**Equitable Mortgage**

**THIS DEED OF EQUITABLE MORTGAGE i**s made on the day of 20… **BETWEEN of** (“the Lender”) **AND**  of (“the Borrower”) and  **of** (“the Guarantor”).Man CompanyCompany

**FACTS:**

1. The Mortgagor has legal title and possessory ownership of the properties stated in the Schedule to this deed.
2. The Mortgagor wishes to borrow money described in this deed and has made an application to the Lender for such loan as described below.
3. The Lender has agreed to lend money to the Borrower / Mortgagor upon the terms and security for repayment as set out in this deed and a mortgaged linked loan agreement made contemporaneously with this deed and in particular that the Guarantor and Mortgagor provides it with security for monies advanced to the Borrower.
4. The parties wish that the terms of their agreement as to loan and security for repayment be recorded in writing.

**THE AGREED TERMS:**

1. **The Debt**: The Borrower declares and acknowledges receipt from the Lender of all monies lent to it by the Lender under this deed from time to time and in the future. A statement in writing from time to time signed by the Lender shall be conclusive proof and prima facie evidence of the amount outstanding and due from the Borrower.
2. **Purpose**: The Borrower, Mortgagor and the Guarantor require the loan from the Lender to raise capital.
3. **Payments**: The Borrower, Mortgagor and the Guarantor agree to repay the debt as demanded by the Lender. The loan amount, interest rate and terms of the loan and the Borrower's, Mortgagor’s and Guarantor's liability for repayment are set out in the deed of loan and guarantee executed by the parties and the terms of that deed apply to this mortgage as if incorporated in it.
4. **The Properties**: The Mortgagor is the owner of the real estate (“the Property”) specified in the Schedule to this deed which he owns free and clear of all mortgages, charges, liens or encumbrances except as stated. The Mortgagor charges his interests in the properties to this deed to the Lender and acknowledges and agrees that in the case of the Borrower, Mortgagor or the Guarantor defaulting in the repayment of any monies due to the Lender then the Lender can as the attorney of the Borrower Guarantor and the Mortgagor deal with the property for the purpose of realising all monies due and owing to it.

The Guarantor and Mortgagor hereby pledge and mortgage the property and their interest in it to the Lender as security for repayment of the debt upon the terms set out in this deed. In addition, the Borrower, Mortgagor and the Guarantor agree as follows:

1. If the Lender exercises any rights under this deed they will immediately upon demand by the Lender, and in addition to any other remedies available to the Lender of any kind whatsoever, either:

[i] Execute a legal mortgage in favour of the Lender in the Lender's standard form for the Lender to register on the title to the Properties incorporating the terms of this deed including but not limited to the Debt noted above, or

[ii] Sell the Properties and apply the proceeds thereof to repay the Debt in full or as much of the Debt as can be repaid to the Lender from the proceeds, or

[iii] Both of the above;

[iv] Deliver up and give possession of the secured property to the Lender.

1. They will keep the Property fully insured for its full replacement value against damage and loss caused by the standard causes and contingencies as commonly appear in contracts of insurance applicable to the type kind and class of which real estate the Property comprise;
2. They will not enter into any leasing or sales agreement for the leasing or sale of the Property or surrender or part with or give up possession without first notifying the Lender including providing the Lender with a copy of all relevant leasing sales agency agreements and draft contracts for sale or leases;
3. They will not further encumber or mortgage the Property or permit any liens, charges or other encumbrances to be granted or created over it, except as expressly contained in this deed.
4. That on any sale, further mortgaging, refinancing or charging of the Property, they will repay the Debt in full without the Lender having made any prior notice or demand in respect thereof.
5. **Acceleration**: The Lender may in its absolute discretion demand immediate repayment of all monies advanced under this deed if the Borrower, Mortgagor or the Guarantor:
6. Default in complying with any term or condition of this deed;
7. Enter into any agreement to sell, further mortgage or refinance the Property;
8. Give up possession of the Property for any reason; or
9. Become bankrupt or make an assignment for the benefit of their creditors and in the case of the Borrower should it have an administrator receiver or other external authority appointed.
   1. **Remedies:** In addition to any other remedy available to the Lender to enforce the terms of this deed and recover the Debt, the Lender is entitled to sell the Property privately or by public auction upon any breach or default by the Borrower, Mortgagor or the Guarantor in complying with and performing and observing the terms of this deed.
   2. **Other Provisions**: The following additional provisions are mutually agreed and consented to by the parties:
10. The parties agree to execute such further or other deeds and assurances or documents as may be required to give effect to the terms of this deed.
11. This deed is binding on the parties hereto, their respective heirs, successors, administrators, receivers and assigns.
12. If the Borrower, Mortgagor or the Guarantor fail to fulfil any of their obligations under this deed the Lender may perform or fulfil those obligations on behalf of the Borrower, Mortgagor and the Guarantor and the Lender's costs charges and expenses associated therewith shall form part of and be added to the Debt due to the Lender.
13. The Borrower, Mortgagor and the Guarantor hereby irrevocably appoint the Lender their lawful attorney for the purpose of doing or performing anything or executing any documents requiring execution by the Borrower, Mortgagor and the Guarantor under this deed including any mortgages, listing agreements, sales agreements, leases and contracts for sale together with all or other ancillary documents associated therewith. The Borrower, Mortgagor and the Guarantor acknowledge that the Lender may register this deed as a Power of Attorney in the Land Titles Office or equivalent authority.
14. The Borrower, Mortgagor and the Guarantor agree and acknowledge that the Lender's legal, accountancy and other reasonably required fees for professional services incurred in and about the enforcement, implementation and monitoring of this deed shall be at the cost of the Borrower, Mortgagor and the Guarantor and paid for by the Lender as required from time to time and the cost shall form part of and be added to the Debt due to the Lender.
15. The Mortgagor hereby grants the Lender a caveatable interest in the Property acknowledging now that the Lender may register a caveat or other charge at will and no objection or demand for withdrawal or removal of such caveat or charge shall be made by the Mortgagor in respect thereof and the legal costs and expenses of the Lender associated with the lodging of the caveat or charge and of its removal (upon repayment of all monies due to the Lender) shall be paid to the Lender and the cost shall form part of and be added to the amount of the Debt.
16. Words herein of the singular, plural, neuter, masculine and feminine or any combination thereof shall be interchangeable for the purpose of interpreting the meaning of this deed.

(h) The law applicable to the interpretation construction or enforcement of this deed shall be the law of the State of New South Wales.

**THE SCHEDULE**

**Executed by the Lender and the Borrower, Mortgagor and the Guarantor as a deed.**

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| |  | | --- | | EXECUTED by  Pursuant to section 127 of the Corporations Act  By its sole director and sole secretary ………………………………………………..  EXECUTED by  pursuant to section 127 of the  Corporations Act by its sole director and sole secretary …………………………………………… | |  |  |  |   SIGNED BY ………………………………………………  In the presence of  ……………………………………….  Witness |  |  | |
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