reporting or debt collection agencies);
- (b) regulatory bodies, government agencies, revenue authorities, law enforcement bodies and courts, for the purposes of complying with any law and/or disclosure obligations we may have under an agreement with such bodies;
- (c) participants in the payments system (including payment organisations and merchants) and other financial institutions (for example banks);
- (d) insurers and reinsurers;
- (e) your representative (for example your legal adviser, mortgage broker, attorney or executor);
- (f) any person, which in WBL's view, the disclosure is necessary or desirable for the purpose of allowing us to perform our duties and to exercise our powers and rights under this agreement; or
- (g) any person with your prior written consent.

11. Dispute resolution

If WBL makes a mistake, or WBL's service doesn't meet your expectations, WBL wants to know. For the fastest possible resolution to your complaint call WBL on (678) 28880 or talk to staff at WBL branch.

Alternatively, you may also send a letter to WBL via P.O. Box 65, Kumul Highway, Port Vila, Vanuatu, or email to feedback@wanfutengbank.com

Most often than not, WBL will be able to solve the problem on the spot.

If it cannot be resolved in 48 hours, WBL's management will take responsibility and work with you to fix the matter quickly.

If this is not possible, WBL will keep you informed on the progress of your matter and how long WBL expects it will take to resolve your complaint.

12. If you are in financial difficulty

You should inform WBL as soon as possible if you are in financial difficulty. If you have a WBL facility, WBL will, with your agreement, try and help you overcome your difficulties with your facility, including for example, developing a repayment plan.

13. Anti-Money Laundering and sanctions

(1) You agree that WBL may delay, block or refuse to process any transaction without incurring any liability if we suspect or have reasonable grounds to suspect that:

- (a) The transaction may breach any law;
- (b) The transaction involves or may involve any person (natural, corporate, governmental, trust, partnership or any other person) that is itself sanctioned or is connected, directly or indirectly, to any person that is sanctioned under economic and trade sanctions imposed by any supra-national organization, official body, the United States, the United Nations, the European Union or any country; or
- (c) The transaction may directly or indirectly involve the proceeds of, or be applied for the purposes of, conduct which is unlawful in any country.

(2) You must provide all information to WBL which we reasonably require in order to manage our money-laundering, terrorism-financing or economic and trade sanctions risk and to comply with any laws in relation to these.

(3) Unless you have disclosed that you are acting in a trustee capacity or on behalf of another party, you warrant that you are acting on your own behalf in entering into this agreement. If you are acting on behalf of another party (such as a trustee), you agree to provide the details of the beneficial owner of the funds to WBL, as may be required by WBL from time to time.

(4) You declare and undertake to WBL that the processing of any transaction by WBL in accordance with your instructions will not breach any laws.

14. Indemnity

(a) Each account holder and person authorized by an account holder discharges and indemnifies us from and against all actions, proceedings, accounts, claims, demands, loss, damage, stamp duty, registration fees, and

any other direct or indirect taxes arising from or in any way related to us in good faith:

- a. acting on instructions received by mail or electronic means (whether by facsimile, telephone, internet, ATM or EFTPOS) which are, or are purported to be, given or signed by the account holder, the adviser, an authorised representative or an authorised third-party signatory, or in the case of joint account holders, by any of them;
- b. not acting on instructions purporting to be from you where WBL (in its opinion), considers or suspects that such instructions have been communicated to WBL fraudulently, mistakenly or without authority or contain material omissions or errors; and
- c. releasing information about you or the account to anyone who is, or appears to be, authorised to receive that information (including any authorised representative or third-party signatory appointed by the account holder).

15. Statements

Statements for your loan and facilities are available on www.wanfutengbank.com if you have online banking access, or upon your request.

You must carefully review your statements so you are aware of the status of your account. If you believe there are errors or unauthorised transactions shown on your statement, you must contact WBL as soon as possible.

16. Securities

Your Letter of Offer will tell you about any security required by WBL for your loan or facility. Please be aware that:

- if WBL is holding any existing security/ies at the date of disclosure, and you accept your Letter of Offer, you agree to that security also being held by WBL as security for the new loan or facility, unless stated otherwise in the Letter of Offer;
- security documents are prepared on WBL's normal security forms. If special circumstances exist, or if WBL considers it necessary, these forms will be changed or new securities will be drafted to ensure there is effective security;
- if changes to securities or new security items are prepared outside WBL, you must pay to WBL any reasonable external fees which are incurred. You can ask for a quote or an estimate and the fees will be payable on the date they are invoiced to WBL;

- you can obtain copies of WBL's standard security documents through WBL branch before you accept any loan or facility offer;
- WBL must be satisfied with the title and all other security documents before it will provide any credit.

You must pay any applicable stamp duty and registration fees, including PPSR registration fee as determined by PPSR from time to time, by the date your loan is advanced or the date that the facility starts. You may also need to pay government fees and stamp duty when any security you are providing is discharged. In addition, you may also need to pay any other costs required by any legislative or regulatory provision in order for the securities to be effected (such as transfer fees, custom owner fees, land rents etc.), as the registration cannot proceed without these being met. Please refer to your Letter of Offer for details.

17. Security Cost Reimbursement

By signing the Letter of Offer you agree to reimburse WBL for its expenses in relation to:

- the preparation, execution, completion and registration of each security document listed in the Letter of Offer, and any subsequent consent, approval, waiver, amendment or release, including PPSR registration fees as determined by PPSR from time to time;
- any valuation or inspection of, or report on or concerning, the Secured Property;
- any contemplated, attempted or actual enforcement or defense of any Bank Document or Power;
- any enquiry by a Governmental Agency concerning you or related to a Bank Document;

This includes expenses incurred in any review or environmental audit, in reimbursing or indemnifying any Receiver or Attorney, or in retaining consultants to evaluate matters of concern to WBL. It also includes administrative time and costs, including the time of Officers and other employees of WBL (whose time and costs are to be charged at reasonable rates). It also includes, in each case, legal fees and expenses on a full indemnity basis plus goods and services tax on all expenses.

18. Insurance

All insurable property mortgaged or charged to WBL must be insured for all usual risks under a policy acceptable to WBL, at the replacement value or an insured sum not less than the loan or facility amount as may be determined by WBL at its sole discretion, with an insurance company approved by WBL. 'Wanfutang Bank Limited' must be recorded by its full legal name on the insurance policy as the appropriately ranked mortgagee or a charge holder. An original insurance policy is to be provided to WBL before the loan or facility will be available for drawdown and as and when it is required by WBL.

Annually, you must provide WBL with either a cover note or certificate of currency, together with a receipt for the premium(s) paid, for the property mortgaged to WBL. WBL interest is to be noted on such cover note or policy.

It is your responsibility to ensure that the required minimum level of cover as set from time to time is maintained throughout the term of the loan or facility. The costs of all premiums will be for your account and WBL may pay the premiums (but shall at all times not be under the liability to) on your behalf. You shall at all times be liable to pay the premiums notwithstanding that any earlier payments may have been made by WBL on your behalf.

Should you fail to provide WBL with renewed certificate of currency within 7 days from its expiry date, WBL may, after giving you a 7 day notice to comply, debit your account for the insurance premium due to be paid.

19. Trusts

If you enter into the loan or facility as a trustee, you agree that you are liable under the loan or facility both personally and as trustee of the trust. You are also assuring WBL that:

- the loan or facility is for a proper purpose under the trust;
- you have the power and authority under the trust to enter into the contract; and
- you have the right to be indemnified fully out of the trust property, before the beneficiaries of the trust, for all liabilities you incur under the loan or facility.

The independent trustee's liability under this agreement shall not be personal and unlimited but shall be limited from time to time and at all times to the net assets of the trust in that trustee's hands and available to meet that liability of which would have been in that trustee's hands and so available but for any dishonesty or willful breach of

trust by him; for the purposes of this section the phrase 'net assets' means all the assets of the trust for the time being less all its liabilities for the time being but excluding any liability arising under this contract.

20. Undertakings relating to Secured Property

During the term of your facilities with WBL, you will undertake in relation to Secured Property as follows (unless specifically agreed otherwise in writing between you and WBL):

a) negative pledge: you will not create, or permit to subsist, a security or charge in, or over, any Secured Property other than:

- as granted to WBL in accordance with your Letter of Offer;
- a security interest over assets securing all or part of the purchase price of those assets created in the ordinary course of your business where the amount secured is paid within 90 days; or
- a lien arising only by operation of law in the ordinary course of your business.

b) disposal of assets: Except as expressly permitted by paragraph (a) above, you will not sell, lease, create or waive any interest in, or part with possession or otherwise dispose of, any Secured Property other than for disposals of Inventory and the collection of Accounts Receivable, in each case in the ordinary course of your business and prior to WBL giving notice following an Event of Default or Potential Event of Default that such disposals and collections are no longer permitted.

c) set-off: Other than in the ordinary course of your business and prior to WBL giving notice following an Event of Default or Potential Event of Default that such are no longer permitted, you will not create or allow to exist any right of set-off, netting or combination in respect of any of your Accounts Receivable.

d) accessions and fixtures: You will not allow any Secured Property:

- to be or become an Accession other than to Secured Property; or
- to become attached to land or buildings other than Secured Property in such a way as to become a fixture.

e) pay outgoing: You will promptly pay all outgoing payable by it relating to the Secured Property (including rates and Taxes) except where it satisfies WBL

that it is contesting such outgoings in good faith and that failure to pay cannot have a Material Adverse Effect and is otherwise appropriate.

f) maintenance: You will look after the Secured Property and protect and maintain it in a good state of repair.

g) insurance: You will ensure that the Secured Property is insured in accordance with Section 18 above for all risks as per reasonable business practice for that particular Security Property, or otherwise stated in the Terms and Conditions pertinent to your Security Document.

You will do everything necessary or desirable, in the opinion of WBL, to enable WBL to claim under any insurance policy and to collect or recover money due.

You will hold any proceeds of the policy on trust and pay them to WBL (for WBL's benefit). WBL may at their option:

- apply them towards payment of the Secured Money, including principal, even though the Secured Money may not yet be due for payment; or
- pay them into an interest-bearing account from which they can apply them (and interest credited to the account) in restoring the Secured Property.

You will not do, fail to do or permit anything which might prejudice the insurance cover, or settle any claim under any insurance policy.

You will provide WBL with such information in relation to insurance as WBL may from time to time require.

h) protect security: You will do everything (including things outside Vanuatu) necessary or which WBL reasonably ask to maintain, preserve and protect:

- the Secured Property and its value; and
- your and WBL rights, interests and priorities in the Secured Property.

If anyone, other than WBL, lodges a caveat or registers a Financing Statement in relation to the same Security Property not permitted by these Terms and Conditions, you must do everything in your power to remove it.

And, in addition, in relation to Secured Property which is Securities:

21. General undertakings

You undertake to WBL as follows, except to the extent that the WBL consent:

a) bank documents: You will comply fully with your obligations under the Bank Documents.

b) compliance with law: You will comply with all laws binding on you where non-compliance, in the opinion of WBL, may have a Material Adverse Effect.

c) environmental law: You will maintain procedures which, in the opinion of WBL, are adequate to monitor:

- your compliance with Environmental Law; and
- circumstances which may give rise to a claim, to a requirement of substantial expenditure by you, or to a requirement that you cease your business or materially change your business activities.

WBL may have an audit conducted of the Secured Property, your procedures and any circumstances in relation to the Secured Property where WBL reasonably suspect that:

- you are not complying, or might not in future comply, with an Environmental Law or this paragraph (c); and
- such non-compliance may have a Material Adverse Effect.

You will do everything necessary to facilitate that audit and it will be at your expense.

Where the monitoring procedures or the audit referred to above reveal any non-compliance with Environmental Law or any circumstances requiring remedial action, you must remedy any non-compliance or take the necessary remedial action immediately and at your cost.

d) authorisations: You will apply for, obtain and keep in force all Authorisations, and any renewals of Authorisations, which may be necessary or expedient for the ownership, use or operation of the Secured Property or the carrying on of your business. You will comply with all Authorisations and maintain procedures which in WBL opinion are adequate to monitor your compliance with all Authorisations.

e) pay taxes: you will pay all Taxes payable by you when due, but:

- you need not pay Taxes for which you have set aside sufficient reserves and which are being contested in good faith, except where failure to pay those Taxes may have a Material Adverse Effect or could give rise to a preferential claim over any of the Secured Property or where payment is required by law; and

- on the final determination or settlement of the contest you must pay the contested Taxes which you are liable to pay.

f) conduct of business: You will not materially change the nature or scope of your business.

g) records and accounts: You will keep records and accounts relating to your business and will prepare financial statements and, on request, have them audited in accordance with the law and current accounting practice even where the law does not require you to appoint an auditor. If you are an individual, you may be requested by WBL to provide an updated statement of position;

h) inspection: You will allow WBL, or its authorized representatives or its Officers, at any time during normal business hours to inspect your assets, premises and records and the Secured Property and require the provision of copies of the records. You must do everything in your power to assist that inspection and provide those copies.

i) acquisition of assets: You will immediately notify WBL if you enter into an agreement to purchase, or otherwise acquire, an estate or interest in Land (other than a Lease for a term (including all renewal options) of less than three years).

j) reporting and information: You will provide to WBL:

- as soon as practicable (and in any event not later than 180 days) after the close of each of your financial years copies of your financial statements for that financial year, all of which must be audited unless WBL agree otherwise;
- promptly (and in any event within seven days after request by WBL) any other information in relation to the Secured Property or your financial condition or financial condition of your business which WBL may request;
- as soon as practicable, an updated valuation for the Security Property from an acceptable valuer as WBL may request.

k) accounting standards: You will ensure that your financial statements at any time delivered to WBL:

- are prepared in accordance with current accounting practice;

- give a true and fair view of your financial position and operations (and those of your Subsidiaries, if any) as at the date, and for the period, to which the financial statements relate;

- together with the notes to them, disclose all liabilities (actual or contingent) of the business and your Subsidiaries (if any); and

- are prepared and delivered to all relevant persons within the period in which they are required by law or under any agreement to be delivered.

l) notify events of default: You will notify WBL immediately upon becoming aware of it, of the occurrence of any Event of Default or Potential Event of Default, giving full details of the event and of any action taken (or to be taken) in respect of it.

m) full disclosure: You will notify WBL, immediately you become aware of them, of any facts or circumstances which might adversely affect the decision of a person considering whether or not to continue to provide Indebtedness to you.

n) related parties: You will procure that each other Related Party complies with paragraphs (b) to (i) and (o) to (s) (all inclusive) of this Section 21, as though the obligations contained were obligations of each other Related Party and references to you were references to each other Related Party.

And, in addition, if you operate a business as a Company:

o) corporate existence: You will do everything necessary to maintain your corporate existence and will not transfer your jurisdiction of incorporation.

p) amalgamation: You will not enter into or become the subject of an amalgamation under the Companies Act.

q) shares and shareholder assistance: You will not:

- acquire or redeem any of the shares in the Company;
- cancel or reduce the liability of a shareholder to the Company in relation to a share held by the shareholder.

r) distributions: Except to the extent that you are complying with any financial covenants, applicable ratios or minimum capital requirements imposed by WBL in a Bank Document, you will not make any Distribution other than dividends paid out of profits in accordance with current accounting practice.

s) unpaid capital: You will not call up, or receive in advance of calls, any Unpaid Capital, and you will apply Unpaid Capital, when paid, only towards payment of the Secured Money.

t) subsidiary: You will immediately notify WBL if you create or acquire a Subsidiary. If required by WBL you must immediately do everything necessary to ensure that the Subsidiary gives a first-ranking Charge over its assets and a guarantee, each in the form specified by WBL and to the satisfaction of WBL.

22. Further assurances

Whenever WBL request that you do anything or to provide information for more satisfactorily securing or protecting the Secured Property and the Charges and priorities provided for in these Terms and Conditions, or for aiding the exercise of any Power, you undertake to do it immediately at your own cost. This may include:

- the provision of information;
- the execution or registration of any Bank Document or any other document or agreement;
- the delivery of any Secured Property, documents or evidence
- of title;
- the execution and delivery of blank transfers; and
- the informing of potential holders of any Charge, purchasers and lessees of your assets and any other persons of any relevant information including that these Terms and Conditions prohibits certain transactions and dealings with the Secured Property.

You consent to WBL searching any relevant Register in relation to information about you or the Secured Property at any time.

23. Availability of funds

Before any funds are made available you must:

- accept your Letter of Offer. If there is more than one person who is party to the loan or facility, each party must individually accept your Letter of Offer;
- make sure that any new security documents that are required by your Letter of Offer are signed;
- arrange any new insurance required by your Letter of Offer and give a copy of the policy to WBL;

- complete a disbursement order, if this is required by your Letter of Offer;
- meet any other requirements as set out in your Letter of Offer; and

- meet any other condition precedent as detailed in your Letter of Offer.

WBL must also be satisfied that:

- the documentation complies with legal requirements;
- you have received all statements and information required by law;
- no event of default has occurred;
- any required guarantee or security has been provided and that any guarantor has obtained independent legal and financial advice to WBL's satisfaction;
- if you or a guarantor is a trustee of a trust, that all trust requirements have been properly met; and
- all documents, including security documents, are registrable and are able to be stamped.

24. Accepting your Letter of Offer

To accept the offer you must do either of the following within 14 days of the date of disclosure or by the Acceptance Period, (if one is specified) whichever is earlier, appearing on the Letter of Offer:

- sign a copy of your Letter of Offer and return the signed copy to WBL; or
- fulfill the requirements described in your Letter of Offer as indicating acceptance.

If you do not accept a loan or facility offer within 14 days or by the Acceptance Period, whichever is sooner, but decide later you would like to accept it, you can contact your WBL to request an extension of the Acceptance Period.

A second copy of your Letter of Offer is yours to keep along with this booklet.

25. Changes in government requirements

This section applies if after the date of your Letter of Offer, there is:

- (a) (i) a change in government requirement or a new government requirement (whether or not having the force of law);

(ii) a change in a tax or a new tax (for the purposes of this section 'tax' includes duties but does not include a tax on WBL's net income in the normal course of WBL's business); or

(iii) a change in the interpretation of a government requirement or a tax that affects loans or facilities of the kind contemplated in your Letter of Offer; and

(b) its effect is, in WBL's opinion, directly or indirectly:

(i) to increase the cost to WBL of providing or maintaining the loan or facility or of providing funds under it;

(ii) to reduce the effective rate of return to WBL (whether on capital, assets, deposits or otherwise) on the loan or facility. For the purposes of this section 'tax' includes duties but does not include a tax on WBL's net income in the normal course of WBL's business; or

(iii) to require WBL to make a payment or to forgo or suffer a reduction in a return on or calculated by reference to any amount payable to it under this Agreement; and

in that event, you agree to pay to WBL, on demand, the amount calculated by WBL as necessary to compensate WBL for the increase in cost or reduction in rate, attributable directly or indirectly to the changes set out in sub-section (a) above. The amount payable will be calculated by WBL from the day when it first incurred the costs or suffered the reduction.

26. Changes in the law

If WBL gives you notice that, in WBL's opinion, it has become illegal in a jurisdiction or otherwise impracticable for WBL to continue to make the loan or facility available, WBL's obligations in relation to the loan or facility will terminate and you shall on written demand by WBL repay within the time period permitted all advances outstanding under the loan or facility, together with accrued interest thereon (calculated at the applicable rate or rates) and all other sums payable under this Agreement.

Such a situation could arise because of:

(a) a change in a government requirement or a new government requirement;

(b) change in the law, written or unwritten, or a new law; or

(c) a change in the interpretation of a government requirement or law.

27. Market disturbance

If in respect of any proposed or existing advance of a particular currency WBL is of the view that:

(a) the relevant funds are not readily available to WBL;

or

(b) adequate and fair means do not exist for ascertaining the interest rate for the loan or facility;

the advance of a particular currency will not be made and if any advance in the aforesaid currency has been made, you shall on demand prepay the advance together with the accrued interest and all other sums payable under the facility to WBL.

28. Date of advance (full sum advance loans)

For full sum advance loans, you must draw down the full amount of the loan within six months of the date of any Letter of Offer for term loans, and within three months of the date of any Letter of Offer for personal loans, unless otherwise agreed by WBL in writing. If the date of advance does not occur within this time period (or within any agreed extension of it), the contract will end and WBL will not be obliged to advance the loan.

29. Loan purpose

You must not use the loan funds for any purpose other than that set out in your Letter of Offer without WBL's prior written consent.

30. Loan disbursement

For unsecured facilities, the proceeds will be paid to your WBL account or as you direct. If you want WBL to pay money elsewhere, you must advise WBL to whom and in what amounts the proceeds are to be paid by way of completing a Disbursement Order.

For secured facilities, the proceeds will be paid to the trust account of the law firm issuing their solicitor's certificate of correctness in accordance with the settlement statement and memorandum of costs issued by that firm, unless they instruct us to disburse the funds differently. If there are other costs that WBL agreed to be paid out of the facility, such as insurance, or other fees, you will need to complete a Disbursement Order in respect of such amounts.

If you instruct WBL to pay out an existing WBL account, the amount you specify may be different to the final balance owed and the actual amount payable may only be

determined at the time the account is paid out. You will be required to pay any shortfall to pay out the account.

If the amount you advise WBL to pay is more than the final balance owed on the account, no interest will be paid on the surplus.

31. Drawdown confirmation

The annual percentage rate which initially applies to your loan will be determined at drawdown and confirmed in writing afterwards.

32. Drawdown in different currency

If the facility is provided in a specified currency, and you request that the facility, or a part thereof is converted to a different currency on drawdown, then WBL will process such conversion at the Reserve Bank of Vanuatu mid-rate as at the drawdown date. Foreign exchange risk related to the difference in exchange rate as at the date of your Letter of Offer and at the drawdown date is for your account.

33. Loans for construction purposes

33.1 Date of first advance (progressively drawn loans)

For progressively drawn loans, you must make the first drawdown within six months of the date of your Letter of Offer, unless otherwise agreed by WBL in writing. If this date of first advance does not occur within this time (or within any agreed extension of it), the contract will end and WBL will not be obliged to advance the loan.

33.2 Progress payments

Progress payments will only be advanced if:

- the funds you are contributing towards the purchase and construction/civil works of the property have already been used to meet these costs; and
- the progress payment is due and payable under your building contract; and
- your request is accompanied by a completed progress payment instruction form.

Please note that you are responsible for making sure that specifications of the builder's contract are completed by the builder.

33.3 Restriction on advances for construction loans

If the purpose(s) of your loan includes the construction of a building, or a land subdivision, then, in addition to the other restrictions on advances set out in Section 17

'Availability of funds', no part of the loan will be advanced to finance the construction of any building until you have given WBL a copy of the following documents:

- a signed and enforceable fixed price contract for the construction of the property entered into by you and a reputable licensed builder;
- plans approved by the relevant body for the construction of that property;
- the builder's current Builder's Risk Insurance Policy (or equivalent form of insurance) or other documentation as agreed by WBL confirming such insurance is current;
- any other document as specified in your Letter of Offer.

33.4 Valuations and surveys

WBL may require a valuation or survey of the property before any progress payment is made. If a survey is required, you must make this available to WBL and pay any related costs.

If a valuation is required you may be charged:

- a time based valuation fee if the valuation is completed by an WBL employee, or the actual valuation cost if it is carried out by an external valuer. All external valuation fees are payable on the date they are invoiced to WBL and may be debited to your account; or
- a valuation administration fee. This fee is payable for administration costs incurred when a valuation or price estimate is required by WBL in connection with each security for a loan, change to security or guarantors as set out in your Letter of Offer. This fee is payable on the date of advance or when the change is requested.

34. How interest is calculated and debited

Interest is calculated on the unpaid daily balance of your loan. The rate applied each day is equal to your annual percentage rate applicable at the time, divided by 365. Your Letter of Offer advises how frequently interest will be debited, but you also need to be aware that:

- if any day on which interest is due to be debited (a 'due date') is not a business day, that interest will be debited on the next business day;
- if a due date falls on the 29th, 30th or 31st of a month which does not contain such a date, the due date will be the last day of that month;
- each time interest is debited, the period covered by the interest charge will include all days (for which interest

has not been previously debited) up to and including the day before the due date;

- when interest is debited after the due date, subsequent interest charges will be calculated as if the interest had been debited to your loan on the due date; and
- when interest is debited, it will be added to the unpaid balance of your loan and accrue interest at the same rate and in the same way as the principal.

If, after the loan term commences, you and WBL agree to change the loan terms in any way, WBL may debit any accrued interest on the day on which the change takes effect. If this occurs, your interest charging cycle will be restarted from that date.

35. Loan repayments

35.1 Repayments of principal and interest

Generally, you have the following options for repayment of principal and interest:

- by periodical payment from your nominated WBL account;
- by deposit using a coupon booklet;
- by salary deduction (applicable to WBL staff only);

or

- by periodical payment from another financial institution.

If, at any time, you want to change your selected repayment method, and as long as the loan is not in a fixed interest rate period, you can notify WBL in writing.

35.2 Repayments during interest only periods

During any interest only period, WBL will debit your repayments to your nominated WBL account.

Repayments will be automatically adjusted if there is a change in your annual percentage rate.

36. Changes to repayments of principal and interest

36.1 Changes to repayment amounts before drawdown

Repayment amounts are recalculated at the date of advance to take into account your annual percentage rate at that time. Please remember that if your annual percentage rate is determined by a reference rate – this

reference rate may have changed after your Letter of Offer was prepared.

If there is any change to the reference rate prior to drawdown, WBL may recalculate your repayments and the recalculated repayments may be different to the amount detailed in your Letter of Offer. Following your acceptance of your Letter of Offer we will give not less than 30 days written notice of your new repayment amounts.

36.2 Variable Interest Rate Loans

Variable interest rates can change at any time during the life of your loan and if this occurs, the amount of your repayments may need to change if you are to repay your loan within its agreed term.

After any increase in your interest rate, WBL can increase your repayments so they are sufficient to pay out the scheduled balance of your loan within the agreed term. WBL will not automatically do this every time an interest rate change occurs.

36.3 Repaying your loan early during a variable interest rate period

If you decide to repay your loan early, you may contact WBL to request the amount required to repay your loan on that day. The amount required to repay your loan is accurate for the day that it is provided by WBL, and may vary depending on when you repay your loan.

37. Loans during a fixed interest rate period

37.1 How interest is calculated during the fixed interest rate period for Interest-in-Advance loans:

For each interest charge to be paid by you in advance in respect of a fixed interest rate period, WBL determines the number of days to be covered by that interest charge (the “interest cycle”), the expected outstanding loan balance at the end of each day of the interest cycle, and the daily interest rate that is derived from dividing the applicable fixed annual percentage rate by 365. WBL then uses this information to calculate the amount of the Interest-in-Advance charge to be paid by you in advance in respect of that interest cycle.

When making this calculation, WBL assumes that:

- (a) the outstanding loan balance at the commencement of the interest cycle will be the same as the outstanding loan balance at the time that it calculates the amount of the interest in advance charge (the “assumed loan balance”);
- (b) the assumed loan balance will remain outstanding throughout the interest cycle; and

(c) the applicable fixed annual percentage rate will not change throughout the interest cycle.

The calculated interest in advance charge for a forthcoming interest cycle is the total of the estimated daily interest charges for each day in that interest cycle (the "Interest-in-Advance charge").

The Interest-in-Advance charge for an interest cycle is debited to your loan account with effect from the commencement of that interest cycle. You are required to pay that Interest-in-Advance charge to WBL on (or with effect from) that date.

During each interest cycle, WBL will calculate the interest charge applicable to your loan account on a daily basis, based on the outstanding loan balance at the end of each day in the interest cycle and the daily interest rate that is determined by dividing the applicable fixed annual percentage rate by 365. If the aggregate of these daily interest charges for the interest cycle is less than the amount of the Interest-in-Advance charge that was debited to your loan account at the commencement of the interest cycle, WBL will refund the difference to you. If the aggregate of these daily interest charges for the interest cycle is greater than the amount of the Interest-in-Advance charge that was debited to your loan account at the commencement of the interest cycle, the amount of the difference will be debited to your loan account on (or with effect from) the first day following the end of the relevant interest cycle. You are required to pay that additional interest charge to WBL on (or with effect from) that date.

37.2 Repaying your loan early or changing your rate during a fixed interest rate period

If WBL's obligations in respect of a fixed rate loan are terminated:

- before the termination date for any reason; or
- because WBL gives you notice under Section 41 you agree to pay WBL (if demanded) the Early Repayment Fee set out in the Fees Booklet.

38. Late Payment Fee

The Late Payment Fee is payable on:

- Home Loans;
- Term Loans; and
- Personal Loans.

if the whole or any part of any payment due has been unpaid for 5 days or more.

The Late Payment Fee is also charged every subsequent 30 days that the loan is in arrears

39. Default interest rate

If you do not make a payment to affect a scheduled Loan repayment, or payment of interest, within 5 days of the due date, then the rate of interest applying to the overdue payment that is in default for each day from that 5th day until that payment is made will be increased by the Default Margin.

Default Margin will be 3.00% p.a.

40. Events of Default

Each of the following is an Event of Default (whether or not it is within your control):

- a) payment: You fail to pay any Secured Money when due (time being of the essence).
- b) obligations under bank documents: You fail to comply with any of your other obligations under a Bank Document.
- c) obligations of guarantor: A Guarantor fails to comply with any of your obligations under a Bank Document.
- d) cross-default: Your or your Guarantor Indebtedness to anyone is not paid when due (or within an applicable grace period) or becomes due or capable of being declared due and payable before its stated maturity.

In the case of unsecured Indebtedness in respect of the purchase price of an asset or service purchased in the ordinary course of your business, this will apply only if it is not paid within 90 days of the due date or if the vendor has earlier taken any step to recover the asset or withdraw the service.

Any facility or obligation to provide loans or credit to your or a Guarantor or to acquire or underwrite Indebtedness is terminated early.

Any other Charge affecting the Secured Property is enforced or becomes enforceable.

Any Lease of any of the Secured Property becomes liable to forfeiture or any obligation under any Lease is breached.

- e) insolvency; bankruptcy; death: You are unable to pay your debts, or are deemed or presumed to be unable

to pay your debts, or you stop or suspend or threaten to stop or suspend payment of all or any class of your debts.

Any step is taken for your Bankruptcy or any of your assets.

You die or cease to be of full legal capacity.

f) limitation of bank documents: All or any part of these Terms and Conditions, a Collateral Security or any other material Bank Document is terminated or is or becomes or is claimed to be illegal, invalid, unenforceable or of limited force and effect.

A party becomes entitled to terminate, limit, cancel, rescind or avoid all or any part of any such document.

g) material adverse change: Any event or series of events, whether related or not, occurs (including a change in your (or your Subsidiaries if any) business, assets or financial condition or the value of the Secured Property), which in the opinion of WBL may have a Material Adverse Effect.

h) compulsory acquisition: All or any part of the Secured Property is compulsorily acquired or any step is taken for acquisition or possession (including as that term is defined in the Act) of any part of the Secured Property is taken by a holder of a Charge other than WBL.

i) environmental event: You or any other person breaches an Environmental Law or Authorisation and, in the opinion of WBL, that breach may have a Material Adverse Effect on, or cause a claim or demand to be made against you, the Secured Property or WBL by a Governmental Agency or any other person, requiring either:

- the cessation or modification of any activities being, or proposed to be, conducted by you; or
- the carrying out of, or demand for payment for, any clean-up, rehabilitation or remediation of the Secured Property.

j) information: Any information provided by you to WBL is untrue, misleading or deceptive in any material respect.

k) at risk: WBL consider that any part of the Secured Property is at risk.

l) guarantor: A Guarantor gives notice terminating their obligations.

m) related party: Any event referred to in paragraph (e), (g), (h), (i), (j), (n), (o), (p) or (q) in this Section 40 occurs in relation to any Guarantor or any other Related Party as

though references to you in each paragraph were references to each Guarantor and any other Related Party.

And, in addition, if you are a Company:

n) investigation: An investigation into all or part of your affairs or affairs of a corporate Guarantor commences under companies legislation in circumstances material to their financial condition.

o) resolution restricting calls: Without the prior consent of WBL, a resolution is proposed in a notice of meeting so as to prevent or restrict the calling-up of your Unpaid Capital.

p) change of control: In the opinion of WBL, there is a material change in yours or your corporate Guarantor's direct or indirect ownership, management or control.

q) pay debts of another company: An order is made requiring you, or any of your Subsidiaries, to pay or contribute to any debts of another Company.

41. Default Consequences

At any time after an Event of Default (and whether or not it is continuing), WBL or any Officer or Attorney may do all or any of the following at any time and at your cost:

- by notice to you declare any or all of the Secured Money immediately due and payable, and you must immediately pay that Secured Money;
- by notice to you terminate any WBL obligation under any Bank Document to provide loans or credit;
- (in the case of WBL) enforce the Security Interest and charge created by the Bank Document by exercising Powers which are exercisable after an Event of Default, without notice where the law permits;
- inspect the Secured Property; or
- at your cost, appoint a firm of independent accountants or other experts to review and report to WBL on your or your Related Party affairs, financial condition and business, in which case:
 - you will do everything in your power to ensure the review and report can be carried out promptly, completely and accurately; and
 - you will co-operate fully with the review and ensure that the accountants and experts are given access to all your premises and records and each other

Related Party of yours, and are given all information concerning you or your Related Party which they require from time to time.

42. Appointment of Receiver

42.1 Appointment

To the extent permitted by law, at any time after an Event of Default (and whether or not it is continuing), WBL or an Officer may appoint any person, or any two or more persons jointly or severally or both, to be a Receiver of all or any of the Secured Property, remove any Receiver, appoint another Receiver in addition to or in place of a Receiver, and fix or vary the remuneration of a Receiver.

42.2 Your Agent

To the extent permitted by law, every Receiver and any delegate of the Receiver is your agent and you alone are responsible for his or her acts and defaults.

42.3 Receiver's Powers

In addition to any powers granted by law, and except to the extent specifically excluded by the terms of his or her appointment, every Receiver has power to do anything (whether done alone or with any other person or persons) in respect of the Secured Property that you could do. A Receiver may do any or all of the following things:

- a) take possession and manage take possession of, get in and manage the Secured Property;
- b) lease any of the Secured Property for any term (whether or not the Receiver has taken possession);
- c) carry on business or concur in carrying on any business;
- d) acquire any asset in any manner (including by taking it on Lease). After the acquisition it will be included in the Secured Property;
- e) maintain or improve the Secured Property do anything to maintain, protect or improve any of the Secured Property or to obtain income or returns from any of the Secured Property;
- f) raise money borrow or raise any money from the Secured Parties or any other person approved by WBL, give Guarantees, and, where the Receiver considers it desirable, grant any Charge over any of the Secured Property to secure that money or Guarantee.

That Charge may rank before, with or after the security created by these Terms and Conditions. It may be given in your name or otherwise;

- g) lend money or provide loans or credit, whether on a secured or unsecured basis;
- h) sell any of the Secured Property (whether or not the Receiver has taken possession), including on a deferred payment or vendor-finance basis;
- i) options grant or take put or call options;
- j) sever fixtures;
- k) employ or discharge any person as employee, contractor, agent, professional adviser, consultant or auctioneer for any purpose;
- l) compromise make or accept any arrangement or compromise;
- m) give receipts for money and other assets;
- n) perform and enforce agreements, exercise or refrain from exercising your rights and powers under, or obtain in other ways the benefit of, any document or agreement or rights which form part of the Secured Property and any document or agreement entered into in exercise of any Power;
- o) apply for, take up, transfer or surrender any Authorisation or any variation of any Authorisation;
- p) vary and terminate agreements vary, rescind, cancel or terminate any document or agreement (including surrendering or accepting the surrender of Leases);
- q) take insolvency proceedings, enforce debts and other obligations, make debtors bankrupt, liquidate or wind up entities and do anything in relation to any actual or contemplated Bankruptcy (including attending and voting at meetings of creditors and appointing proxies);
- r) commence, defend, conduct, settle, discontinue or compromise proceedings in your name or otherwise;
- s) enter into and execute documents or agreements on behalf of himself or herself or yourself. This includes using your company seal, if any;
- t) operate any bank account comprising part of the Secured Property, and open and operate any further bank account;
- u) surrender and exchange Secured Property, release or transfer any of the Secured Property or

exchange with any person any of the Secured Property for other property;

v) promote companies, promote the formation of Companies and subscribe for or otherwise acquire shares in any Company;

w) delegate to any person approved by the Secured Parties any of his or her Powers (including delegation);

x) have access to and make use of your assets, premises, and accounting and other services and the services of your officers and employees;

y) exercise any voting or other rights or powers in respect of any of the Secured Property and do anything in relation to Securities;

z) pay any outgoing or Indebtedness of yours or any other person;

aa) redeem any Charge or acquire it and any Indebtedness secured by it;

bb) make calls, make and enforce calls on the members of your company in respect of any Unpaid Capital;

cc) insure and make claims, take out insurance and make, enforce, compromise and settle all claims in respect of insurance; and

dd) do anything incidental to the exercise of any other Power.

42.4 Powers exercisable by WBL

Whether or not a Receiver has been appointed, to the extent permitted by law, WBL, in its own name or in your name otherwise, may:

- exercise any Power referred to in Section 42.3 as if they were a Receiver, at any time after an Event of Default (whether or not it is continuing) in addition to any of their Powers and without giving notice;
- exercise those Powers and their other Powers without taking possession or being liable as mortgagee in possession; and
- exercise those Powers and their other Powers directly or through one or more agents and in the latter event anything done or incurred by an agent will be taken to be done or incurred by WBL.

42.5 Withdrawal

WBL may at any time give up possession of the Secured Property and may at any time withdraw or terminate any receivership.

42.6 Power of attorney

You appoint WBL, every Officer and Receiver severally their Attorney to do what you agreed to do in any Bank Document but fail to do and, at any time after an Event of Default (and whether or not it is continuing), has occurred. Each Attorney may also delegate its Powers (including delegation). This appointment is made for valuable consideration and you may not revoke it.

42.7 Completion of blank documents

WBL, any Officer, any Receiver or any Attorney may complete any document which at any time is executed by or on behalf of you and deposited with or provided to WBL in respect of any Bank Document. It may complete that document in favour of WBL, any purchaser or any nominee of either of them.

42.8 Performance of your obligations

If at any time you fail to duly perform any obligation in any Bank Document, WBL, any Officer, or any person authorised by WBL, may do anything which in their opinion is necessary or expedient to make good or to attempt to make good that failure to their satisfaction. Any amount paid, or liability incurred, as a consequence will be part of the Secured Money.

43. Application of money received

43.1 Order

To the extent permitted by law all money received or recovered by a Receiver, an Attorney or WBL, under or by virtue of a Bank Documented in relation to the Secured Money or Secured Property will be applied in the manner and order determined by WBL (despite any direction to the contrary and whether before or after an Event of Default). If WBL do not make a determination, the following order will apply:

- first: all costs, charges and expenses of WBL or a Receiver or Attorney in relation to the relevant Bank Document or any Collateral Security. This includes those which are incurred in or incidental to the contemplated, attempted or actual exercise or performance of a Power or these Terms and Conditions;

- second: any other outgoings which the Receiver, Attorney or WBL see fit to pay;
- third: the Receiver's remuneration;
- fourth: to each holder of a Charge of which WBL is aware and which has priority over this in relation to the relevant Secured Property, to the extent, and in order, of such priority;
- fifth: to WBL towards satisfaction of the Secured Money;
- sixth: to each holder of a Charge of which WBL is aware and which ranks after these Terms and Conditions in relation to the relevant Secured Property, to the extent, and in order, of priority; and
- seventh: the surplus (if any) will be paid to you. The surplus will not carry interest. If WBL pay the surplus to the credit of your WBL account, none of the Receiver, Attorney or WBL (except as banker for such account) will be under any further liability in respect of it.

Any preferential payments required to be made by statute will be made in accordance with such statute.

43.2 Money actually received

In the application of any money towards satisfaction of the Secured Money, you will be credited only with the money available for that purpose which is actually received by WBL. The credit will date from the time of receipt by WBL.

43.3 Amounts contingently due

If any of the Secured Money is contingently owing to WBL at the time of any application of any amount under Section 43, WBL may retain any of that amount. If it does, it will place the amount retained on short-term interest-bearing deposit until the relevant Secured Money becomes actually due or ceases to be contingently owing, and it will pay to itself the amount which becomes actually due to it.

43.4 Notice of subsequent Charges

If WBL receives notice of another Charge affecting any of the Secured Property it may open a separate account in your name in the books of that secured party.

If WBL does not open a new account it will be treated as if it had done so at the time it received actual or constructive notice of the Charge.

Unless WBL otherwise agrees, from the time the new account is opened or is taken to be opened:

- all advances and accommodation made available to you by WBL ;
- all payments and repayments made by you to WBL; and
- money to be applied towards the Secured Money under Section 43.1,

will be or will be taken to be debited or credited, as appropriate, to the new account. Payments, repayments and other money will be applied in reduction of other Secured Money only to the extent that there is no debit balance in that account.

43.5 Conversion of currencies on application

For the purpose of making an application under Section 43.1, WBL, any Receiver or any Attorney may purchase one currency with another, whether or not through an intermediate currency, whether spot or forward, in the manner and at the time it thinks fit.

44. Other Charges over Secured Property

44.1 Reliance on certificate

WBL or any Receiver or Attorney may rely on the certificate of a holder of another Charge affecting or purporting to affect the Secured Property as to the Indebtedness secured and property affected by the Charge, and the priority of the Charge.

44.2 Discharge of Indebtedness

WBL or any Receiver may at any time pay the amount certified by the holder of a Charge or purported Charge to be necessary to discharge it or some of the Indebtedness secured by it or to acquire it. From the date of payment that Indebtedness will be part of the Secured Money. You agree to indemnify WBL and the Receiver on demand against that amount. This applies whether or not that Charge or purported Charge was valid or prior-, equal- or subsequent-ranking and whether or not the property or money stated in the certificate was affected or secured by it.

44.3 Set-off and combination

If you have any money in any account with WBL, then WBL may use it to pay the amounts you owe and which are payable to WBL under any Bank Document, but need not do so. If there is an Event of Default, WBL may use money held on deposit which has not yet matured and may convert money in your accounts in foreign currencies.

Subject to any applicable Bank Document, where you have two or more accounts with WBL:

- WBL may at any time combine any two or more of those accounts. They may do so without notice and whether or not they have allowed a set-off for a calculation of interest between any of those accounts;
- WBL may at any time combine any two or more of those accounts even where one or more of the combined accounts are in different currencies and may effect currency exchanges appropriate to implement that combination; and
- if WBL combine two or more accounts, they may decline to pay cheques and they may otherwise act as if the combined accounts had always been one account.

To the maximum extent allowed by law, you give up any right to set off any amounts WBL's owes you against the Secured Money. WBL's powers under this section are in addition to any Powers which WBL may have by operation of law.

45. Assignment

WBL may transfer their rights and obligations under any Bank Document and all or part of the Secured Money to someone else, and may disclose information about you to any potential transferee. Following any transfer, any transferred Bank Document will apply to the transferee as if it were the transferring secured party.

To the maximum extent allowed by law, any transfer will be free of set-off, equity or counter-claim which you would have had against the transferring secured party or any transferee of any Bank Document but for this section.

46. Exercise of Powers

No failure to exercise any Power and no delay in exercising any Power operates as a waiver. Nor does any single or partial exercise of any Power preclude any other or further exercise of that Power or any other Power.

The Powers in any Bank Document and each Collateral Security are in addition to, and do not exclude or limit, any right, power or remedy provided by law.

Except where expressly stated otherwise, WBL may give or withhold, or give conditionally, approvals and consents, may be satisfied or unsatisfied, may form opinions and may exercise their Powers, at their absolute discretion.

47. Obligations continue

Your obligations under any Bank Document continue after your Bankruptcy and after WBL learn of it.

48. Notices

48.1 How WBL gives you notice

Any statement of account issued and served by WBL on you, including, without limitation, any notice relating to interest rate and interest rate payable by you for a loan or facility, shall be deemed correct and shall be conclusive and binding against you as to the matters and amounts therein stated save for manifest error.

WBL can send a written notice, statement or demand for payment to you by sending it by post, email or similar facility to your residential or business address or by leaving it at that address. WBL can use the last address it has recorded for you. If you change your name or address, you must let WBL know as soon as possible. If there is more than one person who is party to this loan or facility, any notice, statement or demand will be given to each one of you at your residential or business address.

A notice, statement or demand from WBL will be considered to have been received by you:

- if left at your address, on the date delivered or the date it bears, whichever is the later;
- if sent by post, on the date it would have been delivered in the ordinary course of post or the date it bears, whichever is the later; and
- if sent by facsimile or other electronic means, on the date it bears or the date the transmitting machine reports it was sent, whichever is the later.

A demand for payment can be signed by any officer of WBL, or any agent authorised by an officer of WBL. Any other form of notice or statement need not be signed, unless the law requires it.

A certificate signed by any officers of WBL as to any amount of monies and liabilities from the time being due from you to WBL under any loan or facility shall, in the absence of manifest error, be conclusive evidence as against you that such liabilities have been properly incurred with respect to the amount or amounts certified.

48.2 How you give WBL instructions and notice

A notice that you give to WBL must be signed by you or by your authorised representative unless otherwise agreed in writing with WBL. You may give WBL a notice by handing it in at any of our branches or by posting it to WBL's address, as detailed at the back of this document. Your notice will be deemed to be received by WBL when WBL receives it.

If you give WBL notice that is expressed to be, or must be read as, irrevocable, you are not able to revoke it and it binds you from the time you give it.

Subject to the prior written approval of WBL, you may give WBL instructions or notices via facsimile, email or telephone. However, WBL shall be entitled to refuse to accept such instructions or notices, without explaining WBL's reasons for doing so. If WBL does accept instructions or notices by facsimile, email or telephone, then WBL may conclusively rely upon them if the member of staff receiving such a notice believes at the time that they were given by you or on your behalf and are duly authorised, accurate and complete, notwithstanding that it may subsequently transpire that they are not so given or not duly authorised, accurate and complete, and notwithstanding that the confirmation subsequently received from you or any subsequent confirmation differs in any respect from such instructions or notices, and you shall keep WBL fully indemnified from and against all actions, proceedings, claims, demands or losses which WBL may incur or sustain by reason either directly or indirectly of acting on such instructions or notices.

Acknowledgement of your notice may be given by WBL in writing, in person, facsimile transmission, email or telephone.

You authorise WBL to record electronically any conversations between you and WBL and such recording or transcripts of recordings may be produced as evidence in any proceedings.

49. No merger

No Power and nothing in any Bank Document is adversely affected merely because of the existence of any other Bank Document, or by any judgment, right or remedy against any person which WBL or someone claiming through WBL may have at any time.

50. Protection of third parties

No person who is party to a dealing and no person asked to register a dealing is affected by express notice that the dealing is unnecessary or improper, nor is that person bound to enquire whether these Terms and Conditions have become enforceable, whether the dealing is valid or whether any Receiver or Attorney is properly appointed.

For the protection of any person who is party to a dealing or a person registering a dealing, the dealing will be taken to be authorised by these Terms and Conditions and it will be valid, even if there is something wrong with the dealing.

In this section, a dealing is any payment to, or any delivery or handing over of an asset to, or any acquisition, incurring of debt, receipt, sale, Lease, disposal, creation of a Charge or other dealing by WBL, any Receiver, any Officer or Attorney or any person who purports to be one.

If a secured party, any Officer or any Receiver or Attorney (or any person who purports to be one) gives a receipt for any money or assets, that will save the person paying that money or handing over that asset from being concerned as to its application, or being liable or accountable for its loss or misapplication.

51. Protection of officers

To the extent permitted by law, neither WBL nor any Officer, Receiver or Attorney will be liable in respect of any conduct, omission, delay, negligence or breach of duty in the exercise of or failure to exercise a Power or for any loss (including consequential loss) which results. However, such party will be liable where liability arises from its own fraud or willful misconduct.

52. Governing law and jurisdiction

The laws of Vanuatu (but excluding French laws) shall apply to all Bank Documents, Collateral Securities and the Charges it creates and provides for. You accept the non-exclusive jurisdiction of its courts.

53. Continuing security

All Collateral Securities will be continuing security until a final discharge has been given by WBL despite any payment or anything else.

You will not be entitled to request a final discharge of Collateral Security granted by you until WBL is satisfied that all Secured Money has been repaid in full, and that WBL has no further obligation to advance any further Secured Money and has no contingent liability or obligation under any Bank Document, and that no payment may be voided, voidable or required to be repaid by WBL under any law. In any event, you acknowledge that (subject to any law to the contrary) any request for a discharge must be given to WBL by 15 Banking Days' notice.

If any payment or other transaction under any Bank Document or Collateral Security is void, voidable, or required to be repaid by any law, that payment or other transaction will be deemed not to have affected your liability to WBL even if such Collateral has already been released. In those circumstances, WBL will be restored to

the position they had been in prior to that release, payment or other transaction. If that happens, you must do all things and sign all documents as may be necessary to restore WBL to that position.

54. Statutory powers; contracting out

The terms implied by law and powers conferred on a holder of the Collateral Security by law (including by the Act) on WBL as the holder of the Security Interest and charge created by these Terms and Conditions:

- are in addition to the Powers conferred by these Terms and Conditions or any Collateral Security;
- (to the extent permitted by law) may be exercised by WBL at the time permitted by such law or otherwise immediately an Event of Default occurs and at any time subsequently (and whether or not it is continuing); and
- are excluded or varied only so far as they are inconsistent with the express terms of these Terms and Conditions or any Collateral Security.

You waive your right to receive a copy of any Verification Statement in respect of any Financing Statement or Financing Change Statement registered by, or on behalf of WBL in relation to any Security Interest created by Collateral Security and agrees, to the extent permitted by law, that as between you and WBL:

- sections 114(1)(a), 133 and 134 of the Act will not apply;
- you will have none of the rights referred to in paragraphs (c) to (e) and (h) and (i), all inclusive, of section 107(2) of the Act; and
- where WBL has rights in addition to, or existing separately from, those in Part 9 of the Act, those rights will continue to apply and, in particular, will not be limited by section 109 of the Act.

PART - INTERPRETATION

55. Interpretation

In these Terms and Conditions:

55.1. The following definitions apply unless the context requires otherwise:

'Accessions, Account Receivable, Chattel Paper, Document of Title, Intangible, Inventory, Land, Motor Vehicle, Negotiable Instrument, Organisation, Proceeds, Register, Security Agreement, Security Interest, Serial-Numbered Goods and Verification Statement' have the respective meanings given to those terms in the Act.

'Act' means the Personal Property Securities Act No 17 of 2008 as amended and, where the context requires, includes the Regulations.

'After-acquired property' has the meaning given to that term in the Act, but also includes that which has become personal property during the time that you have had rights in it.

'Acceptance Period' means the period described as such in your Letter of Offer.

'Accrued Interest' means interest which WBL is entitled to charge, but that has not yet been debited to your account.

'Agreement', 'contract' or 'credit contract' means your Letter of Offer, these Terms and Conditions, and any special conditions accompanying your Letter of Offer or otherwise agreed in writing by you and WBL, or as incorporated pursuant to the Terms and Conditions.

'Annual Percentage Rate' means the interest rate/s applicable to your loan or facility, as set out in your covering Letter of Offer (but subject to change as described in the Letter and these Terms and Conditions).

'Attorney' means a person appointed as attorney under this Terms and Conditions or any Collateral Security.

'Authorisation' includes:

- any consent, authorisation, registration, filing, lodgement, agreement, notarisation, certificate, permission, licence, approval, authority and exemption from, by or with a Governmental Agency; and
- in relation to anything which will be fully or partly prohibited or restricted by law if a Governmental Agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.

'Bank Document' means a document or agreement:

- to which WBL and you or any of your Guarantors are or become party or purport to be or become party; or
- under which obligations arise or are intended to arise from you and any of your Guarantors to WBL,

in each case whether or not another party is involved or it arises as a result of an assignment or transfer.

It includes these Terms and Conditions and any Collateral Security, and all Bank's Letters of Offer.

'Banking Day' means any day (other than a Saturday or Sunday) on which registered banks are open for business in Port Vila for the transaction of general banking business.

'Business Day' means any day from Monday to Friday (excluding public holidays), on which WBL is open for business.

'Bankruptcy' includes:

- winding-up or dissolution, liquidation, receivership within the meaning of the Vanuatu Companies (Receivership and Insolvency) Act No. 3 of 2013 as amended.
- striking-off or removal from the register under the Companies Act, cancellation or suspension of registration, or the happening of any event on which you are to terminate, under the legislation under which you are incorporated or was established or under its constitutive documents, the giving of a direction by the registrar under the relevant legislation prohibiting you from carrying on any activity, or the suspension of the powers of your officers, or the suspension of your constitution, by that registrar;
- assignment for the benefit of creditors, or arrangement or compromise with creditors; and
- any analogous event.

'Charge' includes:

- Mortgage over property registered pursuant to the Vanuatu Land Leases Act or the Vanuatu Strata Titles Act;
- a Security Interest;
- any charge, fixed or floating charge, pledge, lien, financial lease, sale and lease-back, sale and repurchase or flawed asset arrangement;
- any security or preferential interest or arrangement of any kind; and
- any other right of or arrangement with any person the effect of which is to have that person's claims satisfied in priority to other unsecured and unsubordinated creditors with, or from the proceeds of, any asset.

It excludes a charge or lien arising in favour of a Governmental Agency by operation of statute, unless there is default in payment of money secured by the charge or lien.

'Collateral Security' means any Mortgage, Charge, Guarantee or other document or agreement at any time created or entered into as security or support for any Secured Money.

'Companies Act' means the Companies Act No. 25 of 2012 as amended.

'Company' has the meaning given to that term in the Companies Act and includes overseas company as defined in the Companies Act.

'Date of Advance' means, for full sum advance loans, the date all or any of the loan is first advanced. For progressively drawn loans, it means the date on which any part of the loan is first advanced.

'Environment' includes the natural physical surroundings of humankind (whether affecting individuals or groupings of individuals) and any human-made changes to them and any buildings.

'Environmental Law' means a provision or law which relates to an aspect of Planning, the Environment or the health, safety and welfare of humans individually and collectively.

'Event of Default' means any of the events described in Section 40 of these Terms and Conditions.

'Governmental Agency' means any government or any governmental, semi-governmental, or judicial entity or authority or revenue agency, including any local government, statutory or self-regulatory organisation established, approved or authorised under law, and any stock exchange, in any case having jurisdiction in relation to the affairs of any party to a Bank Document or to whose control or jurisdiction any party to a Bank Document has consented.

'Guarantee' means any guarantee, indemnity, letter of credit, legally binding letter of comfort or suretyship.

It includes any obligation or irrevocable offer to be responsible for a debt (as defined below) or for the insolvency or financial condition of another person.

It also includes any other obligation or irrevocable offer to pay a debt or to purchase a debt, to provide funds for the payment or discharge of a debt or indemnity against the consequences of default in the payment of a debt.

For the purposes of this definition, debt includes Indebtedness of another person.

‘Guarantor’ means anyone other than you who creates or enters into a Collateral Security.

‘Indebtedness’ means any obligation or indebtedness, present or future, actual, prospective or contingent.

‘Intellectual Property’ means any intellectual or industrial property. It includes:

- a patent, trademark or service mark, copyright, registered design, trade secret or confidential information;
- a licence or other right to use or to grant the use of any of the foregoing or to be the registered proprietor or user of any of the foregoing; and
- any other Intangible.

‘Interest Only Period’ means the period described as such in your Letter of Offer.

‘Late Payment Fee’ means the fee (referred to in Section 38 of these Terms and Conditions and described as such in WBL’s Fees and Charges booklet).

‘Lease’ means:

- a lease created under the Land Leases Act;
- a lease, charter, hire purchase or hiring arrangement of any asset, including a lease for a term of more than 1 year within the meaning of the Act;
- a right to use Intellectual Property or a franchise; and
- an agreement under which an asset is or may be used or operated by a person other than the owner.

‘Local Transfer Processing Day’ means any day from Monday to Friday that is not a public holiday in Vanuatu.

‘Material Adverse Effect’ means a material adverse effect on:

- your or your Guarantor’s ability to perform its obligations under a Bank Document;
- the security position (including in relation to any Guarantee) of WBL; or
- the financial condition of yours or your Guarantor’s business.

‘Material Document’ means:

- any Lease or renewal of a Lease entered into by you; or

- any other document or agreement which is material to your business, the Secured Property or the security of WBL, or which is considered by WBL as being so.

‘Officer’ includes a WBL employee whose title includes the word Manager, or who is acting in a managerial position, and any person (who need not be an employee) authorised for the relevant purpose by WBL.

‘Personal Property’ means all personal property and after-acquired property in which you have, or acquire, rights but does not include any property to which, for any reason and for so long as, the Act does not apply (whether generally or in particular circumstances), and personal property has the meaning given to it in the Act.

‘Planning’ includes any obligation or requirement to apply for, renew, hold or comply with any Authorisation relating to the conduct of, any activity in or the use of any part of the Environment and any restrictions on such activity or use.

‘Potential Event of Default’ means any event which, with the giving of notice, lapse of time or satisfaction of any condition or happening of any event, could constitute an Event of Default.

‘Power’ means a power, right, authority, discretion or remedy which is conferred on WBL, an Officer, a Receiver or an Attorney by a Bank Document or by law (including the Act) in relation to a Bank Document.

‘Receiver’ means a receiver, receiver and manager or manager appointed under these Terms and Conditions or any other Bank Document.

‘Regulations’ means the Regulations made under the Act or Rules pertinent to Land Leases Act.

‘Related Party’ means you and any Guarantor.

‘Secured Money’ means all money which you (whether alone or with one or more others) may owe to WBL (including any transferee referred to in Section 45) now or in the future for any reason and when used in relation to another secured party means the Secured Money owing to that secured party, arising pursuant to a Bank Document.

It includes money which you contingently owe WBL now or in the future. It also includes money which you may owe WBL if something happens or is discovered, even where there is no existing obligation to pay it.

Where there is more than one you, the Secured Money includes amounts owed by any one or more of them and amounts owed by all of them.

‘Secured Property’ means the property, assets and undertaking subject to a Charge created by these Terms and Conditions or any Collateral Security granted by you.

‘Subsidiary’ has the meaning given to it in the Companies Act.

‘Tax’ includes any tax, levy, impost, deduction, charge, rate, duty or withholding which is levied or imposed by a Governmental Agency and is required by law to be paid, and any related interest, penalty, charge, fee or other amount.

‘Terms and Conditions’ means the terms and conditions described in this booklet.

‘Unpaid Capital’ means any uncalled or unpaid share or other capital or premiums of you.

‘WBL’ means Wanfuteng Bank Limited incorporated in Vanuatu and carrying on business in Vanuatu pursuant to the Companies Act.

‘You’ means the individual(s) or organization(s) (including Companies) named on the first page of these Terms and Conditions and, if there is more than one person referred as such, then it means those persons jointly and severally.

55.2 General

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

- the singular includes the plural and vice versa;
- a gender includes all genders;
- where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- no section or paragraph will limit another;
- an example, or an instance, does not limit what else might be included;
- a word or phrase defined anywhere in these Terms and Conditions will have the defined meaning wherever used;
- an Event of Default continues or subsists until it has been waived in writing by WBL;
- reference to a paragraph, section, or Annexure is a reference to a paragraph of, section of, or Annexure to these Terms and Conditions;

- reference to a party to these Terms and Conditions or another agreement or document includes the party’s successors and permitted substitutes or assigns;
- reference to an agreement or document is to the agreement or document as amended, novated, supplemented or replaced from time to time, except to the extent prohibited by a Bank Document;
- reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it, in each case, from time to time;
- reference to an approval or a consent means a prior written approval or consent;
- reference to an asset includes any real or personal, present or future, tangible or intangible property, right or asset (including personal property, insurance policies, records, software, Material Documents, documents deposited with the secured parties, Intellectual Property, Unpaid Capital and any Authorisation) and any right, interest, revenue or benefit in, under or derived from, represented by or related to, any property, right or asset;
- reference to conduct includes an omission, statement or undertaking, whether or not in writing;
- reference to a law includes present or future common or customary law and any statute, statutory instrument, subordinate legislation, regulation, by-law, order or other legislative measure or any judgment or judicial or administrative order or determination or decision, in any jurisdiction;
- reference to ordinary course of business of a person means the ordinary course of that person’s ordinary business;
- reference to a person includes a natural person, or organisation in each case whether or not having separate legal personality, and any association of entities;
- reference to writing or to written is to be construed in accordance with section 2 of the Act.

55.3 Document or agreement

A reference to an agreement includes a Mortgage, Charge, Guarantee, undertaking, deed, agreement or legally enforceable arrangement whether or not in writing. A reference to a document includes an agreement (as so defined) in writing, or a certificate, notice, instrument or document.

55.4 Current accounting practice

A reference to current accounting practice is to accounting principles and practices applied by Vanuatu law (and includes generally accepted accounting practice) or (if not inconsistent with such law) otherwise generally accepted in Vanuatu, consistently applied. A reference to accounting terms is to be interpreted according to those principles and practices.

56. Expiration of Security Interest

For the purposes of the Act and Regulations, the date of expiration of the security interest hereby created shall be 20 years from the date of registration of the notice of the security interest on the Vanuatu Register established under section 115 of the Act.