

Commercial Loan Agreement (Corporate Borrower)

Date:

Parties: (“Borrower”)
 (“Lender”)

1 Interpretation

Definitions

1.1 In this agreement:

Business Day means a day, not being a Saturday or a Sunday, on which banks are open for general banking business in and .

Event of Default has the meaning given to it in clause 9.

Interest Rate means the rate of % per annum.

Interest Payment Date means the 1st day of each month, commencing on , until the Repayment Date.

Loan means the amount stated in clause 2.

Loss includes claim, liability, damage costs and expense.

Other Amounts Payable means all amounts other than the Principal Outstanding payable by the Borrower under this agreement.

Parties mean the Borrower and the Lender and Party refers to either of them.

Principal Outstanding means the amount of the Loan which has been advanced from time to time and not repaid.

Relevant Jurisdiction means .

Repayment Date means the date or dates determined in accordance with clause 5.1.

Subsidiary means, in relation to any company or corporation, a company or corporation:

- (a) which is controlled, directly or indirectly, by the first-mentioned company or corporation;
- (b) more than half the issued equity share capital of which is beneficially owned, directly or indirectly, by the first-mentioned company or corporation; or
- (c) which is a Subsidiary of another Subsidiary of the first-mentioned company or corporation, and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty, interest or other amounts payable in connection with any failure to pay or any delay in paying

any of the same).

Interpretation rules

1.2 In this agreement, unless the contrary intention appears:

- (a) the singular includes the plural and the opposite and any gender includes the other genders;
- (b) 'person' includes a firm, a body corporate, an unincorporated association or an authority;
- (c) an obligation:
 - (i) in favour of two or more persons is for their benefit jointly and severally; and
 - (ii) by two or more persons binds them jointly and each of them severally;
- (d) a reference to:
 - (i) a person includes that person's executors, administrators, successors and assigns;
 - (ii) a document means that document as amended or replaced;
 - (iii) a statute or other law means that statute or other law as amended or replaced, whether before or after the date of this agreement and includes regulations and other instruments made under it;
 - (iv) to a clause or a schedule is a reference to a clause or a schedule in this deed;
 - (v) a thing or an amount includes the whole and each part of it;
 - (vi) a month means a calendar month;
 - (vii) includes any person acting in that capacity;
- (e) where the word 'including' or 'includes' is used, it is to be taken to be followed by the words: 'but not limited to' or 'but is not limited to', as the case requires;
- (f) where a period of time is expressed to be calculated from or after a specified day, that day is included in the period; and
- (g) 'party' means a party to this agreement.

2 The Loan

At the request of the Borrower, the Lender agrees to advance to the Borrower on the terms of this agreement.

3 Advance of the Loan

4 Interest

4.1 The Borrower is to pay:

- (a) interest at the Interest Rate calculated on the daily balance of the Principal Outstanding from and including the date the Loan or any part of it is first advanced until the Principal Outstanding is fully repaid; and
- (b) on each Interest Payment Date, all interest accrued but unpaid on the Principal Outstanding as at that Interest Payment Date, without set-off or deduction, including for Taxes.

4.2 If an Event of Default occurs, all interest then becomes payable on demand.

4.3 The Borrower is to pay on demand interest at the Interest Rate on any Other Amount Payable from when it becomes due for payment until it is paid.

4.4 Any interest which is not paid when due for payment may be capitalised by the Lender at such intervals as the Lender may decide. Interest is payable on capitalised interest calculated as provided in clause 4.1(a) and on-demand.

4.5 The Borrower shall be entitled to pay larger instalments than prescribed or the full balance of capital and interest at any time prior to the prescribed dates of payment. In any such event, interest shall be calculated up to the date of payment.

4.6 If liability under this agreement becomes merged in a judgment or order, then the Borrower agrees to pay interest to the Lender on the amount of that liability as an independent obligation. This interest accrues from the date the liability becomes due for payment both before and after the judgment or order until it is paid, at a rate that is the higher of the rate payable under the judgment or order and the Interest Rate.

5 Repayment

The Borrower is to repay the Principal Outstanding and all Other Amounts Payable

6 Payments and taxes

All payments are to be made:

- (a) to the Lender at its address shown in clause 13.1 or such other address as the Lender may notify to the Borrower;
- (b) between the hours of 9.00 a.m. and 5.00 p.m. on a Business Day, but if a payment becomes due on a day that is not a Business Day, then the date for payment is the preceding Business Day;
- (c) without set off or deduction including for Taxes; and
- (d) in dollars.

7 Representations

The Borrower represents that:

- (a) it has been duly incorporated as a company limited by shares in accordance with the law of , it validly exists under those laws and it has power and authority and all required licences and permissions to allow it to carry on its business as it is now being carried on;
- (b) its obligations under this agreement are valid and binding and enforceable against it in accordance with the terms of this agreement;
- (c) the most recent audited accounts of the Borrower and audited consolidated accounts of the Borrower and its Subsidiaries are a true, fair and accurate statement of its financial position and their consolidated financial position as at the date to which or as at which they have been prepared, and disclose or reflect all their actual and contingent liabilities;
- (d) no Event of Default will exist immediately after the signing of this agreement;

8 Borrower's general obligations

The Borrower is to:

- (a) keep and ensure that each of its Subsidiaries keeps adequate and proper books of account;
- (b) give the Lender audited accounts of the Borrower and audited consolidated accounts of the Borrower and its Subsidiaries for each financial year within 90 days after the end of that year; and
- (c) do, and ensure that each of its Subsidiaries does, everything necessary to ensure that no Event of Default occurs.

9 Events of default

9.1 An Event of Default occurs if:

- (a) the Borrower does not pay on the due date for payment an amount payable under this agreement or otherwise does not comply with its obligations under this agreement;
- (b) a representation made by the Borrower in this agreement is found to be or becomes incorrect;
- (c) any of the following events occur in relation to the Borrower:
 - (i) it is unable to pay all its debts as and when they become due and payable or it has failed to comply with a statutory demand;
 - (ii) a meeting is convened to place it in voluntary liquidation or to appoint an administrator;
 - (iii) an application is made to a court for it to be wound up;
 - (iv) it proposes to enter into or enters into any form of arrangement (formal or informal) with its creditors or any of them, including a deed of company arrangement; or
 - (v) it becomes an insolvent under administration.

9.2 If an Event of Default occurs and is not remedied (where that Event of Default is capable of being remedied) by the Borrower within three days of notice by the Lender, the Lender may demand immediate repayment of the Principal Outstanding and the payment of any Other Amount Payable then unpaid, notwithstanding any other provision of this agreement; and the Borrower agrees to immediately comply with such a demand.

10 Indemnity

The Borrower indemnifies the Lender, and the officers and employees of the Lender against any Loss suffered or incurred by the Lender or any of its officers or employees in connection with:

- (a) any Taxes payable by the Borrower;
- (b) an Event of Default.

11 Costs

The Borrower agrees to pay or reimburse the Lender on demand for:

- (a) the Lender's costs and expenses in making, enforcing and doing anything in connection with this agreement including legal costs and expenses on a full indemnity basis; and
- (b) all stamp duties, fees, taxes and charges which are payable on or in connection with this agreement, or a payment, receipt or any other transaction made under or in connection with this agreement.

12 Application of money

The Lender may apply all amounts received by it from the Borrower in such manner and against such of the liabilities of the Borrower to the Lender and in such sequence as the Lender may decide.

13 Notices

13.1 Any notice or other communication in connection with this agreement is to be in writing, signed by the Party giving it or that Party's solicitor and it may be:

- (a) left at the address of the addressee;
- (b) sent by prepaid ordinary post (airmail if posted to or from a place outside the Relevant Jurisdiction) to the address of the addressee; or
- (c) sent by facsimile to the facsimile number of the addressee,

the particulars of which are as follows:

(d) Borrower

Address:

(e) Lender

Address:

or any other address or number which is notified by one Party to the other Party.

13.2 Any notice or other communication takes effect from the time it is received unless a later time is specified in it, and it is taken to be received:

(a) if left at the address of the addressee, at the time it is left;

(b) if it is posted, on the third Business Day after posting (seventh, if posted to or from a place outside the Relevant Jurisdiction); and

(c) if it is sent by facsimile, on the production of a transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number of the addressee.

14 Miscellaneous

14.1 A provision or right created under this agreement may not be waived or varied except in writing signed by the Party or Parties to be bound.

Supervening legislation

14.2 Any present or future legislation which operates to vary the Borrower's obligations under this agreement is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

14.3 The rights, powers and remedies provided for by this agreement are cumulative with and not exclusive of the rights powers and remedies provided by law, independently of this agreement.

15 Governing law and jurisdiction

IN WITNESS WHEREOF, the parties have executed this agreement as of the day and year first above written.

LOAN ADVANCE SCHEDULE

Advance of the Loan (Clause 3)

Date	Amount
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LOAN REPAYMENT SCHEDULE

Repayment (Clause 5)

Date

Amount