

Supplemental Trust Deed for Series 2024-1 Bonds

Z Energy Limited (Issuer)

Trustees Executors Limited
(Supervisor)



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SUPPLEMENTAL TRUST DEED FOR SERIES 2024-1 BONDS

Dated 20 August 2018

PARTIES

Z Energy Limited (NZ Company Number 12046) (*Issuer*)

Trustees Executors Limited (NZ Company Number 142877) (*Supervisor*)

BACKGROUND

- A This Deed supplements the master trust deed between the parties dated 11 August 2010, as amended pursuant to a substitution deed between the parties and Greenstone Energy Finance Limited (among others) dated 9 June 2011 and as amended and restated by deed dated 20 July 2016 (the *Trust Deed*).
- B Under clause 3.2(a) of the Trust Deed, the Issuer and the Supervisor have entered into this Deed to constitute and issue Bonds on the terms and conditions set out in this Deed.

BY THIS DEED the parties agree as follows:

1 RELATIONSHIP WITH TRUST DEED AND DEFINITIONS

1.1 Relationship with Trust Deed

- (a) The Trust Deed (including the definitions and other rules of interpretation in clause 1 of the Trust Deed) applies to this Deed, and to the Bonds, except to the extent modified by this Deed.
- (b) To the extent that this Deed conflicts with the Trust Deed, this Deed prevails over the Trust Deed in relation to the Bonds.

1.2 Definitions

Except to the extent the context requires otherwise, in this Deed:

Accrued Interest means, at any time and in relation to a Bond, all interest on the Principal Amount of that Bond which has accrued but not been paid at that time in accordance with the Bond Documents;

Bonds means Bonds of the Series constituted by, and issued under, this Deed;

Business Day means any day (other than a Saturday or a Sunday) on which Registered Banks are open for general banking business in Auckland and Wellington, and on which the Exchange is open for trading;

Deed means this supplemental trust deed;

GSD has the meaning given to it in the Security Trust Deed;



SUPPLEMENTAL TRUST DEED FOR SERIES 2024-1 BONDS

Hydrocarbons means crude product, refined product, indigenous crude, polyols, solvents, bitumen and/or any other inventory or raw materials;

Interest Payment Date means, in relation to a Bond:

- (a) each interest payment date for the Bond set out in, or set in accordance with, the Terms Sheet;
- (b) the Maturity Date for the Bond; and
- (c) any Redemption Date for the Bond;

Interest Rate means, in relation to a Tranche, the fixed interest rate for that Tranche set out in, or set in accordance with, the Terms Sheet, and recorded in the Register in respect of that Tranche;

Issue Date means, in relation to a Tranche, the issue date for that Tranche set out, or set in accordance with, the Terms Sheet, and recorded in the Register in respect of that Tranche;

Maturity Date means 3 September 2024;

Minimum Holding means Bonds having an aggregate Principal Amount of NZ\$5,000;

Mortgages has the meaning given to that term in the Security Trust Deed;

Record Date means the date determined by the Issuer, in accordance with any applicable law and Listing Rules, as the date at which any entitlement or other matter in relation to any Bonds is to be determined (including entitlement to any payment or notice, in which case the Record Date must be no less than 10 days prior to the date on which the payment is due or the notice is to be given). Despite clause 1.5 of the Trust Deed, if a Record Date would fall on a day that is not a Business Day, the Record Date will be the preceding Business Day;

Redemption Date means, in relation to any Bond, the date on which that Bond is redeemed or purchased for cash by the Issuer or a Guarantor;

Security Documents has the meaning given to it in the Security Trust Deed;

Security Interest includes a security interest (as defined in the Personal Property Securities Act 1999), mortgage, charge, encumbrance, lien, pledge, finance lease, sale and lease back, sale and repurchase, deferred purchase or title retention arrangement (other than in respect of goods purchased in the ordinary course of ordinary trading), flawed asset arrangement, and any other security or arrangement having like economic effect over any property, assets or revenues;

Security Trust Deed means the security trust deed dated 31 March 2010 given by Bank of New Zealand as security trustee, as amended from time to time;



Security Trustee means Bank of New Zealand (or any successor trustee appointed under the Security Trust Deed);

Series means the series of Bonds constituted by, and issued under, this Deed;

Substitution Deed means the substitution deed entered into by the Issuer, Greenstone Energy Finance Limited and the Supervisor (among others) dated 9 June 2011;

Terms Sheet means the terms sheet dated 20 August 2018 under which the Bonds are offered.

Tranche means Bonds that are identical in all respects including in relation to the issue date, maturity date, interest rate, initial interest payment date, issue price and denomination.

2 **BOND TERMS**

2.1 **Principal Amount**

The Principal Amount of each Bond is NZ\$1.00.

2.2 **Maximum Principal Amount**

The maximum aggregate Principal Amount of Bonds that may be issued under this Deed, including over-subscriptions, is NZ\$125 million.

2.3 **Minimum Principal Amount**

Each Holder must be issued Bonds with an aggregate Principal Amount that:

(a) is equal to or exceeds the Minimum Holding; and

(b) is an integral multiple of NZ\$1,000,

or is otherwise approved by the Issuer.

2.4 **Type**

The Bonds are Fixed Rate Bonds.

2.5 **Status**

The Bonds are:

(a) Unsubordinated Bonds; and

(b) Secured Bonds.

2.6 **Listing**

The Bonds are Listed Bonds.

2.7 **Ranking**

The Bond Obligations of the Bonds, and the rights of the Holders of those Bonds (or the Supervisor on behalf of those Holders) against the Issuer, in respect of the Bond



Debt, shall rank equally amongst themselves and rank in point of priority and right of payment as contemplated by the Security Documents.

2.8 Guarantee

The Bonds are Guaranteed Bonds.

2.9 Retail Series

The Bonds are Retail Bonds and the Series of Bonds constituted and issued under this Deed shall be a Retail Series.

2.10 Interest Payments

Interest is payable on each Bond in equal quarterly instalments on 3 December, 3 March, 3 June and 3 September of each year until and including the Maturity Date. The first Interest Payment Date is 3 December 2018.

2.11 Transfers

The Bonds may be transferred in minimum aggregate Principal Amounts of NZ\$1,000 or such lesser amount as the Issuer may from time to time permit, provided that, following any such transfer, either:

- (a) the transferor and transferee hold Bonds with an aggregate Principal Amount of not less than the Minimum Holding; or
- (b) the transferee holds Bonds with an aggregate Principal Amount of not less than the Minimum Holding and the transferor holds no Bonds.

2.12 First Interest Accrual Date

The First Interest Accrual Date for the Bonds is the Issue Date.

2.13 ITOS

Clause 6.4 of the Trust Deed does not apply to the Bonds.

3 CONDITIONS PRECEDENT

The Issuer shall not be entitled to issue any Bonds constituted by this Deed until such time as the Supervisor has confirmed to it in writing that it has received the following in form and substance satisfactory to it:

- (a) a copy of the Terms Sheet;
- (b) evidence that all fees, costs and expenses payable to the Supervisor have been or will be paid; and
- (c) such other certifications and opinions as the Supervisor may reasonably require.



4 **ADDITIONAL COVENANTS**

4.1 **Negative Pledge**

If the GSD and Mortgages are released, then the Issuer undertakes in favour of the Supervisor to ensure that no Obligor shall create or permit to exist any Security Interest over any of its assets, unless the Security Interest is expressly permitted under the Facility Documents or the Security Documents.

4.2 **Release of Guarantor**

The release that the Supervisor is required to give under clause 8.13 of the Trust Deed shall include releases of (and the giving of instructions to the Security Trustee to release):

- (a) the relevant Guarantor from its obligations and liabilities under any Security Document; and
- (b) the property in which that Guarantor has rights from the Security Interests created by any Security Document.

5 **PRIORITY FOR WORKING CAPITAL**

The Supervisor may, if it considers it is in the best interests of the Retail Holders as a whole, sign such documents and take such steps as may be necessary or as it considers desirable to give a person priority, ahead of the Holders, to Hydrocarbons supplied to an Obligor during a Financial Covenant Breach Period, and their proceeds, for:

- (a) where the person supplied the Hydrocarbons, the unpaid purchase price for those Hydrocarbons and any related costs; or
- (b) where the person made financial accommodation available to an Obligor to purchase the Hydrocarbons, amounts owing in respect of that financial accommodation and any related costs,

(including by taking a Security Interest that ranks in point of priority ahead of the Security Interests created by the Security Documents, or agreeing to an amendment to the priorities in the Security Trust Deed, or otherwise).

6 **ADDITIONAL EVENTS OF DEFAULT**

For the purposes of clause 15.1(h) of the Trust Deed, it shall be an event of default if any of the Security Interests created by the Security Documents is enforced.

7 **APPLICATION OF GSD**

7.1 **Non-applicable provisions**

The Supervisor agrees that (without limiting any term of this Deed or any clause of the Trust Deed applicable to the Bonds):



- (a) Nothing in clauses 3.5, 4.1 to 4.8 (inclusive), 5.1, 5.3, 5.4, 6.1(a), (d), (e) and (f), 6.2(e), (f), (g) and (i), 7.1(d), 7.2 and 22 (or any defined term within, or amendment to, those clauses) of the GSD (the *Non-Applicable Provisions*) applies to the Supervisor, the Holders or the Bonds, and (to the fullest extent effective) each of the Supervisor and the Holders shall be deemed not to be a Beneficiary for the purposes of the Non-Applicable Provisions and shall have no rights or obligations under or in respect of the Non-Applicable Provisions; and
- (b) Without limiting subclause (a) above:
 - (i) the consent of the Supervisor or the Holders is not required for any waiver to, or consent, confirmation or other determination required in respect of, the Non-Applicable Provisions and (to the fullest extent effective) each of the Supervisor and the Holders shall be deemed not to be a Beneficiary for any such purpose; and
 - (ii) any Obligor's obligations of any nature under or in relation to a Non-Applicable Provision shall not be *Bond Obligations*.
- (c) To avoid doubt:
 - (i) nothing in the Non-Applicable Provisions is intended to limit or otherwise affect the Supervisor's rights and obligations under this Deed; and
 - (ii) nothing in subclause (a) above affects the rights of the Supervisor or the Holders under and in accordance with the Security Documents to any amounts received, realised, or recovered by the exercise by any other Beneficiary of its rights under, or in relation to, a Non-Applicable Provision.

7.2 Accession

For the purposes of clause 8.12(b) of the Trust Deed, the Issuer undertakes in favour of the Supervisor to ensure that each subsidiary (as described in that clause) shall (subject to clause 8.13 of the Trust Deed) accede to the GSD as a *Grantor* by delivering to the Security Trustee, in form and substance satisfactory to the Security Trustee, a duly executed and (if applicable) stamped counterparts of the supplemental deed in the form of schedule 1 to the GSD, joining the entity to the GSD, together with any other certificates, opinions and other documents that the Security Trustee reasonably requires.

8 ADDITIONAL BOND DOCUMENTS

The Security Documents and the Substitution Deed shall be Bond Documents for the Bonds.



9 REPLACEMENT OF SUPERVISOR

The retirement or removal of an existing Supervisor, and the appointment of a new Supervisor, shall not take effect unless a new Supervisor is appointed and agrees to accede to the Security Trust Deed in its capacity as Supervisor.

10 LIABILITY UNDER THE SECURITY TRUST DEED

10.1 Indemnity

Each Holder shall indemnify the Supervisor for any amount for which the Supervisor is liable under clause 20.2 of the Security Trust Deed in respect of the Bonds (each the *Indemnified Amount*), provided that each Holder's liability under this indemnity shall be limited to the same proportion of the Indemnified Amount as the Principal Amount held by it bears to the total Principal Amount of the Bonds. The Supervisor may retain and pay out of any amounts it holds upon the trusts of the Trust Deed for each such Holder all amounts necessary to effect and satisfy that indemnity.

10.2 Clawback

Each Holder irrevocably agrees to be bound by clause 6 of the Security Trust Deed, and, for the purposes of clause 6 of the Security Trust Deed only, agrees that the Supervisor's entry into of the Security Trust Deed is deemed to be (without limitation) on its behalf.

11 GENERAL

11.1 Partial Invalidity

The illegality, invalidity or unenforceability at any time of any provision of this Deed under any law, will not affect the legality, validity or enforceability of the remaining provisions of this Deed nor the legality, validity or enforceability of that provision under any other law.

11.2 Counterparts

This Deed may be executed in any number of counterparts (including facsimile or scanned PDF counterpart), all of which when taken together shall constitute one and the same instrument, and any of the parties may execute this Deed by signing any such counterpart.

11.3 Governing Law

This Deed is governed by and shall be construed in accordance with New Zealand law.

11.4 Jurisdiction

The parties submit to the non-exclusive jurisdiction of the New Zealand courts for the purpose of any legal proceedings arising out of this Deed.

11.5 Delivery

Without limiting any other mode of delivery, this Deed will be delivered by each of the parties to this Deed on the earlier of:



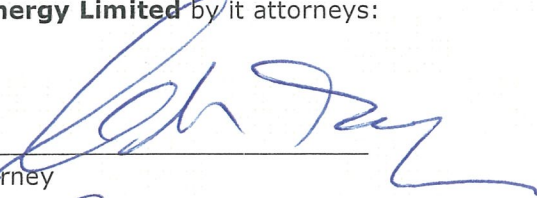
SUPPLEMENTAL TRUST DEED FOR SERIES 2024-1 BONDS

- (a) unconditional physical delivery of an original of this Deed, executed by that party, into the custody of the other party or its solicitors; and
- (b) unconditional transmission by that party, its solicitors or any other person authorised in writing by that party of a facsimile, photocopied or scanned copy of an original of this Deed, executed by that party, to the other party or its solicitors.

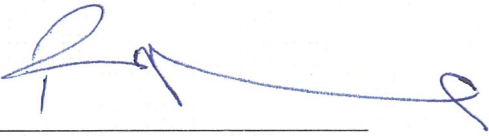


EXECUTED AND DELIVERED AS A DEED

Z Energy Limited by its attorneys:

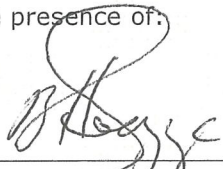


Attorney



Attorney

in the presence of:



Name: *B. Hooper*
Occupation: *Treasurer*
Address: *Wellington*

Trustees Executors Limited by:

in the presence of:

Authorised Signatory

Name:
Occupation:
Address:

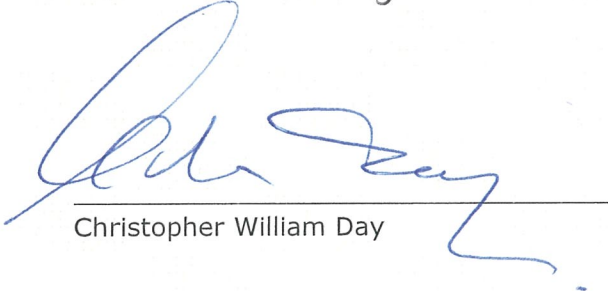
Authorised Signatory

CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

I, Christopher William Day of Wellington, New Zealand, Chief Financial Officer of Z Energy Limited certify:

- 1 That by deed dated *1 May* 2018, Z Energy Limited, company number 12046, a company incorporated in New Zealand and having its registered office at 3 Queens Wharf, Wellington, New Zealand appointed me its attorney.
- 2 That I have not received notice of any event revoking the power of attorney.

Signed at *Wellington* this *20* day of *August* 2018



Christopher William Day

CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

I, Richard James Norris of Wellington, New Zealand, Treasurer of Z Energy Limited certify:

- 1 That by deed dated *1 May* 2018, Z Energy Limited, company number 12046, a company incorporated in New Zealand and having its registered office at 3 Queens Wharf, Wellington, New Zealand appointed me its attorney.
- 2 That I have not received notice of any event revoking the power of attorney.

Signed at *Wellington* this *20* day of *August* 2018



Richard James Norris



EXECUTED AND DELIVERED AS A DEED

Z Energy Limited by its attorneys:

Attorney

Attorney

in the presence of:


Name:

Occupation:

Address:


Trustees Executors Limited by:

in the presence of:




Name:
Occupation:
Address:

**Naziya Bhikoo
Analyst
Auckland**



Shahzad Contractor
Authorised Signatory



Authorised Signatory

Oliver Neil Le Tissier



2018/210/2