

1. INTRODUCTION

- 1.1 These are the General Terms and Conditions referred to in the Letter of Offer signed or to be signed by you.
- 1.2 The words "we", "us" and "our" each refers to BSP Financial Group Limited (**BSP**).
- 1.3 The word "you" and "your" each refers to the person or persons to whom the Offer is addressed and who will be the borrower under the Loan Agreement.
- 1.4 You should read these General Terms and Conditions together with the Letter of Offer and ask us about any issues that concern you.
- 1.5 To the extent permitted by law, the terms and conditions of the Loan Agreement will prevail over the terms of any other document that may relate to the Loan.

2. CONDITIONS PRECEDENT TO LOAN

In addition to and without limiting the requirements of the Letter of Offer, our obligation to provide the Loan is conditional upon us having received all of the following in form and substance satisfactory to us:

- (a) a copy of the Letter of Offer signed by you and each Guarantor;
- (b) all documents required by us for the provision of the Loan;
- (c) the Security which has been properly signed, stamped and is in registrable form;
- (d) the owner's copies of all title documents to the Security Property and if applicable all stamped transfers for any Security Property;
- (e) the results of any inspections, searches or enquiries that we may make or procure regarding you, any Guarantor or any Security Property;
- (f) all information that we have requested from you and each Guarantor;
- (g) all forms which we have sent to you and each Guarantor for completion and return to us;
- (h) if required by us, a legal opinion from our solicitors;
- (i) all costs, taxes and any other charges payable by you to us under the Loan Agreement;
- (j) all conditions precedent specified in the Letter of Offer;
- (k) all searches:
 - (i) of the register established under the PPSA; and
 - (ii) at the office of the Government Agency administering land and leasehold titles relating to each Security Property,
required by us, having been completed to our satisfaction;
- (l) all information and documents required by us to establish your identity before opening an account for you.

3. LOAN ACCOUNT

3.1. Before we lend you the Loan Amount:

- (a) we will set up a Loan Account;
- (b) if you have more than one account with us, you must agree with us which one will be your Transactional Account; and

- (c) if the Offer describes any Security, you must provide that Security to us in a form we consider acceptable.
- 3.2. When we lend you the Loan Amount, we will:
- (a) credit your Transactional Account with the Loan Amount; and
 - (b) debit the Loan Account with the Loan Amount and all Fees.
- 3.3. The Loan moneys will be available to you provided:
- (a) the conditions precedent listed in clause 2 have been satisfied to our satisfaction; and
 - (b) you have given us at least 5 clear days' notice in writing before the date that you wish to drawdown the Loan moneys in accordance with clause 3.2.

4. YOUR PAYMENT OBLIGATIONS

- 4.1. During the Loan Term, you must pay us:
- (a) the whole of each Loan Payment;
 - (b) any Default Interest; and
 - (c) any Other Amount Owing, as and when they fall due for payment.
- 4.2. Loan Payments fall due for payment at the intervals stated in the Offer. If you are not sure when a particular Loan Payment falls due for payment, you must ask us.
- 4.3. On the Expiry Date you must pay us the Final Loan Payment.
- 4.4. If there is more than one of you as borrowers, you are jointly and severally liable to us under the Loan Agreement. That means all of you together are, and each of you individually is, responsible for meeting every obligation under the Loan Agreement, including the making of payments.

5. INTEREST

- 5.1. During the Loan Term, you must pay us Interest on the Outstanding Balance of the Loan Account.
- 5.2. Interest will be calculated and accrue on the Outstanding Balance of the Loan Account at the end of each day using the Interest Rate. The calculation will be based on a 365 day year.
- 5.3. Each Loan Payment includes all that part of the Loan Amount and all the Interest which you are expected to pay us when that particular Loan Payment falls due for payment.
- 5.4. If you do not pay a Loan Payment on the day it is due, we may charge Default Interest on the overdue amount at the Default Interest Rate calculated on a daily basis from the due date to the date of actual payment (both before and after any court judgment made against you). Such Default Interest may be capitalised as determined by us.

6. PREPAYMENT

- 6.1. Subject to you paying to us all Break Costs, you may prepay all or part of a fixed Interest Rate Loan after giving us at least 10 Business Days' prior notice.
- 6.2. You may only prepay all or part of a variable Interest Rate Loan after giving us at least 10 Business Days' prior notice.
- 6.3. A notice given under clause 6.1 or 6.2 is irrevocable.
- 6.4. On the prepayment date specified in a notice given under clause 6.1 or 6.2 you must prepay the full amount specified in the notice and all unpaid interest and fees accrued to the prepayment date in respect of the prepaid amount.
- 6.5. Unless we otherwise agree or it is specified in the Letter of Offer, the amount prepaid under this clause 6 may not

be redrawn and, if applicable, must be applied against scheduled repayments in inverse order of maturity.

- 6.6. A prepayment does not affect your obligations to make any scheduled repayment.
- 6.7. We may debit any Break Costs or fees payable by you to any account you hold with us before asking you to pay those amounts.
- 6.8. Unless otherwise agreed or provided in the Letter of Offer, the credit limit of a Loan is reduced by any amount prepaid under clauses 6.1 or 6.2 in respect of that Loan and are not available for redraw.

7. FEES

- 7.1. You must pay to us the Fees specified or referred to in the Letter of Offer.
- 7.2. All Fees will be payable on the dates and in the manner specified in these General Terms and the Letter of Offer. If no specification is made, those details will be as determined by us.
- 7.3. All Fees will be paid in Kina.
- 7.4. Fees, once paid, are not refundable for any reason.
- 7.5. We may debit any fee payable by you to any account you hold with us before asking you to pay.
- 7.6. We may at any time:
 - (a) vary any Fees or charges specified or referred to in the Letter of Offer;
 - (b) introduce a new Fee or charge; or
- 7.7. Information on our current interest rates and our standard fees and charges are available from us on request.

8. PAYMENTS

8.1. Manner of payments

All payments to us under the Loan Agreement must be made:

- (a) in immediately available funds
- (b) not later than 3pm on the due date (or, if that is not a Business Day, on the next Business Day unless that day falls in the following month or after the relevant Expiry Date, in which case, on the previous Business Day);
- (c) to the account nominated by us to you or in such other manner as we direct from time to time; and
- (d) in full without set-off or counter claim and without any deduction in respect of taxes unless prohibited by law.

8.2. Amounts payable on demand

If any amount payable under the Loan Document is not expressed to be payable on a specified date, that amount is payable by you on demand by us.

9. REPRESENTATIONS AND WARRANTIES

You represent and warrant to us that:

- (a) all representations and warranties specified in the Letter of Offer are true and correct and not misleading;
- (b) by entering into the Loan Agreement and carrying out your obligations under them, you do not contravene:
 - (i) your constitution or other constituent documents (if any) (or limit any powers under those

- documents);
- (ii) any law, government regulation or official directive; or
 - (iii) any Loan Agreement which binds you or to which any of your assets are subject;
- (c) you have fully disclosed in writing to us all material facts which may:
- (i) have an adverse effect on your ability or the ability of any Guarantor to perform any obligations under or in connection with the Loan Agreement;
 - (ii) impact on your or any Guarantor's business, assets or financial condition; or
 - (iii) affect the assessment of the nature and amount of risk undertaken by us in entering into the Loan Agreement;
- (d) your most recent accounts provided to us and the most recent consolidated accounts for you and your relevant related companies provided to us:
- (i) are a true, fair and accurate statement of their respective financial positions;
 - (ii) reflect all actual and contingent liabilities; and
 - (iii) are prepared in accordance with any applicable law,
- (e) there has been no material adverse change in the financial position or credit worthiness of you or your related companies since the date of the financial statements or the first Drawdown Date (whichever is the later);
- (f) no Event of Default has occurred and is subsisting;
- (g) you and each Guarantor benefits by executing the Loan Agreement to which you or it is a party;
- (h) no litigation, dispute resolution process or administrative proceeding current, pending or threatened exists which may have a material adverse effect on:
- (i) the assets or financial condition of you or a Guarantor; or
 - (ii) our rights and powers under the Loan Agreement;
- (i) unless otherwise stated in the Letter of Offer, neither you nor any Guarantor is executing the Letter of Offer as trustee of any trust and if it is stated in the Letter of Offer that you are acting as a trustee of a Trust, then you represent:
- (i) the Loan Agreement is for the benefit of the trust;
 - (ii) you are the sole trustee of the trust;
 - (iii) you have authority to enter into the Loan Agreement;
 - (iv) you have the right to be fully indemnified out of the Trust assets for obligations incurred under the Loan Agreement;
 - (v) no action has been taken or proposed to terminate the trust;
 - (vi) the copies of the trust deed and other documents relating to the trust have been provided to us and disclose all the terms of the trust;
 - (vii) you have not delegated any of your powers as trustee or exercised any power of appointment;
 - (viii) there are no reasonable grounds to suspect that you or any of your related companies are unable to pay their debts as and when they become due and payable; and
- (k) in respect of each Security Property;
- (i) you and every occupier of the Security Property have complied with all environmental laws relating to the Security Property and any business conducted on the Security Property;

- (ii) every material environmental approval has been issued, is current and has been complied with in all material respects;
- (iii) the Security Property has never been used for anything which contaminated the Security Property or caused any pollution and there is no contaminant on, in, under or migrating to or from the Security Property; and
- (iv) you have not received, and are not aware of the issue of or of any occupier of the Security Property receiving, any environmental notice.

10. UNDERTAKINGS

10.1. General undertakings

You undertake and agree to:

- (a) comply with all your obligations in the Loan Agreement;
- (b) conduct and maintain your business in a proper, orderly and efficient manner including:
- (c) comply with laws and paying taxes when due;
- (d) not to change your business operations in any material way without our consent; and
- (e) prepare proper and adequate books of account;
- (f) obtain, renew and comply with each Authorisation necessary to:
 - (i) enter into the Loan Agreement; and
 - (ii) observe your obligations under the Loan Agreement and allow them to be enforced;
- (g) maintain your corporate existence and not transfer your place of incorporation or enter into any scheme of arrangement;
- (h) subject to the Letter of Offer, maintain and keep in force the following insurances with insurers acceptable to us and on terms and for an amount satisfactory to us with our interests covered:
 - (i) property insurance covering the improvements (if any) on the Secured Property against fire and other usual risks for the full insurable value of the Secured Property on a replacement and reinstatement basis with additional amounts for the costs of demolition and removal of debris and consultants' fees;
 - (ii) public liability insurance for the amount specified in the Letter of Offer;
 - (iii) workers compensation insurance or equivalent cover in accordance with applicable law; and
 - (iv) any other insurance we reasonably require, in connection with your ownership, occupation or use of any of your property,
 - (v) and you must ensure that the cover is not reduced or cancelled and that nothing happens that could permit an insurer to decline a claim (and you must notify us if any of these events occurs or may occur);
- (i) only use the Loan moneys for the purpose stated in the Letter of Offer;
- (j) not create an Encumbrance or allow one to exist on any part of your present or future property;
- (k) comply with all the financial undertakings set out in the Letter of Offer;
- (l) if you are the trustee of a trust, not:
 - (i) vary the trust deed;
 - (ii) retire as trustee of the trust or appoint any new or additional trustee;

- (iii) do or suffer or omit to do any act or thing in breach of the trust;
- (iv) exercise or permit or allow to be exercised any power to change the vesting date of the trust, determine the trust early or transfer, set aside or resettle any trust asset or allow any trust asset to be mixed with other property;
- (v) release or otherwise cause or permit to be lost or diminished your rights of indemnity which you may now or in the future have against the Trust fund or against the beneficiaries of the trust; or
- (vi) make any distribution of the capital of the trust; and
- (vii) take all steps necessary under the PPSA to continuously perfect with the highest possible priority any Encumbrances you hold in respect of any property from time to time and ensure that each Guarantor does the same.

10.2. Information undertakings

You must:

- (a) give to us all information specified in the Letter of Offer;
- (b) if you are a company, provide to us as soon as practicable (and in any event not later than 180 days) after the end of each financial year copies of the consolidated and unconsolidated accounts (audited, if required by us) (including statements of financial performance and financial position) of you and each Guarantor;
- (c) if requested by us, provide to us as soon as practicable (and in any event not later than 180 days) after the end of each financial half year copies of the consolidated and unconsolidated unaudited accounts (including statements of financial performance and financial position) of you and each Guarantor;
- (d) if requested by us, provide to us monthly cash flow projections for the period requested by us;
- (e) if requested by us, provide to us actual to projected cash flow analysis, aged creditors and debtors list and management accounts within 30 days after the end of each quarter;
- (f) give us on demand the information and documents which we request from time to time in connection with:
 - (i) the Loan Agreement; and
 - (ii) your business, property or financial condition and your related companies (including copies of tax returns);
- (g) notify us of the occurrence of any Event of Default;
- (h) if requested by us, provide us with a certificate signed by you or one of your directors (if you are a company) which states that an Event of Default or potential Event of Default has not occurred or the full details of an Event of Default or a potential Event of Default and the steps taken to remedy it;
- (i) if the Letter of Offer contains financial undertakings given by you and if requested by us, provide us with a certificate signed by you or one of your directors (if you are a company) which:
 - (A) certifies compliance with each financial undertaking; and
 - (B) sets out in reasonable detail your calculation of, and the financial information necessary to calculate, any ratios which form part of a financial undertaking;
- (j) give us prompt notice, and in any event within 7 days, of any litigation, dispute resolution process or administrative proceeding threatened against you or your assets and of a default under any other financial facilities;
- (k) if you lease any Security Property to any person, give us prompt notice of:
 - (i) the surrender of the lease;
 - (ii) the variation of the lease;

- (iii) the granting of a lease, including the renewal of an existing lease; and
- (iv) any change in rental or other income from that Security Property;
- (l) notify us immediately when:
 - (i) an event occurs which gives rise or might give rise to a claim under or which could prejudice a policy of insurance held by you; or
 - (ii) any policy of insurance held by you is cancelled;
- (m) give us details about all land and interests in land (such as leases) you acquire; and
- (n) on demand by us, procure that each Guarantor promptly, and in any event within 7 days, gives us all information and documents in respect of its business and financial affairs that we request.

11. DEBITING THE LOAN ACCOUNT

During the Loan Term, we will automatically debit your Transactional Account with the payments referred to in Clause 4 as and when they fall due for payment. You must make sure that the credit balance of your Transactional Account is always sufficient (i.e. that there is enough money in your Transactional Account) to cover those payments as and when they fall due for payment.

12. DEFAULT AND ITS CONSEQUENCES

12.1. You will be in default under the Loan Agreement if:

- (a) you do not make a Loan Payment or pay us any Other Amount Owing on time;
- (b) you breach any other term or condition of the Loan Agreement;
- (c) you breach (or any one of you breaches) any term or condition of any other loan agreement you have with us or with any other financial lender;
- (d) we reasonably form the opinion that any information you gave use when applying for the Loan is false or misleading;
- (e) you become (or any one of you becomes) bankrupt or insolvent or have an administrator appointed; or
- (f) you assign (or any one of you assigns) your estate to someone, including a creditor.

12.2. If you are in default, we may demand that you pay us immediately the Outstanding Balance of the Loan Account and any Other Amount Owing and any Default Interest which we have not yet debited to your Loan Account.

12.3. If:

- (a) you are only in default because you did not make a Loan Payment or pay us any Other Amount Owing on time; and
- (b) we do not demand that you immediately pay us the Outstanding Balance of the Loan Account and/or any Other Amount Owing which we have not yet debited to your Loan Account,

you must pay us Default Interest on the missed Loan Payment and/or Other Amount Owing, as the case may be, until you have made such payment or payments in full.

12.4. If you are in default and we demand that you immediately pay us the Outstanding Balance of the Loan Account and/or any Other Amount Owing and which we have not yet debited to your Loan Account, you must pay us:

- (a) Default Interest on those amounts until they and the related Default Interest are paid in full; and
- (b) any legal and other costs and expenses we incur in trying to recover those amounts from you.

12.5. You acknowledge and agree that any Default Interest we charge you is not to penalise you but to compensate us for some of the loss and expense incurred by us due to your default.

13. **SETTING OFF, DEBITING AND COMBINING YOUR ACCOUNTS**

- 13.1. We may at any time, and without telling you first
- (a) debit any accounts you have with us with; or
 - (b) set off sums standing to the credit of any accounts you have with us against, any amount you owe us under the **Loan Agreement**.
- 13.2. We may also combine any accounts you have with us with the **Loan Account** in order to reduce the Outstanding Balance of the Loan Account. Combining another account with the Loan Account means making it part of Loan Account so that the Outstanding Balance of the Loan Account is automatically reduced by the credit balance of the other account.

14. **EXERCISING OUR RIGHTS AND REMEDIES**

- 14.1. We may exercise a right or remedy, or give or refuse our consent or Loan Agreement to any request you make, in any way we consider appropriate.
- 14.2. If we do not exercise a right or remedy in full or at a particular time, we can still exercise it later.
- 14.3. Our rights and remedies under the Loan Agreement are in addition to any other rights and remedies we have independently under the law.

15. **MISCELLANEOUS**

15.1. **Certificates**

We may give you a certificate about an amount payable or other matter in connection with the Loan Agreement. The certificate is sufficient evidence of the amount or matter, unless it is proved to be incorrect.

15.2. **Confidentiality**

- (a) Each party agrees subject to paragraph (b) not to disclose information provided by any other party that is not publicly available (including the existence or contents of the Loan Agreement) except:
- (i) with the consent of the disclosing party;
 - (ii) if required by any law or stock exchange or allowed by or under any law or code of practice with which financiers carrying on business in the jurisdiction referred to in clause 15.4 generally comply;
 - (iii) to any person in connection with an exercise of rights or a dealing with rights or obligations under the Loan Agreement (including in connection with preparatory steps such as negotiating with any potential assignee or potential sub-participant or other person who is considering contracting with us in connection with the Loan Agreement);
 - (iv) to officers, employees, legal and other advisers and auditors of the receiving party; or
 - (v) to any Guarantor.
- (a) We may disclose personal information regarding you to:
- (i) other organisations to help us assess financial risk or recover debt;
 - (ii) credit reference agencies;
 - (iii) other members of our group of companies and any of our or their advisers, consultants or service providers;
 - (iv) any authority, regulator or Government Agency in any jurisdiction as we may in our absolute discretion consider appropriate, necessary or advisable;

- (v) other organisations to assist us to comply with our obligations relating to sanctions, anti-money laundering, counter terrorism and proceeds of crime; or
- (vi) the United States Internal Revenue Service to assist us to comply with any obligations we may have under arrangements regarding the *Foreign Account Tax Compliance Act*.

(b) Each party consents to disclosures made in accordance with this clause 15.

15.3. **Assignment**

- (a) You may not dispose of, novate or create any Encumbrance over any of your rights or obligations under the Loan Agreement without our consent.
- (b) We may assign, novate, sub-participate or sell-down by whatever form (including securitisation) or otherwise deal with our rights under the Loan Agreement without the consent of any person.

15.4. **Applicable law**

The Loan Agreement is governed by and shall be interpreted in accordance with the laws in force in the Independent State of Papua New Guinea and each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts in that country .

15.5. **Supervening legislation**

Any present or future legislation which operates to vary your obligations in connection with the Loan Agreement with the result that our rights, powers or remedies are adversely affected (including by way of delay or postponement) is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

15.6. **Further assurance**

You must do anything we ask (such as obtaining consents, signing and producing documents and getting documents completed and signed):

- (a) to bind you and any other person intended to be bound under the Loan Agreement; and
- (b) to show whether you and each Guarantor are complying with the Loan Agreement.

15.7. **PPSA further assurance**

If we determine that the Loan Agreement (or a transaction in connection with the Loan Agreement) is or contains a security interest in favour of us for the purposes of the PPSA you and any Guarantor agree to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which we ask and consider necessary (including anything we ask you to do in connection with the PPSA) for the purposes of:

- (a) providing more effective security over the property the subject of such security interest for the payment of the Outstanding Balance of the Loan Account or any other amount secured by any Security;
- (b) ensuring that if the security interest is, perfected (including if we request by control or possession in addition to registration) and otherwise effective with the priority required by us;
- (c) enabling us to apply for any registration, or give any notification, in connection with the security interest or take possession or control in any case so that the security interest has the priority required by us;
- (d) enabling us to exercise rights and perform obligations in connection with the security interest or the property the subject of the security interest;
- (e) binding you and any Guarantor and any other person intended to be bound; and/or
- (f) showing that you are complying with the security interest and your obligations under the Loan Agreement.

15.8. **Severability**

If any provision of these General Terms is held to be invalid or unenforceable for any reason, it shall be severable and shall not affect the remaining provisions of these General Terms.

16. COSTS AND EXPENSES

16.1. Reimbursement of costs

You must pay or reimburse:

- (a) all our costs in connection with:
 - (i) the negotiation, preparation, execution, stamping, registration and completion of the Loan Agreement;
 - (ii) our being satisfied that conditions to drawdown have been met; and
 - (iii) giving and considering consents, waivers, variations, discharges and releases and producing title documents;
- (b) all our costs in otherwise acting in connection with the Loan Agreement such as exercising, enforcing or preserving rights (or considering doing so), or doing anything in connection with any enquiry by a Government Agency involving you, any related company or any Guarantor;
- (c) Taxes and fees (including registration fees) and fines and penalties in respect of fees, which may be payable or determined to be payable in connection with the Loan Agreement or a payment or receipt or any other transaction contemplated by the Loan Agreement;
- (d) all our costs if the Loan is abandoned or terminated for any reason by you or us without being drawn;
- (e) any other costs whatsoever which we incur pursuant to the Loan Agreement; and
- (f) the costs of any valuation, social or environmental report undertaken or arranged by us of any of your assets or those of any Guarantor.

You must pay amounts payable under this clause on demand by us. We may (without notice to you) debit any of these amounts to any account you hold with us before asking you to pay.

16.2. GST

- (a) You and we acknowledge and agree that all amounts payable by you to us under the Loan Agreement are expressed on a GST exclusive basis. Without limiting any provision of the Loan Agreement, if GST is payable in relation to a taxable supply made by us to you under the Loan Agreement, then the amount payable for the taxable supply will be the amount specified in the Loan Agreement plus GST. We will provide to you any necessary tax invoice.
- (b) If we are liable to GST in relation to the recovery of any amount from you, the provisions of clause 16.2 will apply, and the amount payable by you will be increased by any GST determined to be payable under the provisions of that clause.(a)
- (c) Where under the Loan Agreement, you are required to reimburse or indemnify us for an amount in respect of a taxable supply to us by a third party, the amount due by you will not include any amount for which we have determined that we are entitled to an input tax credit.

16.3. Break Costs

- (a) Depending largely on movements in market interest rates, we may suffer a reduction in return, loss and damage and incur costs (including any loss of bargain or expectation loss or damage suffered by us) (**Break Costs**) if:
 - (i) you repay early all or any part of a fixed Interest Rate Loan; or
 - (ii) any part of a fixed Interest Rate Loan is repaid early for any reason (whether as a result of our

actions following the occurrence of an Event of Default or otherwise).

- (b) Break Costs usually arise because the underlying interest rate payable by you is greater than the prevailing market interest rate at the time of the early repayment.
- (c) You must indemnify us on demand against any Break Costs we have suffered, or will suffer, as a result of an early repayment however arising.
- (d) We may calculate our Break Costs by any method which we determine is appropriate. Our calculation of Break Costs is binding on you and us

17. EVIDENCE

We may give you a certificate regarding any matter, including any amount owing under the Loan Agreement. Unless there is an error in the certificate, it is conclusive evidence of the matters set out in it. Where you are aware of information to show that there is such an error, you must bring that to our attention straight away.

18. INFORMATION ABOUT YOU

- 18.1. You acknowledge and agree that we may seek and obtain from anyone such financial and personal information about you and your affairs as we, in our absolute discretion, consider necessary or appropriate.
- 18.2. We may disclose your personal information to:
 - (a) other organisations to help us to assess financial risk or to recover debt;
 - (b) credit reference agencies;
 - (c) other members of the BSP Group including BSP advisers, consultants or service providers, any of the banks subsidiaries, branches, head office or representatives
 - (d) any authority, regulator or government agency in any jurisdiction as we may in our absolute discretion consider appropriate, necessary or advisable;
 - (e) other organisations to assist us in compliance obligations in respect of sanctions, anti- moneys laundering, counter-terrorism financing and proceeds of crime;
 - (f) the United States Internal Revenue Service to assist us in compliance with our obligations under our arrangements regarding the Foreign Account Tax Compliance Act ("FATCA").

19. CHANGE OF ADDRESS

If you move from the address set out in the Offer, you must tell us straight away. If you do not tell us that you have changed your address, we may continue to treat the address set out in the Offer as your current address.

20. CHANGES TO THESE GENERAL TERMS AND CONDITIONS

- 20.1. From time to time we may change these General Terms and Conditions ("**Changes**") (including changes to how and when Interest is calculated and payable and changes to the dates for payments of the Loan Payments).
- 20.2. The Changes will form part of the conditions of your Loan Agreement and you will be bound by those Changes.
- 20.3. We may give you notice of any Changes by any notification method allowed by these General Terms.
- 20.4. If the Changes are not acceptable to you, you may exit the Loan Agreement by repaying the Outstanding Balance of the Loan Account early in accordance with the Loan Agreement, including the payment of any applicable early repayment costs.

21. FINANCIAL CONSUMER PROTECTION REGULATION ("FCPR") PROVISIONS

- 21.1. FCPR Provisions will be attached as a Schedule to these General Terms and form part of these General Terms if your Loan is regulated by the FCPR.

- 21.2. If there is any ambiguity or inconsistency between the FCPR Provisions and the General Terms, the FCPR Provisions will take precedence over the General Terms to the extent of such ambiguity and inconsistency.

22. NOTICES

22.1. Notices we give to you

Any demand, notice, statement or other document that we give you under or connection with the Loan Agreement ("Notice") may be validly given to you in accordance with this clause and signed by one of our bank managers or bank officers, by our lawyers or by any agent authorised by us at any time. Any other form of notice or demand need not be signed unless required by law.

22.2. Methods of giving Notices to you

- (a) Without limiting any other ways that a Notice may be served on you by law, we may give a Notice to you personally, by sending it by mail or by electronic methods;
- (b) Electronic methods used for the delivery of Notices may include (but not limited to) sending the Notice to your Electronic Address, publishing the Notice on our website, or by sending the Notice to you to your Electronic Address.
- (c) We will rely on your contact information shown on our records for the purposes of giving Notices to you.

22.3. Time periods by when you will be treated as receiving Notices

- (a) When we send you a Notice by mail or we inform you by mail that a Notice has been published on our website, you are deemed to have received the Notice seven days after mailing
- (b) When we give you a Notice by sending it to your Electronic Address or by informing you in a message sent to your Electronic Address that a Notice has been published on our website, you are deemed to have received the Notice on the day after the day on which the Notice or message was sent to your Electronic Address.

23. DEFINITIONS AND INTERPRETATION

23.1. Definitions

In the Loan Agreement, the following words and phrases have the meanings written next to them:

Authorisation means any approval, authorisation, consent, declaration, exemption, filing, licence, notarisation, registration or waiver, however described and in whatever form, including (without limitation) any such authorisation made or issued by a Government Agency.

Break Costs has the meaning given to it in clause 16.3.

BSP Group means BSP and any other subsidiary, related company or holding company of BSP.

Business Day means each day, excluding Saturdays, Sundays and public holidays in Papua New Guinea.

Companies Act means the Companies Act 1997.

Default Interest means the interest which you must pay at the Default Interest Rate on any Loan Payment or Other Amount Owing which you do not make when it falls due for payment.

Default Interest Rate means the interest rate described in the Offer as the Default Interest Rate.

Event of Default means an event of default described in clause 12.1.

Electronic Address includes your email address or mobile telephone number as shown in our records.

Encumbrance means any security interest under the PPSA or other security for the payment of money or performance of obligations including a mortgage, charge, lien, pledge, trust, power, title retention or flawed asset arrangement and any priority arrangement, right of way, restrictive covenant, lease, licence or third party right or interest.

Expiry Date means the final date of the Loan Term as specified in the Letter of Offer.

Fees means the fees referred to in clause 7.

Financial Consumer Protection Regulation /FCPR means the Financial Consumer Protection Regulation enacted or to be enacted pursuant to the Banks and Financial Institutions Act 2000.

Final Loan Payment means the payment which you must make to us on the final day of the Loan Term (or, if you default, on the day you must pay us the balance of the Loan Account) comprising:

- (a) the Outstanding Balance of the Loan Account; and
- (b) any Other Amount Owing and any Default Interest which we have not yet debited to your Loan Account.

General Terms means these General Terms and Conditions.

Government Agency means any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity.

GST means the Goods and Services Tax imposed by the Goods and Services Tax Act 2003.

Guarantor means each person who provides a guarantee to us in respect of the Loan and includes any person referred to in the Letter of Offer as guarantor.

Interest means the interest which you must pay on the Outstanding Balance of the Loan Account from time to time at the Interest Rate.

Interest Rate means the interest rate described in the Letter of Offer.

Kina means the currency of Papua New Guinea.

Letter of Offer means the letter of offer you signed as borrower in respect of the Loan and which enclosed a copy of these General Terms and Conditions.

Loan means the loan provided or to be provided by us to you under the Loan Agreement.

Loan Account means the loan account we set up in your name for the purpose of recording all transactions connected with the Loan.

Loan Agreement means the Letter of Offer signed by you together with these General Terms and Conditions.

Loan Amount means the amount of money described in the Offer as the Loan Amount (together with any interest capitalised to the Loan under the Loan Agreement).

Loan Payment means the amount of money described in the Offer as the Loan Payment and which comprises a part repayment of the Loan Amount and a payment of Interest.

Loan Term means the period of time described as the Loan Term in the Offer.

Offer means the offer to lend you the Loan Amount contained in the Letter of Offer.

Other Amount Owing means any other fee, charge or amount of money you must pay us under the Loan Agreement apart from a Loan Payment and a Default Interest payment.

Outstanding Balance of the Loan Account means, at any given time, the difference between all the amounts credited to the **Loan Account** and all the amounts debited to the Loan Account at that time.

PPSA means the Personal Property Security Act 2011.

Security means any security or collateral you must provide to us to secure repayment of the Loan which is described in the Offer as the Security.

Security Property means any property the subject of any Security.

Transactional Account means the BSP account in your name to which we will credit the Loan Amount (i.e. the account into which we will pay the Loan Amount). Please note that your Transactional Account is not the same as the Loan Account.

23.2. Interpretation

In the Loan Agreement, unless the context otherwise requires:

- (a) every person described as the borrower who accepts the Letter of Offer shall be bound even if any other person described as the borrower does not accept it or if the Loan Agreement is void or voidable against them;
- (b) if there is a conflict between the Letter of Offer and these General Terms and Conditions the Letter of

Offer will prevail;

- (c) a reference to an Loan Agreement or another instrument includes any supplement, variation, novation or replacement of any of them;
- (d) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (e) the singular includes the plural and vice versa;
- (f) where two or more parties comprise you or a Guarantor:
- (g) the word "person" includes a firm, a body corporate, an unincorporated association or an authority;
- (h) a reference to a person includes the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (i) any agreement , representation or warranty in favour of two or more persons is for the benefit of them jointly and severally;
- (j) any agreement , representation or warranty on the part of two or more persons binds them jointly and severally;
- (k) a reference to an accounting term is to be interpreted in accordance with approved accounting standards under the Companies Act and, if not inconsistent with those accounting standards, generally accepted principles and practices in Papua New Guinea consistently applied over time;
- (l) a reference to anything (including the Outstanding Balance of the Loan Account, any other amount, the Security or an Encumbrance) is a reference to the whole and each part of it and a reference to all of them collectively, to any two or more of them collectively and to each of them individually;
- (m) the words **subsidiary**, **holding company** and **related company** have the same meanings as in the *Companies Act*, and
- (n) a reference to time is to local time in Papua New Guinea, unless we specify otherwise in writing from time to time.

23.3. **Headings**

Headings are inserted for convenience and do not affect the interpretation of the Loan Agreement.