



28th April 2021

Combined Services RSL Club Co-operative Limited
(subject to Deed of Company Arrangement)
5-7 Barrack Street
Sydney NSW 2000
(**"Borrower"**)

Dear Directors

The City Tattersalls Club ABN 44 004 054 353 (**"Lender"**) is pleased to confirm its offer of financial accommodation by way of loan (**"the Facility"**) the particulars of which appear in the Schedule below on the terms and conditions set out in this letter (**"Facility Agreement"**).

SCHEDULE


Borrower	Combined Services RSL Club Co-operative Limited (subject to Deed of Company Arrangement) ABN 13 485 506 734
Purpose	For working capital and construction works at Barracks on Barrack.
Facility Amount	\$250,000 to be provided in cash or in kind (incl GST).

The Facility Amount may be drawn down in one or more tranches.

The Borrower agrees that on the date of this Facility Agreement, the Borrower has drawdown the following amounts:

- \$146,983.02 (incl GST) – in kind, including:
 - Design Tiles - ground floor and first level toilets (including \$16,000 in tiles donated)
 - Magic Glass – installation of framed glass above new gyprock door, removal of glass and installation of louvres
 - Gyprock and Pinda Painting
 - Intrend Joinery

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- CTC Gaming Machines and gaming technicians
- Engineer's advice- Steve Watson & Partners
- Jazz Right – new 86" commercial panel and installation
- Plumbing for bathroom renovations
- IT

Repayment Date	12 months from the date of this Facility Agreement.
Interest rate	No interest is payable.
Default interest	In the event of default by the Borrower, default interest will be calculated on the daily balance outstanding of the Facility Amount and will accrue at a rate of 7% per annum calculated daily.
Security	The facility will be secured by a Specific Security Deed over the Borrower's gaming machine entitlements under licence number LIQC300226522 and any other security taken by the Lender to secure the amounts due under this Facility.
Special Conditions	<p>The following obligations of the Borrower are conditions of this Facility Agreement:</p> <ol style="list-style-type: none"> 1. The Borrower must provide all the Security duly signed and in a form that is acceptable to the Lender; 2. All searches and inquiries (including ASIC, Fair Trading NSW, licensing and credit searches obtained for the Borrower) undertaken, at any time, are to be satisfactory to the Lender and its lawyers.

FACILITY TERMS AND SPECIAL CONDITIONS

1 Interpretation

1.1 In this Facility Agreement:

- (a) The singular includes the plural and vice versa.

- (b) A reference to a person includes a corporation.
- (c) A reference to a gender includes all genders.
- (d) A reference to a clause, schedule or annexure is a reference to a clause or schedule of or annexure to this Facility Agreement and a reference to this Facility Agreement includes a reference to the schedule and annexures.
- (e) Headings are for convenience and do not affect interpretation.

2 Repayment

- 2.1 The Borrower must repay the Facility Amount or part of the Facility Amount which remains outstanding to the Lender by the Repayment Date.
- 2.2 Payments must be made to such account and in such manner as the Lender may notify the Borrower from time to time.
- 2.3 All amounts, whether of principal or otherwise, must be paid to the Lender by the Borrower in full without set-off or counter-claim.

3 Early repayment

- 3.1 If not otherwise obligated, the Borrower may choose to repay early the whole or any part of the Facility to the date of repayment.

4 Costs and duty

- 4.1 Each party will be responsible for its own legal costs in respect of this transaction.
- 4.2 The Borrower will be responsible for all duty payable in respect of this transaction.

5 Event of Default

- 5.1 If an event of default has occurred, the Lender may demand immediate repayment in full of the Facility and may exercise its powers under all or any of the Security documents.
- 5.2 An event of default means any event or circumstance which would make it impossible or imprudent for the Lender to continue with this Facility Agreement and the transaction generally and includes, but is not limited to, any of the following:
 - (a) failure by the Borrower to make any payment or repayment by its due date;



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- (b) breach of any other express term of this Facility Agreement or of any Security document;
- (c) any event of default (however defined) under any Security document;
- (d) any change in the management, financial structure or effective control of the Borrower which the Lender has not approved of in advance in writing;
- (e) appointment of a receiver, receiver and manager, liquidator or provisional liquidator to the Borrower.

6 Representations and Warranties

- 6.1 The Borrower represents and warrants to the Lender that this Facility Agreement constitutes a legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its terms.
- 6.2 The Borrower acknowledges that it has made its own judgment and decision to enter the Facility Agreement independently and without relying on the Lender.

7 Indemnity

- 7.1 The Borrower will indemnify and hold harmless the Lender against any loss or damage (including mercantile agents' and lawyers' fees and expenses on a full indemnity basis) suffered by the Lender which results directly or indirectly from any breach by the Borrower, or the enforcement by the Lender, of any of the provisions of this Facility Agreement.

8 Financial reporting

- 8.1 Subject to clause 8.2, if the Lender requests, the Borrower must provide the Lender with the following financial information within 10 days after the end of each month, or more often if the Lender asks:-
 - (a) an asset and liability statement;
 - (b) the Borrower's management accounts;
 - (c) cash flow statement showing actual against budgeted for the Borrower;
 - (d) an aged debtors and creditors list for the Borrower; and
 - (e) a report on the Borrower's working capital including inventory, receivables, creditors and cash book balance.

8.2 The Borrower is not required to provide the reports set out in clause 8.1 while the Lender is engaged by the Borrower under the Management Agreement dated 12 April 2021 and has full access to the Borrower's financial information.

9 Assignment

9.1 This Facility Agreement is to be binding upon, and inure to the benefit of, the Lender and the Borrower, and their respective successors and permitted assigns.

9.2 The Borrower must not assign or transfer any of its rights and/or obligations under this Facility Agreement, without the prior written consent of the Lender.

9.3 The Lender may assign or transfer all or part of its rights or obligations under this Facility Agreement to any other person. Each assignee or transferee is to have the same rights against the Borrower under this Facility Agreement (or a proportion of those rights if it is the assignee or transferee of part only) as if named in this Facility Agreement as the Lender.

10 Severability

10.1 If any provision of this Facility Agreement is found to be unlawful, invalid or unenforceable for any reason, this Facility Agreement will remain in force apart from that provision which is deemed to be deleted.

11 Inconsistency

11.1 If there is any inconsistency between this Facility Agreement and any collateral document or Security, this Facility Agreement prevails.

12 Notices

12.1 Notices must be in writing. Notices may be delivered to a party by hand, by ordinary pre-paid post, or by email to that party's address shown in this Facility Agreement or to the alternate address notified to the party giving the notice.

12.2 A notice will be taken to be duly given and received -

- (a) if delivered by hand, when delivered;
- (b) if delivered by ordinary pre-paid post, on the second business day after posting; and
- (c) if delivered by email, at the time that the recipient party confirms, by non-automated email, receipt of the notice.



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13 Counterparts

- 13.1 This Facility Agreement and any variation of this Facility Agreement may be executed and take effect in two or more counterparts, each of which when taken together, will constitute one and the same instrument

14 Governing Law

- 14.1 This Facility Agreement is governed by the law of New South Wales. Each party submits to the jurisdiction of the courts in New South Wales in connection with matters concerning this Facility Agreement.



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Acceptance

To accept this facility offer please execute and return a copy of this letter to the Lender.

Despite anything else, the Lender reserves the right to withdraw from this transaction if this facility offer is not accepted within 7 days from the date of this letter, or if the Lender discovers anything that materially impacts on its decision to provide this Facility.

Yours faithfully

A handwritten signature in black ink, appearing to read "Marcelo A. Veloz".

Marcelo A. Veloz
CEO



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Borrower's Acceptance

The Borrower accepts the offer contained in this Facility Agreement and agrees to be bound by its terms.

Executed by Combined Services RSL Club Co-operative Limited (subject to Deed of Company Arrangement) ABN 13 485 506 734 in accordance with section 49 of the *Co-operatives National 2012* by its authorised officers:

Signature of director

&DREH□

Name

Liam Williams

Signature of director / ~~secretary~~

Liam Williams

Name



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