

Deed Recording Priority  
Arrangement

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**SCFL Nominees Limited as Trustee  
for the Investors**

**Southern Cross Finance Limited**

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- 2.2 Repayments, recoveries and distributions made pursuant to the Securities shall be shared amongst the Investors and the Initial Investor strictly according to the following:
- 2.2.1 first, in the priorities set out in the Schedule to the intent that the whole of a higher ranking Share shall be completely repaid and extinguished before any payment is made in whole or partial satisfaction of a lower ranking Share ; and
- 2.2.2 secondly, where more than one Investor shares the same priority ranking as set out in the Schedule, they shall each share in any repayments, recoveries and distributions under the Securities in proportion to the amounts owing to them respectively at the point in time of repayment, until the whole of the Shares at that priority level are repaid and extinguished.
- 2.3 Subject to clause 2.4 hereof, the priorities set by this deed will take effect notwithstanding the dates of advance by the Investors or the Initial Investor, of any moneys secured by the Securities or any repayments and re-advances thereof and notwithstanding any other matter whatsoever. As between the Investors and the Initial Investor inter se, the Shares shall be deemed for all purposes to rank according to the priorities set out in this deed in point of charge notwithstanding any rule of law or equity to the contrary.
- 2.4 Notwithstanding the aforesaid, any repayments, recoveries and distributions shall be subject to:
- 2.4.1 the claims of any prior chargeholder which is not a party to this deed; and
- 2.4.2 the repayment of all sums paid by an Investor to protect or preserve any secured asset including rates, insurance and legal costs and the costs of any other advisers or agents reasonably incurred.
- 2.4.3 the payment of all costs, charges and expenses of and incidental to the exercise of all or any of the rights, powers and remedies under the Securities.

### **3 Enforcement**

- 3.1 Where there is a material breach by the Borrower in the due performance of its obligations under the Securities, Nominees may, in conjunction with Partners, take action to enforce the Securities.
- 3.2 Nominees shall ensure that the net proceeds after deduction of the expenses of realisation are paid in accordance with the provisions of this deed.

### **4 Insurance Proceeds**

- 4.1 If Nominees receives any of the Borrower's insurance proceeds prior to repayment of the Debt, they shall (subject to any prior claims) pay the proceeds either to the Borrower for the purposes of the repair, replacement or reinstatement of the lost or destroyed property or the payment of any third party liability which is the basis of any such payment or for the purpose of repaying the Debt according to the priorities set in this deed.

### **5 Termination**

- 5.1 This deed ceases to have effect as regards when all the indebtedness of the Borrower as intended to be secured under the Securities has been finally discharged.

### **6 Assignment**

- 6.1 No Investor may assign its interest in the Debt and its rights and obligations hereunder unless the assignee agrees in writing to be bound under this deed. The assignee will have the priority

of the Share being assigned. A Share may be assigned in part in which case the parts of the Share will together have the same priority as is set out in the Schedule.

**SCHEDULE**

Total quantum of the Debt: \$

Ranking of Repayments

<b>Name of Investor</b>	<b>Quantum of Share</b>	<b>Priority</b>
Investor #1	\$	1 <sup>st</sup>
Investor #2	\$	1 <sup>st</sup>
Initial Investor	\$	1 <sup>st</sup>
Initial Investor	\$	2 <sup>nd</sup>
Investor #1,	A sum equal to all unpaid interest on the quantum of the Investor's share	3 <sup>rd</sup>
Investor #2	A sum equal to all unpaid interest on the quantum of the Investor's share	3 <sup>rd</sup>
Initial Investor	A sum equal to all unpaid interest on the quantum of the Initial Investor's 1 <sup>st</sup> ranking share	3 <sup>rd</sup>
Initial Investor	A sum equal to all unpaid interest on the quantum of the Initial Investor's 2 <sup>nd</sup> ranking share	3 <sup>rd</sup>

Signatures

Signed by )  
**SCFL Nominees Limited** )  
in the presence of: ) Director \_\_\_\_\_ Director/Authorised Signatory \_\_\_\_\_

\_\_\_\_\_  
Witness signature

\_\_\_\_\_  
Witness name

\_\_\_\_\_  
Witness occupation

\_\_\_\_\_  
Witness town of residence

Signed by )  
**The Initial Investor** )  
in the presence of: ) Director \_\_\_\_\_ Director/Authorised Signatory \_\_\_\_\_

\_\_\_\_\_  
Witness signature

\_\_\_\_\_  
Witness name

\_\_\_\_\_  
Witness occupation

\_\_\_\_\_  
Witness town of residence