

**MASTER LENDING AGREEMENT**

**BETWEEN**

**WESTERN AUSTRALIAN TREASURY CORPORATION**

**AND**

**SHIRE OF SERPENTINE-JARRAHDAL**

**DATED AS OF 30<sup>TH</sup> MAY 2014**

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This Agreement dated as of the 30<sup>th</sup> day of May 2014

BETWEEN

**WESTERN AUSTRALIAN TREASURY CORPORATION** (ABN 22 300 359 323)  
(*Corporation*)

AND

**SHIRE OF SERPENTINE-JARRAHDAL** (ABN 98 924 720 841) (*Borrower*)

**WHEREAS:**

- A. The Corporation has provided lending facilities to the Borrower under the Existing Facility Agreements.
- B. The Corporation agrees to provide the Facility to the Borrower on the terms and conditions contained in this Agreement.
- C. The Facility is an updating and consolidation of the Existing Facility Agreements and also provides further flexibility in the manner in which lending can take place.
- D. The terms and conditions of this Agreement:
  - (a) replace the terms and conditions of the Existing Facility Agreements, so that this Agreement applies to:
    - (i) loans and advances previously provided to the Borrower under Existing Facility Agreements; and
    - (ii) loans and advances provided to the Borrower after the date of this Agreement in accordance with the terms of Forward Lending commitments as at the date of this Agreement; and
  - (b) apply to all loans and advances provided by the Corporation to the Borrower hereunder after the date of this Agreement.

**The Parties agree:**

## **1. DEFINITIONS AND INTERPRETATION**

### **1.1 Definitions**

In this Agreement the following words have the meanings designated below unless otherwise provided:

**Account** means an account operated by the Borrower with the Corporation for the purposes of this Agreement.

**Act** means the Western Australian Treasury Corporation Act 1986.

**Addendum** means an addendum to this Agreement.

**Advance** means an advance of money made under the Facility by the Corporation to the Borrower and includes all loans and advances that have been or will be:

- (a) provided to the Borrower under the Existing Facility Agreements and outstanding at the date of this Agreement;
- (b) provided to the Borrower after the date of this Agreement in accordance with the terms of Forward Lending commitments on foot at, or drawdown notices given under an Existing Facility Agreement outstanding on, the date of this Agreement;
- (c) provided to the Borrower by the Corporation hereunder after the date of this Agreement; and
- (d) made after the Termination Date in accordance with any Forward Lending commitment on foot at the Termination Date.

**Agreement** means this agreement, its schedules, annexures, addenda and each Confirmation given by the Corporation to the Borrower under this Agreement.

**Annexure** means an annexure to this Agreement.

**Authorised Signatory** means a person duly authorised by the Borrower as provided for in clause 31.1 to give instructions to the Corporation on its behalf, or otherwise to act on its behalf, from time to time, for the purposes of this Agreement, either generally or in relation to specified actions.

**Bank Account** means a bank account maintained by a Party in Australia with a bank authorised and supervised by the Australian Prudential Regulation Authority under the Banking Act 1959 (Cth) to carry on banking business in Australia or, for payments in a currency that is not Australian dollars, a financial institution with equivalent status in another country that is acceptable to the Corporation in its reasonable opinion, and notified to the other Party from time to time.

**Borrower's SSI** means the Borrower's standard settlement instructions notified by the Borrower to the Corporation from time to time for a Bank Account into which all moneys payable to the Borrower are to be paid under this Agreement, and which are acceptable to the Corporation acting reasonably.

**Business Day** means any day not being a Saturday or Sunday on which banks generally are open for business in each of Perth, Melbourne and Sydney.

**Business Day Convention** means the convention for adjusting any relevant date for the performance of any obligation or the taking of any action under this Agreement if that date would otherwise fall on a day that is not a Business Day.

**Charge** means the charge created under clause 5.1 of this Agreement.

**Confirmation** means a confirmation given by the Corporation to the Borrower setting out the terms applicable to an Advance made or to be made under the Facility.

**Corporation's SSI** means the Corporation's standard settlement instructions notified by the Corporation to the Borrower from time to time for a Bank Account into which all moneys payable to the Corporation are to be paid under this Agreement.

**Costs** means any and all costs incurred by the Corporation that arise from a default by the Borrower, demand for Mandatory Prepayment, termination other than a voluntary termination by either Party, or enforcement.

**Default Interest Rate** means the rate 2% per annum above the Corporation's overnight lending rate on each relevant day.

**Designated Date** means the date notified by the Corporation in accordance with, or the date set by operation of, the terms of this Agreement (as the case may be) for the Mandatory Prepayment of any Advance.

**Discount** means the amount by which the Corporation benefits from the Prepayment of an Advance.

**Drawdown Notice** means a written request for an Advance given by the Borrower to the Corporation in accordance with the Annexure for the relevant Product.

**Email notice** means a notice given by the Borrower to the Corporation by a computer based electronic mailing system.

**Event of Default** means a Vires Event of Default or an Other Event of Default.

**Existing Facility Agreements** means:

**(a) Loan Agreements**

Loan Number	Principal Amount	Interest Rate	Lending Date	Maturity Date
104	\$200,000.00	5.5500% p.a.	21/06/2010	21/06/2015
105	\$286,539.00	5.5500% p.a.	21/06/2010	21/06/2015
112	\$27,901.00	4.2500% p.a.	25/11/2011	25/11/2016
117	\$1,150,000.00	4.3600% p.a.	26/04/2013	26/06/2023
116	\$120,000.00	3.9200% p.a.	21/06/2013	26/06/2018

**(b) Debentures**

Loan Number	Principal Amount	Interest Rate	Lending Date	Maturity Date
89	\$97,500.00	6.2000% p.a.*	30/06/2004	30/06/2014

91	\$3,147,974.00	6.0200% p.a.	15/10/2004	30/06/2019
90	\$55,000.00	5.6200% p.a.	28/06/2005	30/06/2014
91B	\$250,000.00	5.7000% p.a.	28/06/2005	30/06/2019

\*guarantee fee incorporated into the interest rate.

(All existing Loan Agreements and Debentures referred to in (a) and (b) above are collectively referred to as “**Existing Facility for Term Fixed Rate Lending**”.)

**Facility** means the lending facility provided by the Corporation to the Borrower under this Agreement from time to time.

**Fees** means fees charged by the Corporation to the Borrower from time to time in connection with this Agreement, the Facility, an Advance or a Forward Lending, described in clause 18.

**First Schedule** means the first schedule to this Agreement.

**Forward Lending** means a commitment of the Corporation to advance funds and a commitment of the Borrower to borrow funds in accordance with the terms of a Confirmation issued by the Corporation in accordance with this Agreement, or an Existing Facility Agreement, prior to those funds being advanced by the Corporation.

**General Funds** has the meaning given in section 6.21(4) of the *Local Government Act*.

**Increased Costs** means those costs described in clause 19.

**Interest Payment Date** means a date when interest is payable on an Advance.

**Interest Rate** means the interest rate for an Advance applying for all or part of the term of that Advance as applicable.

**Local Government Act** means the Local Government Act 1995 (WA).

**Mandatory Prepayment** means an early repayment by the Borrower in respect of any outstanding Advance or part of an Advance (and includes termination of obligations in relation to any Forward Lending or part of a Forward Lending) which is required by the Corporation to be made under or in accordance with the provisions of this Agreement following the occurrence of an Event of Default.

**Mandatory Prepayment Notice** means a notice referred to in clause 27 requiring the Borrower to repay to the Corporation the outstanding Advances specified in the notice, or terminating any specified Forward Lendings, on the Designated Date specified in the notice.

**Market Valuation** means a valuation made by the Corporation under the procedure set out in clause 16.

**Market Valuation Adjustment** means the adjustment to be made to reflect an additional or reduced amount to be repaid by the Borrower to extinguish the Borrower's

liability in respect of all or part of an Advance on Prepayment, as described in clause 16.4 or to terminate obligations in relation to all or part of a Forward Lending.

**Maturity Date** means the date that an Advance is scheduled to be repaid by the Borrower to the Corporation, and where an Advance is made on the basis that it is to be repaid by more than one payment, the date that the last of these payments is to be made, as set out in the relevant Confirmation.

**Other Event of Default** means each of the events set out in paragraphs (c) to (i) inclusive of clause 25.

**Outstanding Payment** means the value of any payment that remains outstanding after the date on which that payment was due to be made in accordance with this Agreement.

**Party** means a party to this Agreement and Parties means both of them.

**Premium** means the amount necessary to compensate the Corporation for the Prepayment of an Advance.

**Prepayment** means a Mandatory Prepayment or a Voluntary Prepayment.

**Prepayment Amount** means the amount required to extinguish the indebtedness of the Borrower in relation to all or part of one or more Advances prior to the scheduled date for its or their repayment, or to terminate obligations in relation to all or part of one or more Forward Lendings, including without limitation a Market Valuation Adjustment.

**Product** means a type of Advance available to the Borrower under the Facility and identified in the First Schedule, as amended from time to time.

**Product Facility Limit** means the aggregate amount the Borrower may have outstanding at any time in respect of any Product, being the sum of all Advances the Corporation has agreed to provide to the Borrower under the relevant Product from time to time minus any amounts cancelled under clause 3.1 or repaid under Products that do not incorporate a capacity to redraw.

**PPSA** means the Personal Property Securities Act 2009 (Cth).

**PPSA Law** means:

- (a) the PPSA; and
- (b) any regulations in force from time to time made under the PPSA.

**PPSA Register** means the personal property securities register established under section 147 of the PPSA.

**PPSA Security Interest** has the meaning given to “security interest” in section 12 of the PPSA.

**Rate Set Notice** means a notice by the Corporation to the Borrower as described in clause 11.2.

**Second Schedule** means the second schedule to this Agreement.

**Secured Money** means all amounts under or in connection with the Facility or this Agreement or both:

- (a) which now or in the future are owing or payable (actually or contingently) by the Borrower to the Corporation;
- (b) which, having now or in the future become owing or payable (actually or contingently) by the Borrower to the Corporation, cease to be owing under any law relating to bankruptcy or insolvency and remain unpaid by the Borrower;
- (c) that now or in the future there is a prospect may become owing or payable (actually or contingently) by the Borrower to the Corporation, for any reason including moneys and damages payable by the Borrower, alone, jointly or jointly and severally with any other person, or by the Borrower in its own right or in any capacity; or
- (d) which can be debited by the Corporation to the Account or any other account of the Borrower.

**Secured Property** means all of the present and future interest and rights of the Borrower in the General Funds of the Borrower from time to time, including all present and future claims, causes of action, payments and proceeds in respect thereof.

**State** means the State of Western Australia.

**Termination Date** means the date on which the Facility is terminated in accordance with this Agreement.

**Termination Procedure** means the procedure set out in clause 27 of this Agreement.

**Vires Event of Default** means each of the events set out in clauses 25(a) and (b).

**Voluntary Prepayment** means an early repayment in respect of any Advance or part of any Advance (and includes termination of obligations in relation to any Forward Lending or part of a Forward Lending) which is made voluntarily by the Borrower.

**Voluntary Prepayment Notice** means a notice referred to in clause 16.1 notifying the Corporation that the Borrower wishes to make a Voluntary Prepayment.

## 1.2 Interpretation

In this Agreement unless the context otherwise requires:

- (a) words importing the singular include the plural and vice versa;
- (b) a reference to a statute, ordinance, code, or other law includes regulations, by-laws, rules and other statutory instruments under it for the time being in force



and consolidations, amendments, re-enactments, or replacements of any of them (whether of the same or any other legislative authority having jurisdiction);

- (c) references to this Agreement or any other instrument include this Agreement or other instrument as varied or replaced, and notwithstanding any change in the identity of the Parties;
- (d) if a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;
- (e) references to this Agreement include its Schedules and Annexures;
- (f) headings are inserted for ease of reference only and are to be ignored in construing this Agreement;
- (g) references to time are to local time in Perth, Western Australia unless otherwise stated;
- (h) where time is to be reckoned from a day or event, that day or the day of that event is to be included;
- (i) references to currency are to Australian currency unless otherwise stated;
- (j) no rule of construction applies to the disadvantage of a Party on the basis that that Party put forward this Agreement or any part of this Agreement;
- (k) a reference to any thing is a reference to the whole and each part of it; and
- (l) words and phrases which are defined in the PPSA and which have relevance to this Agreement but are not defined in this Agreement have the same meaning as in the PPSA.

1.3 It is acknowledged and agreed by the Parties that when an amendment to or passing of legislation takes place during the term of this Agreement which is relevant to this Agreement, such amendment or passing applies to the application of this Agreement from the time of its occurrence and whether or not notice is given by the Corporation of the amendment or passing.

1.4 If the Corporation reasonably forms the opinion that there has been a change in a market convention that is relevant to this Agreement, or to any Product or transaction under this Agreement, the Corporation shall notify the Borrower of such change and this Agreement and the affected transactions shall be amended as provided in the notice to the Borrower from the Corporation setting out those amendments required by the Corporation. Upon request by the Borrower, the Corporation will provide to the Borrower a copy of information on the new market convention from a recognised financial market body in the relevant market.

2. **PRODUCTS:**                    2.1    The Corporation offers to:

- (a) keep on foot all advances made under the Existing Facility Agreements outstanding on the date of this Agreement;
- (b) advance funds in accordance with the terms of any Forward Lending commitment arising under an Existing Facility Agreement prior to the date of this Agreement; and
- (c) make available to the Borrower financial accommodation by lending under this Agreement,

through the Products set out in the First Schedule as amended from time to time.

2.2 The terms and conditions on which:

- (a) Advances have been provided to the Borrower under Existing Facility Agreements; and
- (b) Advances will be provided to the Borrower after the date of this Agreement under Forward Lending commitments and drawdown notices given under Existing Facility Agreements,

shall be replaced in their entirety by the terms and conditions of this Agreement.

2.3 Terms and conditions relating to each Product are set out in the Annexure relating to that Product.

2.4 The Corporation may at its discretion from time to time remove Products or incorporate additional Products into this Agreement together with Annexures relevant thereto by giving written notice of such removal or addition to the Borrower. The removal of a Product will not affect the terms and conditions applying to Advances then outstanding, or Forward Lendings, in respect of that Product.

2.5 Subject to clause 18, the Corporation may on not less than 30 days' written notice to the Borrower amend the terms and conditions which apply to a

Product and, subject to clause 3.3, and in consultation with the Borrower, may reduce the Product Facility Limit for any Product where applicable. The reduction of a Product Facility Limit will not affect the terms and conditions applying to Advances then outstanding, or Forward Lendings, in respect of that Product.

2.6 Subject to clause 2.7, and unless expressly provided otherwise, the terms and conditions contained in clauses 1 to 33 of this Agreement are applicable to all Products.

2.7 Where any term or condition of an Annexure in respect of a Product is inconsistent with any term or condition in clauses 1 to 33 of this Agreement, then the term or condition contained in the Annexure in respect of the Product shall prevail to the extent of the inconsistency.

**3. TERMINATION  
OF FACILITY OR  
PART THEREOF:**

3.1 The Facility commences on the date hereof and continues until the Termination Date. Subject to clause 3.3, any part of the Facility may be terminated at any time by either Party giving no less than 30 days' written notice to the other of the amount and/or type of Product or Products that are cancelled.

3.2 The Facility may be terminated:

- (a) (i) at any time by either Party providing at least 30 days' written notice to the other;
- (ii) at any time by mutual agreement of the Parties;
- (b) on the date specified in a notice served by the Corporation on the Borrower following an Other Event of Default in accordance with clause 26.2; and
- (c) immediately, upon the occurrence of a Vires Event of Default, in accordance with clause 26.1,

and the date on which the Facility is terminated in accordance with this clause 3.2 is the Termination Date.

3.3 If the Facility is terminated under clause 3.2(a), after the Termination Date the Parties will comply with all obligations in relation to Forward Lendings and Advances outstanding on the Termination Date, which will continue to be repayable on their respective Maturity Dates unless:

- (a) a Vires Event of Default occurs prior to the respective Maturity Dates, in which case all Advances then outstanding are immediately due and payable and any obligations in respect of Forward Lendings are immediately terminated in accordance with the provisions of clause 26.1; or
- (b) an Other Event of Default occurs and the Corporation gives notice to the Borrower under clause 26.2 declaring Advances due and payable, and/or obligations in respect of Forward Lendings terminated, on the Designated Date or Designated Dates; or
- (c) alternative arrangements are agreed by the Parties in relation to Forward Lendings and for the repayment or refinancing of the indebtedness of the Borrower under this Agreement prior to the respective Maturity Dates.

**4. FACILITY LIMIT**

The total amount of debt outstanding at any time shall be the aggregate of all borrowings approved by the Corporation in respect of each product specified in the Annexes to this Agreement in accordance with the application process set out in clause 7 of this Agreement, less any amounts that have been cancelled under clause 3.1 or repaid under Products that do not incorporate a capacity to redraw.

**5. SECURITY, PPSA SECURITY INTEREST AND ATTACHMENT:**

- 5.1 The Borrower charges the Secured Property to the Corporation to secure the payment of the Secured Money to the Corporation.
- 5.2 The Charge is a PPSA Security Interest.
- 5.3 The Borrower acknowledges and agrees:

- (a) the Corporation has given value for the PPSA Security Interest in the Secured Property by its provisions under this Facility or the Existing Facility Agreements or by providing or continuing to make available any financial accommodation under or in connection with this Facility or the Existing Facility Agreements;
- (b) nothing in this Agreement or in any of the Existing Facility Agreements constitutes an agreement that a security interest under this Agreement attaches at a later time than the time specified in section 19(2) of the PPSA;
- (c) it has not made any agreement with a secured party to vary the time of attachment of a PPSA Security Interest; and
- (d) for the purposes of sub section 20(2) of the PPSA, the Charge covers the present and future interests and rights of the Borrower in the Borrower's General Funds.

**6. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS:**

- 6.1 The Borrower represents and warrants that:
- (a) it is a local government constituted under the Local Government Act;
  - (b) it has in full force and effect all approvals, authorisations and consents necessary to enter validly into this Agreement, to borrow and to fulfil its obligations in relation to each Advance provided hereunder and to give the Charge;
  - (c) this Agreement has been validly executed by the Borrower;
  - (d) the Borrower has complied with all requirements under the Local Government Act and Regulations under the Local Government Act in respect of this Agreement, and that all Advances have been approved by the Borrower in its annual

budget or satisfy the provisions of Section 6.20(2) of the Local Government Act;

- (e) each Advance is financially sustainable and that the Borrower is not aware of any event, circumstance or action by the Borrower which may adversely affect its ability to service the Advance;
- (f) the Borrower has not created any charge, mortgage, pledge or lien upon over or in respect of the General Funds of the Borrower in favour of any other lending institution, bank or third party other than those charges mortgages, pledges or liens that have already been notified to the Corporation .
- (g) there has been no material adverse change in the financial position of the Borrower, and the Borrower will immediately notify the Corporation if a material adverse change in the financial position occurs.
- (h) it does not have any interest, obligation or arrangement, whether directly or indirectly, that conflicts or may potentially conflict with its obligations under this Agreement, and if any such interest, obligation or arrangement should arise, the Borrower will promptly advise the Corporation thereof.
- (i) no Event of Default (including without limitation, a breach of a term or condition included in this Agreement pursuant to Clause 26.2(c)) has occurred and is continuing, other than an Event of Default which has been waived in writing by the Corporation.
- (j) Drawdown Notices, applications for Advances and instructions given in respect of the Facility from time to time by the person(s) nominated by the Borrower for this purpose are valid and shall bind the Borrower.

6.2 The Borrower undertakes that it will observe all obligations under the approvals, authorisations and consents referred to in clause 6.1(b) and carry out and fulfil its obligations hereunder.

6.3 The representations and warranties set out in clause 6.1 are deemed to be repeated in respect of each application for an Advance hereunder.

**7. APPLICATIONS  
FOR ADVANCES**

7.1 The Borrower may apply for an Advance by submitting an application to the Corporation in a manner and form prescribed by the Corporation from time to time.

7.2 The Borrower shall obtain in advance of making an application all necessary approvals, authorisations and consents that are necessary in respect of each Advance.

7.3 The making of each Advance is subject to the condition that the Corporation's credit criteria in effect at the relevant time for such lending are met by the Borrower.

7.4 The Borrower shall upon request provide the Corporation with such information as may be reasonably required by the Corporation to determine whether its credit criteria are met by the Borrower.

7.5 A determination made by the Corporation as to whether its credit criteria are met by the Borrower shall be final and the Corporation shall not be required to disclose such details of the determination to the Borrower.

7.6 The Corporation may at its discretion cancel or delay the making of an Advance if any required information in relation to the Borrower is not provided to the Corporation in a timely manner to undertake/complete its credit assessment. The costs incurred by the Corporation in connection with the cancelling or delaying of an Advance as certified by the Corporation shall be promptly paid to the Corporation by the Borrower.

7.7 The Corporation may in its absolute discretion decline an application for an Advance where the Borrower has not met the Corporation's credit criteria in effect at the relevant time and where the Advance is not considered by the Corporation to be financially sustainable.

8. **ACCOUNTS:** Advance will be made on one Account unless it is agreed by the Corporation that the Borrower may operate more than one Account under the Facility. If the Borrower operates more than one Account, the Advance will be made on the Account specified in the application for an Advance.
9. **TERM OF ADVANCES:** The Borrower shall repay each Advance in full on the Maturity Date, or if any Advance is made on the basis that it is to be repaid by more than one instalment, the Advance shall be repaid in accordance with the repayment schedule set out in the relevant Confirmation.
10. **INTEREST:** The Borrower shall pay interest on each Advance from and including the date funds are advanced up to but excluding the date they are repaid in full.
11. **INTEREST RATE:** 11.1 Subject to any conditions as to interest rate outcomes set out in an application for an Advance, the Interest Rate will be determined by the Corporation.
- 11.2 Where the Corporation sets or resets an Interest Rate in respect of all or any part of the term of an Advance, the Corporation will promptly notify the Borrower of the Interest Rate in the Confirmation or in a Rate Set Notice.
12. **PAYMENT DATE ADJUSTMENT:** If a date for the making of any payment (or performing any obligation) under this Agreement falls on a day which is not a Business Day, it will be subject to adjustment in accordance with the Business Day Convention referred to in the Annexure relevant to that type of payment or obligation for the relevant Product, unless another Business Day Convention has been requested by the Borrower and agreed to by the Corporation and the payment will be made (or the obligation performed) on the date for the making of the payment (or performing the obligation) as adjusted by the relevant Business Day Convention.
13. **CONFIRMATIONS:** The Corporation will give to the Borrower a Confirmation promptly after setting the terms of each Advance. The Confirmation shall be deemed true and correct in the absence of manifest error, unless the Borrower notifies the Corporation in writing that the details in the Confirmation are incorrect within 24 hours



of receipt of the Confirmation. To the extent of any inconsistency, the provisions of a Confirmation prevail over those of the relevant application for an Advance and over clauses 1 to 33 of this Agreement.

14. **BUSINESS DAY:** If the Borrower wishes the definition of Business Day for a particular Advance to depend on different business centres being open other than those provided in the definition in clause 1.1 or any business centres specified in the Annexure for the relevant Product, then it may request that the Corporation agree to a different business centre or centres being open for the purpose of that definition in relation to that Advance, but any amendment to that definition is subject to the agreement of the Corporation in its absolute discretion.
15. **BUSINESS DAY CONVENTION:** The following terms, when used in conjunction with the term "Business Day Convention" and a date for the performance of an obligation or the taking of an action under this Agreement, shall mean that an adjustment will be made if that date would otherwise fall on a day that is not a Business Day so that:
- (a) if "*Following*" is specified, that date will be the first following day that is a Business Day;
  - (b) if "*Modified Following*" is specified, that date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day; and
  - (c) if "*Preceding*" is specified, that date will be the first preceding day that is a Business Day.
16. **PREPAYMENT:**
- 16.1 If the Borrower wishes to make a Voluntary Prepayment, it must give to the Corporation a Voluntary Prepayment Notice substantially in the form specified in the Third Schedule hereto signed by an Authorised Signatory of the Borrower, no later than 12.00 noon at least 4 Business Days prior to the proposed date of the Voluntary Prepayment, or such later time or date as the Corporation may agree.
- 16.2 Once given, a Voluntary Prepayment Notice is irrevocable and may not be withdrawn except with the prior written consent of the Corporation.

The Corporation will advise the Borrower as soon

as practicable after it receives any request to withdraw a Voluntary Prepayment Notice whether or not the Corporation has consented to the withdrawal.

- 16.3 Whenever a Prepayment is made, whether voluntarily by the Borrower or otherwise, the amount to be repaid by the Borrower to the Corporation is to be adjusted by a Market Valuation Adjustment.
- 16.4 The Market Valuation Adjustment is the amount calculated by the Corporation as the Premium or Discount applicable to the Prepayment.
- 16.5 (a) Prior to the date of the proposed Prepayment the Corporation will undertake a Market Valuation of the relevant Advance at such time as is suitable to the Corporation acting reasonably.
- (b) The Corporation will calculate the Market Valuation Adjustment in accordance with the Corporation's standard procedure for the relevant Product.
- 16.6 The Corporation shall certify the Market Valuation Adjustment to the Borrower and once certified the Market Valuation Adjustment is final and binding in the absence of manifest error.
- 16.7 (a) If the Market Valuation Adjustment is a Premium the Borrower must pay the amount of the Premium to the Corporation at the time at which the Prepayment is made to the Corporation.
- (b) If the Market Valuation Adjustment is a Discount, the Corporation will credit the amount of the Discount to the relevant Account of the Borrower when the Prepayment is made.
- 16.8 When obligations in relation to all or part of a Forward Lending are to be terminated, the Corporation will undertake a Market Valuation of the Forward Lending (or relevant part thereof) and the procedures set out in this clause 16 will apply, with the necessary changes having been

made, in relation to the calculation of the Market Valuation Adjustment.

16.9 The Parties agree that amounts payable by way of Market Valuation Adjustment are a reasonable pre-estimate of loss and not a penalty.

16.10 On giving notice thereof to the Borrower, the Corporation may value the Prepayment for the purposes of calculating the Market Valuation Adjustment on an "ex interest" basis, in which case the Borrower shall be liable to make a payment on account of interest on the next Interest Payment Date for the relevant Advance.

**17. GOVERNMENT  
GUARANTEE:**

17.1 The Borrower must pay to the Corporation as and when required by the Corporation such fee or fees as the Corporation notifies are required by the Treasurer on behalf of the State under section 13(3) of the Act in respect of the guarantee by the Treasurer arising under section 13(1) of the Act in relation to liabilities incurred by the Corporation in connection with, or to facilitate, the making of Advances to the Borrower under the Facility. Such fee may be adjusted from time to time.

17.2 Any fees payable under clause 17.1 will be identified and recovered separately from interest payable under the Facility.

**18. FEES:**

18.1 The Corporation may charge the Borrower Fees in connection with this Agreement, the Facility, any Advance and any Forward Lending. Subject to clause 18.3, Fees may be introduced or amended from time to time at the Corporation's sole discretion.

18.2 The Corporation will give the Borrower at least 30 days' prior written notice of the introduction of any new Fee or the amendment of an existing Fee, and shall specify in any such notice the amount or method of calculation of the Fee and the manner in which the Fee will be charged.

18.3 With the exception of Costs and Increased Costs, the Corporation may not increase any Fees, or seek to impose any new Fees, in connection with

a Forward Lending or an Advance prior to its Maturity Date.

- 19. INCREASED COSTS:** If as a result of any law, regulation, judicial decision or government directive instituted, passed, issued, amended or given a new interpretation by any competent court, administrative tribunal or government authority, the Corporation incurs additional costs in funding or maintaining Advances or Forward Lendings under this Agreement or the Facility, the Corporation will notify the Borrower thereof and the Borrower shall on demand pay to the Corporation the amount of such costs either as a lump sum or through increased interest rates as determined by the Corporation after consultation with the Borrower.
- 20. METHOD OF PAYMENT:**
- 20.1 All payments to the Corporation must be made in immediately available funds without set off or deduction into the Corporation's Bank Account for the relevant currency specified in the Corporation's SSI as at the time of payment, and any payment not so made will be deemed by the Corporation to have been made on the date and at the time the funds represented by the payment become available to the Corporation.
- 20.2 All payments to the Borrower will be made in immediately available funds into the Bank Account for the relevant currency specified in the Borrower's SSI as at the time of payment unless other arrangements have been agreed between the Corporation and the Borrower in respect of that payment.
- 21. TIME OF PAYMENT:** All payments to be made to the Corporation under the Facility must be made no later than 10.00 a.m. on the due date or such other time as the Corporation may notify the Borrower from time to time. The Corporation may recover from the Borrower any charges or intra-day interest it incurs as a consequence of any payment being received by it after the due time for payment on the relevant due date.

22. **INTEREST ON OVERDUE AMOUNTS:** The Corporation may charge interest on any amount payable under this Agreement which is not made, or is deemed to have been not made by the time for payment on the relevant due date, at the Default Interest Rate, from and including the due date for payment to but excluding the date on which the funds become available to the Corporation, such additional interest to compound daily and be payable on demand.
23. **STAMP DUTY:** All stamp duties and penalties (if any) payable in relation to this Agreement shall be promptly paid by the Borrower.
24. **CALCULATIONS:** The Corporation shall carry out in good faith and in a commercially reasonable manner all calculations required under this Agreement including but not limited to those involving the amount of interest payable, Market Valuation Adjustments, Fees, government guarantee fees and Increased Costs. All calculations and determinations of the Corporation will be conclusive and binding in the absence of manifest error.
25. **EVENTS OF DEFAULT:** Each of the following is an Event of Default:
- (a) the Borrower ceases to be a local government duly constituted under the Local Government Act (or any amendment or re-enactment of the Act) by virtue of which it is an "authority" for the purposes of the Western Australian Treasury Corporation Act 1986 unless the obligations of the Borrower hereunder are assumed by a successor which is such an "authority" and which agrees, or is otherwise bound by law, to comply with the obligations of the Borrower hereunder;
  - (b) the Borrower for any reason, other than a reason set out in clause 25(a), ceases to be an entity to which the Corporation can lawfully make or maintain Advances, or if as a result of any change in law, regulation or official directive, the Corporation determines that it has become contrary to such official directive, illegal or impossible for the Corporation to make or maintain Advances to the Borrower;
  - (c) if in the reasonable opinion of the Corporation, it is likely that a Vires Event of Default will occur because of a proposed change in law, regulation

or official directive, and the Corporation notifies the Borrower that upon the occurrence of the change in law, regulation or official directive, the Facility is terminated on the Termination Date specified in the notice and all outstanding Advances are due and payable, and all Forward Lendings are terminated, on the Designated Date specified in the notice;

- (d) a receiver is appointed in respect of any of the income of the Borrower
- (e) the Borrower fails to make payment of any amount payable to the Corporation, whether under this Agreement or under any other arrangement with the Corporation, when due and the failure continues for more than 15 Business Days. The Corporation will use reasonable endeavours to notify the chief executive officer of the Borrower of the failure not less than 10 Business Days before exercising the Corporation's rights arising under this Agreement as a consequence of such failure;
- (f) the Borrower is in breach of any other material term of this Agreement (including a term or condition included in the Agreement pursuant to clause 26.2(c)), and if the breach is capable of remedy, if it is not remedied within 20 Business Days of the Borrower becoming aware of the breach;
- (g) the Borrower fails to pay any other indebtedness of the Borrower for moneys borrowed or raised when due in an amount which the Corporation reasonably considers to be material in the context of the indebtedness of the Borrower to the Corporation under this Agreement unless liability to pay that other indebtedness is being contested by the Borrower in good faith and with due diligence;
- (h) any power, authorisation, approval or consent required by the Borrower for the purposes of borrowing or fulfilling its obligations under this Agreement is withdrawn or ceases to be current or valid or is found to be defective or inadequate by the Corporation; and

- (i) any warranty or representation made by the Borrower hereunder or for the purposes of this Agreement is untrue or ceases to be true.

**26. EFFECT OF DEFAULT:**

- 26.1 If a Vires Event of Default occurs, whether or not the Corporation is aware of the occurrence of the Event of Default, the Facility is immediately terminated without the need for any notice to be given by the Corporation to the Borrower and, subject to clause 26.3, all outstanding Advances are immediately due and payable, and any obligations in respect of Forward Lendings are immediately terminated.

The Prepayment Procedure will apply in respect of all outstanding Advances and all Forward Lendings.

The date on which the Facility is terminated, and all obligations in respect of outstanding Advances and Forward Lendings are terminated in accordance with this clause 26.1 is the Designated Date for the purposes of this Agreement.

- 26.2 If an Other Event of Default occurs, the Corporation may by notice in writing to the Borrower do any or all of the following:
- (a) declare that any or all outstanding Advances are due and payable and any or all obligations in respect of Forward Lendings are terminated immediately on the date of the notice, or on a date specified in the notice, which date shall be the Designated Date for those Advances;
  - (b) declare that the Facility is terminated; and
  - (c) specify terms and conditions upon which the Corporation is willing to allow any or all of the following to occur:
    - (i) any or all outstanding Advances to remain outstanding;
    - (ii) any or all Forward Lending commitments to remain in force; and
    - (iii) the Borrower to continue to borrow

under any or all Products,

and the Borrower must, not later than the date specified in the notice, advise the Corporation in writing whether or not it agrees to accept those terms and conditions.

If the Borrower advises the Corporation in writing on or before the date specified in the notice that it agrees to accept those terms and conditions, then this Agreement is thereupon varied by inclusion of those terms and conditions without any further action required to be taken by the Parties.

If the Borrower does not advise the Corporation in writing on or before the date specified in the notice that it agrees to accept those terms and conditions, then the Corporation may carry out the provisions of (a) and (b) above.

26.3 If the Corporation is not aware of the occurrence of a Vires Event of Default when the Vires Event of Default occurs, all outstanding Advances are due and payable, and all obligations in respect of Forward Lendings shall be terminated, immediately the Corporation becomes aware of the occurrence of that Event of Default.

26.4 For the avoidance of doubt, any payment made by either Party after the occurrence of a Vires Event of Default and before the Corporation becomes aware of the relevant Event of Default, is a payment for value under this Agreement and is to be treated as if it had been validly made and received in accordance with this Agreement.

**27. MANDATORY  
PREPAYMENT  
PROCEDURE:**

27.1 Where any Advance becomes due and payable before the Maturity Date for that Advance or any Forward Lending is to be terminated under the terms of this Agreement, the Parties will follow the procedure set out in this clause.

27.2 Mandatory Prepayment of Advances and termination of Forward Lendings will occur on the Designated Date whether or not the relevant event is then subsisting and the Prepayment Amount will be due as of the Designated Date.



27.3 The Corporation will issue a Mandatory Prepayment Notice to the Borrower with respect to Advance(s) and Forward Lending(s).

27.4 Irrespective of the termination of the Facility, the Borrower shall pay to the Corporation the amount of any Costs incurred by the Corporation whether before or after the Designated Date in relation to the relevant Advance(s), Forward Lending(s) and the Facility, as applicable, and interest on the Prepayment Amount calculated at the Default Interest Rate from and including the Designated Date up to, but not including, the date of actual payment.

**28. PERSONAL  
PROPERTY  
SECURITIES ACT  
2009**

28.1 The Borrower hereby irrevocably authorises the Corporation, its agents, solicitors, officers, employees and service providers to:

- (a) apply for and effect (in any manner the Corporation considers necessary or appropriate) any registration of a financing statement on the PPSA Register in connection with any PPSA Security Interest created or expressed to be created under this Agreement;
- (b) complete any document associated with this Agreement, including any financing statement or financing change statement; and
- (c) recover from the Borrower, at the Corporation's absolute discretion, any costs incurred by the Corporation in relation to the abovementioned matters.

28.2 (a) The Parties contract out of each provision of the PPSA that section 115 of the PPSA permits parties to contract out of.

- (b) To the extent permitted by section 275 of the PPSA, the Parties agree to keep all information of the kind described in section 275(1) of the PPSA confidential and not to disclose any such information to any other person except where such disclosure is otherwise permitted or authorised under this Agreement or an Existing Facility

Agreement.

- (c) The Parties agree that a receiver or receivers appointed under section 6.22 of the Local Government Act need not give any notice required under any provision of the PPSA.

**29. VARIATION OF  
ADVANCES OR  
FORWARD  
LENDINGS:**

- 29.1 If at any time the Borrower wishes to vary a term or condition of an, Advance or Forward Lending, the Borrower must so notify the Corporation and the Corporation will use reasonable endeavours to accommodate the Borrower's request.
- 29.2 Relevant rates and prices which prevail at the time will be applied in undertaking the calculations for the variation of the Advance or Forward Lending, as applicable.
- 29.3 The Corporation will promptly give a Confirmation to the Borrower with respect to a variation so carried out.
- 29.4 The Corporation will promptly notify the Borrower in writing of the cost or benefit of a variation under this clause.

Any additional cost will be paid by the Borrower to the Corporation on a date nominated in writing by the Corporation, and any benefit will be credited to an Account of the Borrower with the Corporation.

**30. NOTICES:**

- 30.1 Subject to paragraph 30.3, all requests, notices and other communications required to be given, made or sent to the Corporation by the Borrower under this Agreement are to be in writing and addressed to " Manager, Client Services" of the Corporation or to such other officer of the Corporation as the Corporation nominates to the Borrower from time to time.
- 30.2 All requests, notices, and other communications required to be given, made, or sent to the Borrower by the Corporation under this Agreement are to be in writing and addressed to the officer of the Borrower designated for such purposes, or such other officer of the Borrower as the Borrower nominates to the Corporation from time to time, and in the absence of a designation or nomination shall be addressed to the chief

executive officer of the Borrower.

- 30.3 The Borrower may request in writing that the Corporation accept email notices or other form of electronic transmissions acceptable to the Corporation for the making of applications for Advances, acceptance of firm quotes, giving of Drawdown Notices, Voluntary Prepayment Notices, requests to vary the term or conditions of an Advance or Forward Lending, or requests for withdrawal of any such notice or request or communications that are otherwise notified in writing by the Corporation to the Borrower from time to time.

The Borrower:

- (a) must ensure that each email notice is either signed by means of an electronically produced signature of an Authorised Signatory or states that it is being sent by a named Authorised Signatory of the Borrower, and the Borrower shall give prior written advice to the Corporation as to which of these alternative procedures it wishes to use from time to time;
  - (b) in any legal proceedings in respect of or in any way relating to this Agreement, expressly waives any right to raise any claim, defence or waiver of liability based upon the signing, or purported signing, of an email notice by means of an electronically produced signature of an Authorised Signatory or purporting to be sent by an Authorised Signatory as the case may be; and
  - (c) must send all email notices to the specified email address of the Corporation notified by the Corporation to the Borrower from time to time. Email notices will only be taken to have been received by the Corporation when actually received.
- 30.4 The Corporation may at any time give written notice to the Borrower that it will no longer accept email notices, either generally, or on the conditions set out above or for any specified

purpose. The Corporation may at any time withdraw any such notice or give written notice to the Borrower of alternative conditions on which it is then willing to accept email notices.

- 31. OTHER TERMS:**
- 31.1 The Borrower shall provide to the Corporation:
- (a) a copy of the resolution authorising:-
    - (i) the execution of this Agreement under the Common Seal of the Borrower; and
    - (ii) the Chief Executive Officer, an agent of the Borrower or any one of the Senior employees of the Borrower who are authorised by the Chief Executive Officer from time to time to sign schedule documents and instructions under this Agreement on behalf of the Borrower.
  - (b) Upon request by the Corporation copies of the resolutions passed by the Borrower authorising the borrowings under this Agreement from time to time; and
  - (c) a list of names, position titles and sample signatures of the Authorised Signatories as advised by the Chief Executive Officer from time to time.
- 31.2 The Borrower agrees to provide to the Corporation such additional information as the Corporation may require from time to time to enable it to meet its regulatory and compliance obligations relating to anti-money laundering and counter-terrorism financing, and acknowledges that where legally obliged to do so, the Corporation will disclose the information provided to relevant regulatory and law enforcement agencies.
- 31.3 The Corporation will use all reasonable endeavours to meet the borrowing and prepayment requirements of the Borrower under this Agreement. The Borrower acknowledges that this Facility does not create an obligation for the Corporation to lend under it.
- 31.4 The Facility is made available and will be maintained subject to compliance with relevant

laws and subject to the Borrower obtaining all authorisations, approvals and consents necessary for it to enter into this Agreement and accept the Facility and to fulfil its obligations hereunder, including obligations incurred in respect of Advances provided from time to time.

31.5 So long as any amounts owing to the Corporation remain payable, the Borrower will not create or permit to be outstanding any security (in the form of mortgage, charge, pledge, lien or other security interest) upon the Borrower's General Funds to secure indebtedness of the Borrower or any guarantee by the Borrower of indebtedness of third parties, without the prior written consent of the Corporation which may be withheld in the Corporation's absolute discretion, and in any event may not be given unless the Borrower (if so required by the Corporation) procures the other creditors to enter into a deed of priority with the Borrower and the Corporation in which the Borrower and the other creditor irrevocably and unconditionally agree with the Corporation:

- (a) the Charge has first priority over the Secured Property for the full amount of the Secured Moneys for the purposes of section 6.24 of the Local Government Act and section 61 of the PPSA and the other creditor has second priority over the Secured Property only after the full amount of the Secured Money has been received by the Corporation; and
- (b) the priority in clause 31.5(a) applies despite any provision of the PPSA and despite the respective times of registration of the financing statements in respect of this Agreement and the other creditor's PPSA Security Interest under that Act.

31.6 The Borrower will immediately notify the Corporation of any actual or proposed changes to its establishment or designation or to any legislation under which it is constituted, of which it becomes aware, and which may be likely to affect or have the potential to affect the Borrower's corporate existence, capacity to borrow hereunder, authorisations in respect hereof or ability to observe its obligations under this Agreement, and provide the Corporation with

a copy of any such change promptly after it occurs.

31.7 The Borrower indemnifies the Corporation against all liabilities and losses arising from, and any costs, charges and expenses incurred in connection with the Corporation acting in good faith on facsimile instructions, electronically protected documents (such as Adobe PDF) sent by e-mail or other electronically delivered instructions purporting to originate from the offices of the Borrower or to be given by an Authorised Signatory of the Borrower, including without limitation all liabilities, losses, costs, charges and expenses on account of funds borrowed, contracted for or used to fund any amount payable under this Agreement.

31.8 The Borrower shall obtain the prior written consent of the Corporation before committing to any subsequent or additional borrowing from any other authority, bank, lending institution or source or increasing the limit of its existing overdraft facility during the currency of this Agreement (third party borrowing).

**32. GOVERNING  
LAW AND  
JURISDICTION:**

This Agreement is governed by the law in force in the State, and the Parties submit to the non-exclusive jurisdiction of the courts exercising jurisdiction in the State.

**33. SURVIVAL:**

Except to the extent provided otherwise herein, the respective rights and obligations of the Parties in respect of Advances, Forward Lendings and obligations that continue following termination of the Facility under clause 3.2(a) or clause 26.2 and all Outstanding Payments shall survive termination of the Facility, and the terms and conditions of this Agreement continue to apply as if the Facility remained on foot.

Execution hereunder by authorised representatives of the Corporation and the Borrower respectively creates a binding agreement with respect to the terms and conditions contained herein.

For and on behalf of Western Australian Treasury Corporation by its attorney:

SIGNATURE: \_\_\_\_\_

NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

DATE: \_\_\_\_\_

Witness (signature): \_\_\_\_\_

Name (print): \_\_\_\_\_

The Common Seal of )  
**SHIRE OF SERPENTINE JARRAHDALE** )  
was hereunto affixed in the presence of: )

\_\_\_\_\_  
President

\_\_\_\_\_  
Chief Executive Officer



**FIRST SCHEDULE**

As at 30<sup>th</sup> May 2014, the Corporation makes the following Products available to the Borrower:

1. Short Term Lending
2. Term Fixed Rate Lending



**SECOND SCHEDULE**

1. All Loans under the Existing Loan Agreements are classified as Term Fixed Rate Lending and are covered by the Provisions of Annexure 2 Term Fixed Rate Lending.
2. All Loans under the Existing Debentures are classified as Term Fixed Rate Lending and are covered by the provisions of Annexure 2 Term Fixed Rate Lending.

**ANNEXURE 1**  
**SHORT TERM LENDING**

As at 30<sup>th</sup> May 2014, provisions specifically referable to Short Term Lending under this Agreement are as follows:

**Product Facility Limit** The aggregate sum of all Short Term Lending Advances the Corporation has agreed to provide to the Borrower from time to time under each Addendum less any amount that has been cancelled or terminated from time to time.

Unless otherwise agreed with the Corporation in relation to a specific Advance, the following provisions apply to each Advance of Short Term Lending (**Short Term Lending Advance**):

Applications for Advances:	<p>i) The Borrower may apply to the Corporation to borrow funds under this Annexure in accordance with the terms and conditions of the Agreement; and</p> <p>ii) upon the Corporation agreeing to lend such funds to the Borrower, the parties shall execute an Addendum to the Agreement substantially in the form specified in the Fifth Schedule hereto which shall stipulate the project facility limit being the maximum amount the Borrower is entitled to borrow under that Addendum.</p>
Notice Period:	The Drawdown Notice must be received by the Corporation no later than 12:00 noon on the Business Day prior to the date the Advance is to be made.
Minimum amount of Advance	\$10,000
Minimum Term of Each Advance:	1 day
Maximum Term of Each Advance:	12 months
Maturity Date:	The nominated Maturity Date should be a Business Day
Repayment of Principal of Each Advance:	In full on the Maturity Date of that Advance
Interest Rate:	The Interest Rate is determined by the Corporation and is fixed until the Maturity Date of the Advance
Date of Determination of Interest Rate:	The Interest Rate will be determined on the day the Advance is made, or on such other day or days as

	the Corporation may from time to time reasonably determine.
Interest Amount:	<p>Interest on each Advance will be calculated as follows:</p> $I = \frac{P \times R \times D}{36500}$ <p>where:</p> <p>I = amount of interest payable;</p> <p>P = principal amount of the Advance;</p> <p>R = Interest Rate applicable to the Advance expressed as a percentage per annum to two decimal places; and</p> <p>D = the number of calendar days from and including the date of the Advance to, but not including, its Maturity Date.</p>
Interest Payment Date:	Interest is payable on the Maturity Date of the Advance
Business Day Convention:	Following
Interest Adjustment:	<p>Where a Maturity Date is not a Business Day and the due date for repayment of the Advance is adjusted to the following Business Day, an interest adjustment is also payable at the discretion of the Corporation on the payment date specified in the notice provided by the Corporation to the Borrower setting out details of the Interest Adjustment, which will be calculated as follows:</p> $\text{Interest Adjustment Amount} = \frac{(P+I) \times R \times D}{36500}$ <p>where:</p> <p>P = the principal amount of the Advance;</p> <p>I = the interest amount due on the stated Maturity Date of the Advance;</p> <p>R = the Corporation's overnight lending rate applicable on the Business Day prior to the stated Maturity Date of the Advance expressed as a percentage per annum to two decimal places; and</p> <p>D = the number of calendar days from and including the stated Maturity Date to, but not including, the Business Day after the stated Maturity Date.</p>

DRAWDOWN NOTICES:	<p>1. Advances under this Facility will be made by the Corporation to the Borrower substantially in the form of the "Form of Request for an Advance ("Drawdown Notice") attached to this Annexure.</p> <p>2. Subject to the terms and conditions of this Facility, Advances will be made on dates specified in a Drawdown Notice given by the Borrower to the Corporation and signed by an Authorised Signatory. If a date specified in a Drawdown Notice is not a Business Day, the Advance will be made on the next following Business Day unless another arrangement is agreed to by the Corporation in its discretion.</p> <p>3. Once given, a Drawdown Notice is irrevocable and may not be withdrawn except with the prior written consent of the Corporation.</p> <p>The Corporation will advise the Borrower as soon as practicable after it receives any request to withdraw a Drawdown Notice whether it has consented to the withdrawal if the Borrower is required to pay any costs incurred by the Corporation in executing the withdrawal request.</p>
REDRAWING:	<p>Subject to the terms of the Agreement, amounts repaid or voluntarily prepaid under Facilities governed by this Annexure may be redrawn by the giving of an appropriate Drawdown Notice.</p>
REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS:	<p>The representations and warranties contained in the Agreement are deemed to be repeated each time a Drawdown Notice is submitted to the Corporation;</p> <p>(a) an Advance provided under a Drawdown Notice will not result in the Facility being exceeded as at the date the Drawdown Notice is given or at any time up to the Maturity Date of the proposed Advance, after allowing for any reduction in the Facility Limit of which notice has been given prior to receipt of the Drawdown Notice by the Corporation; and</p> <p>(b) Drawdown Notices and instructions given in respect of the Facility from time to time by the person(s) nominated by the Borrower for this purpose shall be valid and binding on the Borrower.</p>

TERM OF ADVANCES:	Where a Party has served a notice of termination of the Facility on the other Party under clause 3.2(a), the Borrower may continue to issue Drawdown Notices and draw down Advances prior to the Termination Date, but the Maturity Date of Advances made thereunder must be on or before the Termination Date.

By requesting an Advance under this Annexure, the Borrower acknowledges and agrees that the provisions contained herein specifically referable to Short Term Lending are terms and conditions of this Agreement and apply to any Advance made hereunder.

FORM OF REQUEST FOR A SHORT TERM LENDING ADVANCE  
(DRAWDOWN NOTICE) (1) (2) (Effective as at 30<sup>th</sup> May 2014)

MASTER LENDING FACILITY FROM  
WESTERN AUSTRALIAN TREASURY CORPORATION TO  
SHIRE OF SERPENTINE-JARRAHDAL

TO: MANAGER CLIENT SERVICES  
WESTERN AUSTRALIAN TREASURY CORPORATION

FAX: (08) 9235 9199

**Shire of Serpentine-Jarrahdale requests the following Short Term Lending Advance:**

Date of Advance:(2) \_\_\_\_\_

Amount: \_\_\_\_\_

Maturity Date:(3) (specify) \_\_\_\_\_

Account:(4) \_\_\_\_\_

Any other details: \_\_\_\_\_

**For and on behalf of Shire of Serpentine-  
Jarrahdale:**

\_\_\_\_\_  
Authorised Signatory

\_\_\_\_\_  
Date

**Note:**

- (1) Subject to the terms of the Agreement, this notice once given is irrevocable and cannot be withdrawn except with the prior written consent of Western Australian Treasury Corporation (“**Corporation**”).
- (2) This notice must be received by the Corporation no later than 12.00 noon on the Business Day prior to the Date of Advance specified above.
- (3) Unless otherwise agreed by the Corporation, the Maturity Date must be a Business Day that is one day to twelve months after the Date of Advance.
- (4) Specify Account only if the Borrower operates more than one Account with the Corporation under this Facility.

**ANNEXURE 2**  
**TERM FIXED RATE LENDING**

As at 30<sup>th</sup> May 2014, provisions specifically referable to Term Fixed Rate Lending under this Facility are as follows:

**Product Facility Limit**     The aggregate sum of all Term Fixed Rate Advances the Corporation has agreed to provide to the Borrower from time to time less any amount that has been repaid or cancelled.

Unless otherwise agreed with the Corporation in relation to a specific Advance, the following provisions apply to each Advance of Term Fixed Rate Lending (**Term Fixed Rate Advance**):

Minimum amount of Advance	\$50,000
Minimum Term of Each Advance:	6 months
Maximum Term of Each Advance:	20 years or such longer period as may be agreed between the Parties either generally or in relation to an Advance with specified characteristics or in relation to a proposed Advance.
Payments Due:	Payments of interest and repayments of principal in relation to each Advance will be due in the amounts and on the dates stipulated in the repayment schedule set out in the Confirmation for the Advance.
Interest Rate:	Subject to any interest rate parameters agreed between the Corporation and the Borrower, the Interest Rate in relation to each Advance will be determined by the Corporation and is fixed until the Maturity Date of that Advance.
Business Day Convention:	Following
Interest Adjustment:	<p>Where the due date for any payment is adjusted by the Following Business Day Convention so that the payment is due on the next succeeding Business Day, an interest adjustment is also payable at the discretion of the Corporation on the payment date specified in the notice provided by the Corporation to the Borrower setting out details of the Interest Adjustment, which will be calculated as follows:</p> $\text{Interest Adjustment Amount} = \frac{P \times R \times D}{36500}$ <p>where:</p> <p>P = the amount of the payment due; R = the Corporation's overnight lending rate applicable on the Business Day prior to the relevant due date</p>

	<p>expressed as a percentage per annum to two decimal places; and</p> <p>D = the number of calendar days from and including the original due date for payment to, but not including, the adjusted due date for the payment.</p>
FIRM RATE QUOTE:	<p>Once a signed acceptance of a Firm Rate Quote substantially in the form specified in the Fourth Schedule hereto is received by the Corporation, the acceptance is irrevocable and may not be withdrawn except with the prior written consent of the Corporation.</p> <p>The Corporation will advise the Borrower as soon as practicable after it receives any request to withdraw a Firm Rate Quote whether or not the Corporation has consented to the withdrawal, and if the Borrower is required to pay any costs incurred by the Corporation in executing the withdrawal request.</p>
NO REDRAW:	<p>The Borrower cannot redraw funds that have been applied to an Advance.</p>

By requesting an Advance under this Annexure, the Borrower acknowledges and agrees that the provisions contained herein specifically referable to Term Fixed Rate Lending are terms and conditions of this Agreement and apply to any Advance made hereunder.



**THIRD SCHEDULE**

MASTER LENDING AGREEMENT FROM  
WESTERN AUSTRALIAN TREASURY CORPORATION TO  
SHIRE OF SERPENTINE-JARRAHDAL

FORM OF VOLUNTARY PREPAYMENT NOTICE FOR LOAN NO: [     ] <sup>(1)(2)</sup>

TO:   MANAGER, CLIENT SERVICES  
      WESTERN AUSTRALIAN TREASURY CORPORATION

FAX: (08) 9235 9199

**Shire of Serpentine-Jarrahdale gives notice of the following prepayment of a Loan under this Agreement:**

Date of Prepayment:<sup>(2)</sup> \_\_\_\_\_

Loan Number \_\_\_\_\_

Amount: <sup>(3)</sup> \_\_\_\_\_

(debt face value / market value)  
(circle the alternative which applies)

**For and on behalf of Shire of Serpentine-Jarrahdale:**

\_\_\_\_\_  
Authorised Signatory

\_\_\_\_\_  
Date

**Note:**

- (1) This notice once given is irrevocable and cannot be withdrawn except with the prior written consent of Western Australian Treasury Corporation ("Corporation").
- (2) This notice must be received by the Corporation no later than 12.00 noon at least 4 Perth Business Days prior to the Settlement Date of Prepayment specified above.
- (3) Specify the total capital or total amount to be made on the Settlement Date of Prepayment which is subject to acceptance of a firm valuation provided by the Corporation.

## FOURTH SCHEDULE

### Form of acceptance of the firm rate quote

#### Summary of Terms of Loan and Repayment Schedule

**Client:** Shire of Serpentine-Jarrahdale (the "Borrower")  
**Interest Rate:** [x.xxxx] % p.a. \*([Quarterly] Compounding)  
 [y.yyyy] % \* effective []  
*\*These rates do not include the government guarantee fee.*  
**Lending Date:** [date]  
**Maturity Date:** [date]  
**Loan Amount:** \$[amount]  
**Schedule Basis:** [Quarterly] repayments

Payment Date	Debt Balance Outstanding	Capital Repayment	Interest Payment	Total Fixed Payment	Indicative Guarantee Fee	Indicative Total Payment
[date]	[amount]	[amount]	[amount]	[amount]	[amount]	[amount]
[date]	[amount]	[amount]	[amount]	[amount]	[amount]	[amount]
[date]	[amount]	[amount]	[amount]	[amount]	[amount]	[amount]
[date]	[amount]	[amount]	[amount]	[amount]	[amount]	[amount]
[date]	[amount]	[amount]	[amount]	[amount]	[amount]	[amount]
	<b>Totals:</b>	[amount]	[amount]	[amount]	[amount]	[amount]

#### Note:

- The interest rate quoted and this Summary of Terms of Loan and Repayment Schedule are based on rates applying as at [date].
- The Guarantee Fee is charged by the Treasurer of the State of Western Australia and is collected by The Western Australian Treasury Corporation ("the Corporation") on the behalf of the Treasurer. The rate of the Government Guarantee Fee is subject to change in accordance with government policy. The amount of the Government Guarantee Fee shown in this schedule is indicative and does not form part of the fixed lending rate charged by the Corporation.

#### **CERTIFICATION FOR ACCEPTANCE OF FIRM RATE QUOTE**

In accepting the offer of a loan on the terms set out above (the "Loan")

1. I confirm that:
  - (a) The financial information provided in the Loan Application Form or as otherwise provided to the Corporation in relation to the proposed Loan remains accurate in all material aspects;
  - (b) The proposed Loan has been approved by the Local Government in the annual budget of the Borrower or satisfies the provisions of Section 6.20(2) of the Local Government Act (the "Act");
  - (c) This loan is governed by the terms and conditions of the Master Lending Agreement between the Corporation and the Borrower.
2. I certify that the statutory requirements of the Act and Regulations under the Act have been met in relation to the Loan;
3. I certify that I have been authorised to complete and sign all necessary documents relating to this new loan borrowing and that the Corporation has been provided with the relevant document proving this authorisation;
4. I certify that the loan is financially sustainable and I am not aware of any circumstance, events or actions by the Council (including the borrowing of moneys) which may adversely affect the Borrower's ability to service the loan. The Corporation will be advised as soon as practicable of any material adverse changes in the financial position of the Borrower; and

5. I give an undertaking that during each year in which any of the Borrower's loans remains outstanding with the Corporation, the Borrower shall provide Treasury Corporation with a copy of its audited Annual Financial Statements, adopted Annual Budget and updated ratios as required by Treasury Corporation's Credit Policy from time to time as soon as practicable after these are available each year while any Loan is outstanding.
6. I acknowledge that the Loan is secured by the Charge contained in the Master Lending Agreement between the Corporation and the Borrower.
7. Once this signed acceptance of firm rate quote is received by the Corporation, the Loan is irrevocable and may not be withdrawn without the prior consent of Treasury Corporation.
8. I represent that the below bank account details are correct and that the Corporation accepts no liability for any loss occasioned by the Borrower as a result of the Corporation relying on the bank details.

Accepted for and on behalf of Shire of Serpentine-Jarrahdale on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_

Signature of the  
 Authorised Signatory: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Bank Account details for receipt of Loan:

Bank:	BANK A	Branch:	BRANCH A	BSB:	XXX
Account No:	XXX XXX	Account Name:	Shire of Serpentine- Jarrahdale		

**FIFTH SCHEDULE**

MASTER LENDING AGREEMENT BETWEEN  
WESTERN AUSTRALIAN TREASURY CORPORATION AND  
SHIRE OF SERPENTINE-JARRAHDALÉ

**SHORT TERM LENDING ADDENDUM NO: [ ]**

This addendum forms part of the Master Lending Agreement (the Agreement) between the Borrower and the Corporation. The provisions specifically applicable to this addendum are as follows;

PURPOSE OF BORROWING: [ ]

PROJECT FACILITY LIMIT: [ ]

TERMINATION DATE [DD /MM/ YYYY].

All Advances under this addendum shall have a maturity date which is on or before the termination date.

TERMS AND CONDITIONS All Advances under this addendum are governed by the terms and conditions that are contained in clauses 1 to 33 of the Agreement and Annexure 1 to the Agreement;

REQUEST FOR ADVANCE The Borrower may request an Advance under this addendum in the manner and form prescribed by Annexure 1 (Short Term Lending) of the Agreement.

REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS In requesting an Advance under this addendum the Borrower;

1. is deemed to repeat each representation and warranty under the Agreement.
2. represents that the Advance is financially sustainable and the Borrower is not aware of any circumstance, events or action by the Council (including the borrowing of moneys) which may adversely affect the Borrower's ability to service the Advance. The Borrower

will advise the Corporation as soon as practicable of any material adverse change in the financial position of the Borrower.

Execution hereunder by authorised representatives of the Corporation and the Borrower respectively creates a binding agreement with respect to the terms and conditions contained herein.

For and on behalf of Western Australian Treasury Corporation by its attorney:

SIGNATURE: \_\_\_\_\_

NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

DATE: \_\_\_\_\_

Witness (signature): \_\_\_\_\_

Name (print): \_\_\_\_\_

Accepted for and on behalf of Shire of Serpentine-Jarrahdale on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_

Signature of the Authorised Signatory: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Bank Account details for receipt of Loan:

Bank:	BANK A	Branch:	BRANCH A	BSB:	XXX
Account No:	XXX XXX	Account Name:	Shire of Serpentine-Jarrahdale		