

COMMERCIAL LEASE

between

Zanoli Super Pty Ltd as Trustee for Zanoli Self Managed Super Fund

ABN: 68 810 269 153

(Lessor)

and

ZC Roofing Pty Ltd

ABN: 44 644 569 273

(Lessee)

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This lease is made on the 1st day of October 2020

between **Zanoli Super Pty Ltd as Trustee for Zanoli Self Managed Super Fund** (ABN: 68 810 269 153)
of 322 Glen Osmond Road Myrtle Bank SA 5064 (**Lessor**)

and **ZC Roofing Pty Ltd** (ABN: 44 644 569 273) of 1/41 Douglas Drive Mawson Lakes SA 5095
(**Lessee**)

Recitals

- A The Lessor is the registered proprietor of the Land.
- B The Lessee has asked the Landlord to lease the Premises to it.
- C The Lessor has agreed to lease the Premises to the Lessee and the Lessee has agreed to lease the Premises from the Landlord on the following terms.

Now it is agreed as follows:

1 Definitions

In this Lease the following expressions have the following meanings:

Building means the building in which the Premises are situated, including:

- (a) the land on which the Building is erected;
- (b) land, buildings and structures owned or controlled by the Lessor in conjunction with the Building, which is or may in the future be erected or altered; and
- (c) Lessor's Fixtures, and the Lessor's chattels, plant, equipment, property and amenities;

Business Day means any day which is not Saturday, Sunday or a public holiday;

Commencement Date means the date in **Item 5**;

Common Areas means those portions of the Building which are designed or are permitted by the Lessor for common use by lessees, their employees, customers and the public, including:

- (a) access and egress roads within the Building, car parking areas, elevators, escalators, ramps, stairways, walkways, pathways, corridors;
- (b) entrances, exits, forecourts, foyers, pedestrian malls; and
- (c) toilets, washrooms, recreational areas, storage areas, loading docks;

Item means an item in the Reference Schedule;

Land means the land specified in **Item 3**;

Latent Defects, with reference to the Premises or the Building, means any defects which:

- (a) are attributable to defective
 - (i) preparation or remediation of the site on which the Building is erected;
 - (ii) supervision of the construction or any installation;

- (iii) design;
- (iv) workmanship;
- (v) materials;
- (b) occurred when the Building was erected or is substantially extended or altered;
- (c) are not reasonably apparent to a competent professional consultant on a visual inspection of the property; and
- (d) are not expressly disclosed by the Lessor to the Lessee before entry into this Lease;

Lease means this document and includes the schedules and annexures to this Lease;

Lessee includes a company's or corporation's successors and assigns;

Lessee's Proportion means:

- (a) in respect of Outgoings, the proportion which the Lettable Area of the Premises bears to the Lettable Area of the Land that is the subject of the relevant item of Outgoings, being the percentage specified in **Item 8**; and
- (b) in respect of any other cost, charge or expense, the proportion which the Lettable Area bears to the Lettable Area of the Land which enjoys or shares the benefit resulting from the expenditure;

Lessor includes a company's or corporation's successors and assigns:

Lessor's Fixtures means all the plant, equipment and chattels which have been or become permanently or securely affixed to the Premises and are the Lessor's property, including the items listed as fixtures in **Item 4**;

Lettable Area means the net lettable area calculated by the Landlord's surveyor using the current Property Council of Australia Limited's method of measurement for office buildings;

Outgoings means each and every cost the Lessor reasonably incurs in respect of the ownership, administration, security, insurance, management, operation, maintenance, refurbishment, repair and/or use of the Land and the Building, including but not limited to the cost of:

- (a) Rates and Taxes;
- (b) Building insurance, loss of rent insurance, insurance of the Lessor's Equipment, and any other insurance against risks in respect of which a prudent landlord would insure;
- (c) Services to the Premises except those which are separately metered and charged;
- (d) cleaning;
- (e) pest and vermin control;
- (f) fire services;
- (g) grounds repairs and maintenance including gardening, landscaping and reticulation;
- (h) Common Area lighting and cleaning;
- (i) property management fees and associated costs and disbursements;
- (j) security and guard service fees (if applicable);
- (k) legal fees and disbursements incurred by the Lessor;
- (l) hot water system running, repairs and maintenance;

- (m) maintaining and repairing the Premises and all plant and equipment in the Premises including the costs of spare or replacement parts not of a structural or capital nature;
- (n) operating, maintaining and insuring any air conditioning, heating and air circulation equipment in or on the Premises;
- (o) safety, environmental and sustainability audits and reports of the Building and the land on which the Building is located and maintaining any environmental rating that has been given to the Building;
- (p) storing, collecting and disposing of garbage and general waste;
- (q) lift and elevator repairs and maintenance (if applicable);
- (r) toilet requisites and septic tank cleaning (if applicable); and
- (s) any other expenditure properly incurred in the maintenance, repair or improvement of the amenities of the Premises and Land;

Permitted Use means the use specified in **Item 10**;

Premises means:

- (a) the premises described in **Item 3** and includes, with reference to those premises
 - (i) the internal surfaces of external walls and of internal structural walls of the Building;
 - (ii) the internal surfaces of the ceiling and of concrete or other floors;
 - (iii) the central line of partitions separating the Premises from other adjoining premises;
 - (iv) the external surfaces of partitions and doors separating the Premises from Common Areas or from other premises not intended to be leased;
 - (v) the internal surfaces of glass contained in external windows;
 - (vi) all internal partitions, divisions, windows and window frames, doors and door frames, which are fully within the Premises;
 - (vii) the external surfaces and finishes on walls, floors, ceilings, partitions, doors and windows included in the Premises, including paint, wallpaper and other materials or substances;
- (b) the Lessor's Fixtures and any chattels provided by the Lessor for the Lessee within the Premises at any time during the lease term, including those listed in **Item 4**;
- (c) pipes and connections to water, sewerage, electricity, gas, telecommunications, air conditioning and other services and supplies, situated within above or under the Premises which connect those services to the Premises;

Rates and Taxes means local government rates and charges, water, sewerage and drainage charges, and land tax and metropolitan region improvement tax imposed in relation to the Premises or the Land which includes the Premises on the basis that the Land is the only land owned by the Lessor;

Reference Schedule means the Reference Schedule in this Lease;

Relevant Authority includes each government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, statutory or public authority, tribunal, agency or entity, whether local, state, federal or otherwise;

Rent means the rent specified in **Item 7**;

Services means electricity, gas, water, sewerage, telephone, telecommunication, and any other services provided or available to leased premises in the Building or to Common Areas by public or local or statutory authorities and the pipes, wires, ducting and other means of providing those services to the Building and to leased premises;

Structural Repairs means repairs to the structure of the Building, such as the foundations, floors, walls and load bearing columns; and

Term means the term of this Lease specified in **Item 5**.

2 Interpretation

2.1 Terms

- (a) Words expressed in the singular include the plural and vice versa.
- (b) Words expressed in one gender include the other genders, as is appropriate in the context.
- (c) The reference to 'person' includes a corporation.

2.2 Statutes

References to statutes, regulations, ordinances and by-laws when contained in this Lease include amendments, re-enactments or consolidations of any of them.

2.3 Transfer of Land Act

The covenants and powers implied in every lease made under the *Transfer of Land Act 1893 (WA)* are implied in this Lease, whether or not registered under that Act, except:

- (a) to the extent that they are modified or excluded by this Lease; and
- (b) the implied covenant set out in section 92(b), which is excluded.

2.4 Severance

If any provision contained in this Lease is or becomes legally ineffective, under the general law or by force of legislation, the ineffective provision will be severed from this Lease which otherwise continues to be valid and operative.

2.5 Governing law

- (a) This Lease is governed and construed in accordance with the laws of South Australia and where applicable, the Commonwealth of Australia.
- (b) This Lease is subject to the exclusive jurisdiction of the Courts of South Australia, and where applicable, the Commonwealth of Australia, sitting in Adelaide, South Australia.

2.6 Entire Agreement

It is agreed that this Lease contains the whole of the agreement between the Lessor and the Lessee relating to the Premises.

3 Rights and entitlements granted to Lessee

The Lessor grants to the Lessee for the duration of this Lease:

- (a) exclusive possession of the Premises;
- (b) use and enjoyment of the Lessor's Fixtures and the chattels listed in **Item 4**;

- (c) the free and uninterrupted passage of Services to the Premises through Common Areas or the Building;
- (d) the use of the toilets and washrooms of the Building by the Lessee and its employees;
- (e) the entitlement to use the Common Areas together with other persons authorised by the Lessor, subject to such restrictions as are specified in this Lease.

4 The term of this Lease

The Lessor leases the Premises to the Lessee for the Term.

5 Holding over after expiry of Lease

After the expiry of the Term, when the Lessee remains in occupation of the Premises with the consent of the Lessor this Lease continues as a monthly tenancy:

- (a) commencing on the day immediately following the last day of the Term;
- (b) the Rent being payable monthly in advance, comprising the Rent payable immediately before the end of this Lease and the Lessee's contributions to Outgoings, calculated and payable from time to time in accordance with this Lease;
- (c) on the terms contained in this Lease, except those terms which are inapplicable to a monthly tenancy;
- (d) the tenancy being terminable by either party on one month's written notice expiring at any time.

6 Option for renewal

6.1 Offer of renewal

The Lessor offers a renewal of this Lease to the Lessee on the terms specified in this clause which the Lessee should accept strictly in accordance with the provisions contained in this clause, otherwise this offer will lapse.

6.2 Binding Lessor's successors and assigns

This offer and the option bind the Lessor and the Lessor's successors and assigns being the owners for the time being of the Premises.

6.3 Parties who may renew

This offer may be accepted by the Lessee or by the Lessee's successors and assigns being the lessee for the time being of the Premises.

6.4 Conditions for exercise of option

The Lessee may only accept this offer and exercise the option if

- (a) there is no subsisting breach of any lease covenants by the Lessee at the date of serving notice of exercise of this option and also at the date of expiry of this Lease; and
- (b) the Lessee must have served on the Lessor notice of exercise of this option during a period before the date of expiry of the Term, as is specified in **Item 6**.

6.5 Conditions of renewal

- (a) The renewal which the Lessee may accept under this clause is for the renewal of this Lease for the further term of years specified in **Item 6** from the day after the date of expiry of the Term, containing identical covenants to the covenants of this Lease (except this clause)
 - (i) at a rent specified in **Item 7**; and
 - (ii) containing such further options for renewal as are specified in **Item 6**.

7 Rent payments

The Lessee covenants to pay Rent as specified in **Item 7**

- (a) by an initial payment in advance on the date for commencement of Rent to the end of that calendar month and then by calendar monthly payments in advance on the first day of each month, each payment being one-twelfth of the annual Rent then due as fixed or varied under this Lease;
- (b) without demand by the Lessor;
- (c) by electronic funds transfer into an account as directed by the Lessor;
- (d) to, or as directed by, the Lessor, which may be altered by the Lessor by written notice served on the Lessee.

8 Outgoings

8.1 Lessee to Pay Outgoings

- (a) The Lessee must duly and punctually pay, on demand within seven (7) days:
 - (i) the Outgoings that are attributable solely in respect of the Premises; and
 - (ii) the Lessee's Proportion of any Outgoings that are not attributable solely in respect of the Premises.
- (b) The Lessor may in its absolute discretion elect to charge the Lessee the Lessee's Proportion of each item of Outgoings in accordance with the Lessor's estimate of Outgoings, by calendar monthly instalments in advance payable at the same time and in the same manner as the Rent or the amount paid or payable by the Lessor in respect of that item of Outgoings, on demand.
- (c) If the Lessor elects to charge and receive money from the Lessee based on the Lessor's estimate of Outgoings, the Lessor will give the Lessee:
 - (i) a notice setting out an estimation of the Lessee's Proportion of Outgoings on or before the commencement of a Lease Year; and
 - (ii) a statement of the actual Outgoings (**Statement**) identifying the Lessee's Proportion of Outgoings for the relevant Lease Year as soon as practicable after the end of the relevant Lease Year and if the Statement discloses an underpayment or overpayment of Outgoings by the Lessee, then:
 - (A) the Lessee will pay the Lessor the amount of any underpayment; or
 - (B) the Lessor will pay the Lessee the amount of any overpayment, within 7 days of receipt of the Statement by the Lessee.

- (d) The Lessor may at any time during or after the Term recover any underpayment of Outgoings by the Lessee if the Lessee's Proportion was incorrectly calculated from time to time or any Relevant Authority delayed in issuing or rendering accounts for any Service which is or would have been properly payable by the Lessee.

9 Services

9.1 Lessee's liability for services and utilities

The Lessee will pay throughout this Lease for any electricity, power, fuel, gas, oil, water, telephone, garbage removal, waste disposal, and other services or utilities provided by Relevant Authorities or suppliers to the Premises and charged separately in respect of the Premises, to the supplier of the service or utility.

9.2 Installation of meters

The Lessee will, if required by the Lessor or by a Relevant Authority supplying any such service or utility, permit the installation of meters required to measure the quantity of the service supplied to the Premises.

10 Costs

10.1 Costs of preparation of Lease

The Lessor and the Lessee must each bear its own legal costs of the negotiation, preparation, execution of this Lease.

10.2 Renewal or extension of lease

The Lessee agrees to pay the costs and disbursements of any renewal or extension of this Lease.

10.3 Consents, transactions and default

The Lessee agrees to pay the Lessor's costs, charges, and expenses which are incurred reasonably, properly and in good faith, in connection with:

- (a) the obtaining of any consent from the Lessor, and from any mortgagee or other person, which is required by the Lessee under this Lease;
- (b) the negotiation and preparation of all documents relating to any consent required by the Lessee, and all costs incurred by the Lessor, and by any other party whose consent is required, whether a consent is given, refused, or the application for consent is withdrawn;
- (c) any breach or default by the Lessee under this Lease; and
- (d) the exercise or attempted exercise by the Lessor of any right, power, privilege, authority or remedy, against the Lessee or against any Guarantor, to enforce the Lessee's obligations under this Lease, or to terminate this Lease for the Lessee's breach or default.

10.4 Costs on common fund basis

The Lessor's legal and professional costs and disbursements under **clause 10.3** will be charged and allowed on a common fund basis, to provide full indemnity to the Lessor for costs charges and expenses, but the Lessee may challenge the propriety or amount of any item and may require the taxation of a bill of costs.

10.5 Lessor's internal costs

The Lessor's costs under **clause 10.3** include

- (a) the Lessor's reasonable administrative costs and expenses of considering any application for consent, of considering and managing any breach or default under this Lease and attendances by the Lessor's officers, employees or agents, including attendances on the Lessor's legal advisers and in court;
- (b) the fees of professional consultants reasonably and properly incurred by the Lessor.

10.6 Lessee's obligation to pay costs

- (a) The Lessor is entitled to render to the Lessee an itemised statement of any costs charges and expenses for which the Lessee is liable in accordance with **clause 10.3** at any time after they have been incurred. In respect of any such statement, the Lessee must pay the amount claimed, subject to **clause 10.4**
 - (i) when the Lessor's consent is provided to the Lessee;
 - (ii) in any other case, within thirty (30) days after service of the statement on the Lessee.
- (b) The Lessee's liability will incur interest on the basis specified in **clause 12** from the thirty first day after the date of service of the statement until the day of payment, calculated on a daily rate.

11 Precluding deduction for set-off or counterclaim

The Lessee expressly agrees to make all payments due under this Lease, including for Rent and Outgoings, punctually on the date when each payment is due and must not withhold or be entitled to withhold the whole or part of any such payment by way of deduction, set-off or counterclaim, in respect of any claim for damages or for compensation which the Lessee will make or has made against the Lessor, until after the Lessor's liability for damages or compensation is determined and the amount due to the Lessee is determined or agreed.

12 Lessee's liability for interest on overdue payments

12.1 Interest on overdue payments

In the event of the Lessee being in default for a period of more than fourteen (**14**) days with the payment of Rent, rates, Outgoings, costs or any other liability to or on behalf of the Lessor under this Lease, the Lessee is liable to pay additional interest to the Lessor in accordance with this clause.

12.2 Computation of interest

Interest is computed:

- (a) from the day immediately following the day on which each liability is due for payment, at a daily rate, until the liability is discharged by payment;
- (b) at the rate of interest indicated in **Item 9**;
- (c) in respect of amounts remaining unpaid, the Lessor at its option may capitalise interest calculated up to the end of each calendar month whilst there are outstanding liabilities in accordance with **clause 12.1** from the Lessee.

12.3 Recovery of interest

The Lessor may demand the payment of interest and take legal action to recover the amount due at any time after not less than fourteen (14) days' notice is given to the Lessee indicating the amount due and its calculation.

13 Damage or Destruction of Premises

13.1 Abatement of Lessee's financial obligations

If during the continuance of this Lease the Building or the Premises is wholly or partly damaged or destroyed or is rendered wholly or substantially inaccessible through an event described in **clause 13.2**, rendering the Premises or any part of it wholly or substantially unfit for the Lessee's use and occupation or inaccessible for a period exceeding seven (7) days, then the Lessee's financial obligations abate in accordance with this clause.

13.2 Abating events

This clause applies in case of fire, lightning, storm, flood, earthquake, explosion, malicious damage, war damage, and any other event beyond the Lessee's control.

13.3 Lessee's financial obligations

Abatement extends to all the Lessee's financial obligations to the Lessor under this Lease, including Rent and Outgoings.

13.4 Period of abatement

The period of abatement is from the date of the destruction, damage or inaccessibility until the date when the premises are restored and rendered suitable for the Lessee's use and occupation or accessible.

13.5 Effect of abatement

During and for the period of abatement the Lessee's liability to pay the whole or proportion of the financial obligations under this Lease, as agreed or determined under **clause 13.7**, calculated on a daily basis, ceases and abates.

13.6 Exception to abatement

The Lessee is not entitled to an abatement of the Lessee's financial obligations under this clause if:

- (a) the event resulting in the damage, destruction or inaccessibility is caused or contributed to by the act or negligent omission of the Lessee or the Lessee's agents or employees; or
- (b) the Lessor fails to recover the benefit of any insurance for loss or damage to the Building or the Premises because of any act or omission of the Lessee or the Lessee's employees.

13.7 Determination of abatement

- (a) The parties will endeavour to agree on the commencement and period of abatement of the Lessee's financial obligations, and if the Lessee is able to have partial use and enjoyment of the Premises, the proportion of the abatement having regard to the nature and extent of the damage to and use of the premises.
- (b) If the parties have any dispute regarding the Lessee's entitlement to an abatement, its period or amount, the dispute will be determined by a loss assessor:
 - (i) who is then a member of the Insurance Council of Australia Ltd and is experienced in assessing premises of the nature of the Premises and is nominated by the President for the time being or senior officer of that Council on the application of either party;

- (ii) acting as an expert;
 - (iii) who is entitled to accept written submissions and expert reports from either party;
 - (iv) whose costs will be borne equally by the parties; and
 - (v) whose decision is final and binding on the parties.
- (c) If the loss assessor nominated under paragraph (b) fails to proceed or to determine the dispute, either party may seek the nomination of another loss assessor in accordance with paragraph (b).

14 Use of Premises

The Lessee will not use or permit the Premises to be used for any other purpose than the Permitted Use.

15 Warranties and representations

15.1 No warranty as to use

Regarding the present or future suitability or adequacy, for the Lessee's intended use or the business intended to be conducted by the Lessee, of the Premises, the Building or the fixtures, fittings, furnishings, plant, machinery, equipment, services and facilities provided by the Lessor:

- (a) the Lessee acknowledges that no promise, representation or warranty was given by or on behalf of the Lessor to or on behalf of the Lessee;
- (b) the Lessor makes no warranty;
- (c) any warranties implied under the general law or by statute are excluded under this Lease and negated to the extent permitted by law.

15.2 Lessee's responsibility for approvals

- (a) The Lessee has satisfied itself, before entering into this Lease, regarding the need for the availability and existence of all approvals, consents and licences required for use of the Premises by the Lessee for its business and for the intended and permitted use of the Premises.
- (b) The Lessee has full responsibility, at its expense, to ensure that all approvals, consents and licences required by the Lessee for the conduct of the business and use of the Premises are obtained and maintained throughout the Term and that all their conditions are observed.

16 Signs

16.1 Sign on exterior of Premises

- (a) The Lessee may install a sign on the exterior of the Premises:
 - (i) limited to the Lessee's trading name, the description of its business and the Lessee's trade mark or insignia;
 - (ii) the size of the sign will not exceed the dimensions specified by the Lessor from time to time and;
 - (iii) in a style substantially similar to signs on other leased premises in the Building.

- (b) Any signs or notices installed by the Lessee will be maintained by the Lessee in good repair and condition throughout the Term.

17 Alterations

17.1 No alterations to Premises

The Lessee must not:

- (a) make or permit to be made any alterations or additions in or to the Premises;
- (b) install, or make any additions or alterations to, any electrical, gas, water, plumbing and other services, fixtures, or appliances, or any other equipment or appliances for heating, cooling, ventilating or air conditioning the Premises;
- (c) mark, paint, damage, deface, drive nails or screws into, any walls, floors, ceilings, partitions, or any wood, stone or metal surface of the Premises or the Building.

18 Compliance with regulations

18.1 Lessee's obligation

The Lessee must at its expense observe and comply with all laws and requirements relating to

- (a) the Lessee's use and occupation of the Premises for the use permitted in this Lease;
- (b) the Premises and facilities by reason of the number of the Lessee's employees and other persons working in or entering the Premises;
- (c) the fixtures, fittings, machinery, plant and equipment in the Premises;
- (d) occupational health, safety and environmental matters.

18.2 Compliance with notices

The Lessee must comply with the notices or requirements of the relevant authorities regarding the matters in **clause 18.1**, whether given to the Lessor or the Lessee, except to carry out structural alterations to the Premises.

19 Lessee's obligations regarding use of Premises

19.1 Prohibitions with reference to use of premises

The Lessee must not, during the Term:

- (a) allow the Premises to be used for any illegal, immoral, noxious, dangerous or offensive purpose, activity or occupation;
- (b) use or permit any part of the Premises to be used as sleeping quarters or for residence;
- (c) keep any animals in the Premises;
- (d) hold or permit any auction or public meeting in the Premises;
- (e) use or permit the use of any sound producing equipment in the Premises at a volume which may be heard outside the premises;
- (f) use the Premises in a noisy or in any other manner which would cause damage, nuisance or disturbance to the Lessor, or to the owners or occupiers of adjoining properties;

- (g) trade or display merchandise outside the Premises;
- (h) use the Premises in an excessively noisy or noxious or offensive manner; or
- (i) use plant or machinery in the Premises so as to constitute a nuisance or disturbance to the Lessor or to other lessees of the Building, due to noise, vibration, odours or otherwise.

19.2 Mode of conducting Lessee's business

The Lessee agrees, regarding the conduct of the business in the Premises, throughout the Term, to conduct the business in an orderly, efficient and reputable manner, consistent with the standard and quality of the Building.

19.3 Inflammable substances

The Lessee must not bring into, store or use in the Premises any inflammable, dangerous or explosive substances

- (a) such as acetylene, industrial alcohol, burning fluids and chemicals, including in heating or lighting the Premises;
- (b) unless the sale or use of such substances constitutes proper conduct of the Lessee's business for the permitted use of the Premises and the particular substances are stored and used only whilst taking all necessary safety precautions and in compliance with all fire and safety regulations relating to such substances.

19.4 Cleaning

The Lessee must, at the Lessee's cost:

- (a) keep the Premises (including all internal windows and any car parking bays forming part of the Premises or being used by the Lessee from time to time) clean and tidy, free of pests, rodents, vermin, insects and birds and clear of rubbish and debris;
- (b) regularly dispose of rubbish in an appropriate manner;
- (c) comply with the Lessor's reasonable directions and any directions of any Relevant Authority in connection with cleaning the Premises and disposing of rubbish.

19.5 Disposal of rubbish

- (a) The Lessee must cause all rubbish accumulated in the Premises to be placed daily in suitable containers provided by the Lessor for the Premises and situated in an area in the Building designated by the Lessor.
- (b) The Lessee will ensure that trade waste or wet refuse is removed from the Premises at least once daily as directed by the Lessor to facilities provided by the Lessor.

19.6 Use of toilets and drainage

The Lessee must:

- (a) not use the toilets, sinks, drainage and plumbing in the Premises for purposes other than those for which they were designed;
- (b) not place in any of those facilities rubbish, chemicals, contaminated and other substances, which they are not designed to receive or which would infringe health or environmental regulations;
- (c) repair any damage caused to any of those facilities by breach of paragraph (a) or (b).

20 Overloading and heavy equipment

20.1 Weight and location of heavy equipment

The Lessor is entitled to specify the maximum weight and the proper location of heavy articles which may be brought into and located in the Premises.

20.2 Requirement for Lessor's consent

The Lessee must not bring into the Premises any heavy equipment, including machinery, plant, safe, furniture or other equipment, unless:

- (a) it is reasonably necessary for the conduct of the Lessee's business for the permitted use in the Premises;
- (b) the Lessee gives at least seven (7) days prior written notice to the Lessor of the intention to bring them into the Premises, a description of the nature, size and weight of each item, and indicating the intended position of each item;
- (c) the Lessee has obtained the Lessor's prior consent.

20.3 Damages

The Lessee is liable to the Lessor for any damage caused to the Premises consequent on the Lessee moving heavy equipment into the Premises without having complied with the provisions of this clause.

20.4 Overloading electrical supply

The Lessee will not install any electrical equipment which will overload the cables, switchboards and other equipment that supplies electricity to the Building or to the Premises.

20.5 Lessee's liability

If any installations by the Lessee result in overloading that equipment, the Lessee is liable

- (a) for the costs of repairing any damage;
- (b) for ensuring that the Lessor's equipment is repaired and restored to working order;
- (c) if necessary, to disconnect the Lessee's installations or alter or upgrade the electrical supply system at the Lessee's cost, in order that it will suffice for the additional load imposed by the Lessee's installations.

21 Security and keys

21.1 Securing premises

The Lessee must:

- (a) take reasonable action to secure the Premises against unauthorised entry whilst the premises are unoccupied; and
- (b) securely lock and fasten external doors and windows in the Premises whilst the premises are unoccupied.

21.2 Lessor to provide keys and access cards

At the commencement of this Lease the Lessor will provide to the Lessee at the Lessor's cost with three keys for entry into the Building and the Premises, including outside normal business hours.

21.3 Lessee's obligations regarding keys and access cards

The Lessee must:

- (a) not make or allow to be made any duplicate keys or access cards;
- (b) provide keys and access cards only to the Lessee's employees;
- (c) keep a permanent record of who is provided with keys and access cards, including their issue and return, and allow the Lessor to inspect that record on reasonable notice;
- (d) notify the Lessor promptly if any keys or access cards are reported to the Lessee to have been lost, destroyed or stolen;
- (e) pay the Lessor for the cost of supplying any replacement or additional keys or access cards;
- (f) return to the Lessor all keys and access cards obtained from the Lessor on termination of the Lessee's tenancy of the Premises.

22 Lessor's obligations relating to air conditioning, lifts and other Facilities

22.1 Meaning of Facilities

In this clause **Facilities** means the plant and equipment for heating, cooling or circulating air (**air conditioning**), fire sprinklers and other fire safety and prevention equipment, and car parking, provided by the Lessor in the Building, and includes the plant, machinery and equipment associated with those Facilities.

22.2 Lessor's obligations

- (a) The Lessor will maintain throughout this Lease maintenance and service contracts relating to the air conditioning, and fire safety and prevention equipment, with specialist consultants or contractors.
- (b) The Lessor will use its best endeavours to ensure that each of the Facilities is operating and is in working order and available for use, during normal business hours.

22.3 Lessee's obligations

The Lessee will ensure that the Lessee's employees comply with the Lessor's reasonable instructions regarding the use of the Facilities, and will not interfere with, or allow anything to be done which might impair the efficient operation of any of the Facilities.

22.4 Exemption of Lessor's financial responsibility

The Lessor is exempted from any liability to the Lessee for financial loss or inconvenience, including for damages, abatement of Rent or for repudiation, and the Lessee is not entitled to terminate this Lease, because:

- (a) any of the Facilities is out of order and is not functioning properly or at all; or
- (b) any of the Facilities is temporarily stopped or interrupted pending inspection, repair, maintenance, replacement for any other cause beyond the Lessor's control.

23 Lessee's repair obligations

23.1 Lessee's general obligation

The Lessee will keep the Premises and the Lessor's Fixtures and chattels situated in the Premises in good repair and working condition throughout this Lease (including but not limited to any air-

conditioning equipment whether installed by the Lessor or the Lessee), fire equipment (at regular intervals and as requested by any Relevant Authority) and will on expiry or termination of this Lease yield up the Premises to the Lessor in the state of repair and condition as is specified in this clause.

23.2 Limiting Lessee's repair obligation

The Lessee is not responsible for:

- (a) Latent Defects;
- (b) Structural Repairs, unless the need for repair occurred:
 - (i) through the conduct or negligence of the Lessee or of persons for whose conduct the Lessee is legally liable;
 - (ii) through the Lessee's use and occupation of the Premises or the use of fixtures, plant and machinery in the Premises;
- (c) the condition of the Premises at the commencement of this Lease;
- (d) fair wear and tear since the commencement of this Lease, throughout the Term;
- (e) repairs required as a result of natural disasters, deliberate damage or accident, such as fire, flood, storm, earthquake, explosion, which are beyond the Lessee's responsibility or control, unless:
 - (i) the damage occurred as a result of or was substantially contributed to by the Lessee's negligence; and/or
 - (ii) the Lessor is legally unable to recover from its insurer insurance money for the damage because of some act, neglect, default or misconduct by the Lessee or by other persons for whose conduct the Lessee is responsible.

23.3 Lessee's additional specific repair obligations

In addition to the Lessee's obligations under **clause 23.1**, the Lessee will throughout the Term, notwithstanding **clause 23.2** (which does not apply to the matters listed in this paragraph), carry out the following repair and maintenance:

- (a) promptly repair or replace all broken, cracked or damaged glass in the Premises, with glass of the same or similar gauge and quality, unless the damage was caused by the Lessor or the Lessor's tradespersons;
- (b) promptly repair or replace all damaged, broken or faulty light globes, fluorescent lights, power points, light switches, heating, lighting and electrical appliances, services and wiring in the Premises;
- (c) promptly repair and keep in proper working order and free from blockage plumbing fittings, drains, water pipes, sewerage pipes, toilets and sinks, to the extent to which they are situated in or under the Premises and provide Services or Facilities to the Premises;
- (d) maintain and repair all door and window locks and fittings in the Premises; and
- (e) repair any damage or breakage to the Premises, to the Lessor's Fixtures and property in the Premises, and to Services and Facilities in the Premises, caused by lack of care or misuse by the Lessee or by its employees or agents.

23.4 Carrying out repairs

When carrying out any repair in accordance with this clause, the Lessee must ensure that:

- (a) the work is carried out by appropriately licensed and qualified tradespersons;

- (b) the work is carried out promptly;
- (c) the work is completed in high class workmanship and with good quality materials;
- (d) fittings and materials of similar style and quality are used to the items being repaired or replaced;
- (e) the required consent or approval of any Relevant Authority is obtained to carry out the work and the conditions of approval are observed; and
- (f) the work is carried out without creating undue noise, nuisance or interference with the use and enjoyment of adjoining or nearby leased premises.

24 Lessor's right to inspect Premises

24.1 Right of inspection

The Lessor, or persons authorised by the Lessor, may enter the Premises:

- (a) to inspect the condition and state of repair of the Premises, Services and Facilities;
- (b) to ascertain that the Lessee complies with the Lessee's obligations under this Lease.

24.2 Prior notice

The Lessor will exercise its entitlement under **clause 24.1**:

- (a) not more frequently than twice annually during the lease term;
- (b) at reasonable times during business hours on a Business Day; and
- (c) after giving not less than seven (7) days prior written notice to the Lessee of the intended time of the inspection, except in an emergency when the Lessor has an additional right to enter the Premises and prior notice is not required before entry.

25 Lessor's right to repair Premises

25.1 Lessor's right of entry

The Lessor and persons authorised by the Lessor, including consultants and contractors, may enter the Premises, together with tools, equipment and materials, and remain on the Premises, at and for such reasonable times as is necessary for the purpose of carrying out repairs and other work, in accordance with this clause.

25.2 Notice before entry

Before entering the Premises, the Lessor will give to the Lessee not less than seven (7) days prior written notice of the intended date and time of entry, its purpose and the likely duration of the intended work, except in an emergency, when prior notice before entry is not required.

25.3 Nature of repairs

The Lessor may carry out repairs, including maintenance, installations, alterations, replacement or renewal, in respect of the Building, the Premises, Services and Facilities to or situated in the Premises, in order:

- (a) to undertake work which the Lessor is required or desires to carry out in accordance with this Lease;
- (b) to comply with the requirements of any Relevant Authority;

- (c) to carry out work in conjunction with or to adjoining leased premises or Common Areas which cannot be reasonably undertaken without access from or through the Premises;
- (d) to undertake work which the Lessee:
 - (i) failed to carry out, in breach of its obligations under this Lease, or following notice from the Lessor; or
 - (ii) failed to complete in a workmanlike manner;
- (e) to remove unauthorised work, alterations or signs, undertaken or installed by the Lessee in breach of its obligations under this Lease; and
- (f) to restore or rebuild the Premises following damage or destruction.

26 Removal of alterations and fixtures

26.1 The Lessee must:

- (a) remove:
 - (i) any alterations, additions, fixtures, partitions and fittings made or installed by the Lessee in the Premises during this Lease;
 - (ii) all signs and notices erected or affixed by the Lessee to the Premises and to the Building;
 - (iii) all nails and screws inserted by the Lessee into any part of the Premises;
- (b) reinstate:
 - (i) the Premises to their condition before any alterations, additions, installations and partitions were made or installed by the Lessee; and
 - (ii) make good, in a proper and workmanlike manner, any damage caused to the Premises by the installations and their removal.

26.2 Period of removal

The Lessee must comply with the obligations under **clause 26.1**:

- (a) before the expiry or termination of this Lease; and
- (b) if this Lease is terminated suddenly or unexpectedly, by forfeiture, destruction or other event, within fourteen (**14**) days after the termination of this Lease.

26.3 Removal of fixtures

- (a) The Lessee is entitled to remove from the Premises all fixtures installed by the Lessee during the lease term (except fixtures which the parties agreed in writing to become the Lessor's property and not removable by the Lessee).
- (b) The Lessee may remove fixtures during the Term, during any extension of the Term, during holding over after the expiration of this Lease, and during the term of a new lease granted to the Lessee, notwithstanding the surrender of this Lease, subject to this clause.
- (c) The Lessee (or the Lessee's successors or assigns) must remove fixtures within the number of days in **Item 11** after having ceased to occupy the Premises.
- (d) The Lessee covenants to repair any damage caused to the Premises by the removal of fixtures, or becoming apparent on their removal, in a workmanlike manner, so as to restore the Premises to its condition before the installation of those fixtures which are removed.

- (e) Those fixtures which the Lessee does not remove within the period specified in paragraph (c) may at the Lessor's option remain permanently affixed to the Premises and be and remain the property of the Lessor.

26.4 Consequences of failure to remove and reinstate

If the Lessee fails to comply with the obligations under **clause 26.1** or **26.3** within the periods in **clause 26.2** or **26.3**:

- (a) the Lessor may cause the removal, reinstatement and repairs to be carried out, and the Lessee is responsible for and must reimburse the Lessor for the Lessor's reasonable costs and expenses;
- (b) if the Lessor incurs further loss in reletting the Premises by reason of the Lessee's failure, the Lessor may recover from the Lessee the loss of Rent and Outgoings which would have been received from a prospective Lessee.

27 Lessor's obligation to insure

The Lessor will insure the Building on usual terms with an insurer authorised under the *Insurance Act 1973 (Cth)*.

28 Lessee's insurances

28.1 Lessee's obligations to insure

The Lessee must effect and maintain throughout the Term the following insurances:

- (a) A public risk insurance policy:
 - (i) in the form of a standard public risk policy or in the form commonly used by the Lessee's insurer and by some other reputable insurers in the sum in **Item 12** in respect of any single event or accident;
 - (ii) relating to the Lessee's liability for death, personal injuries and property damage arising from the Lessee's occupancy of the Premises and use of the Building, whilst entering, leaving, using and being in the Premises or any portion of the Building, in circumstances in which the Lessee may incur liability for the injury, loss or damage; and
 - (iii) extended to include claims, risks and events covered under indemnities provided by the Lessee to the Lessor under this Lease.
- (b) A policy for loss, damage, destruction of all plate and other glass in or about the Premises to full replacement value;
- (c) A comprehensive insurance policy:
 - (i) for the full insurable and replacement value of the Lessee's fixtures, fittings, plant, equipment and stock in trade in the Premises;
 - (ii) against loss or damage by fire, storm, tempest, earthquake, lightning, explosion, burglary and other risks usually covered under a comprehensive insurance policy for fire and related risks.
- (d) A workers' compensation insurance policy, providing unlimited cover in respect of the Lessee's employees for workers' compensation, as required by law.

28.2 Insurer and conditions

- (a) The Lessee's insurances must be effected with one or more insurance companies which are:
 - (i) respectable, reputable and financially sound;
 - (ii) approved by the Lessor, and the Lessor's approval must not be unreasonably withheld.
- (b) The Lessee's insurances relating to public risk, plate glass and the Lessee's property (in order to cover fixtures):
 - (i) must be in the joint names of the Lessor and the Lessee;
 - (ii) must cover the Lessor's and Lessee's interests;
 - (iii) and, if requested by the Lessor, must include the interest of any mortgagee over the Building.

28.3 Payment of premium

- (a) The Lessee must pay punctually when due the insurance premiums and other moneys payable to effect and maintain the insurances required under this clause.
- (b) If the Lessee fails to pay an insurance premium when due, the Lessor may make such payment, which will become due and payable by the Lessee to the Lessor, together with interest, within seven (7) days after service of written notice by the Lessor on the Lessee requiring payment.

28.4 Replacement of property

- (a) In the event of loss or damage to the Lessor's or Lessee's property which is covered by insurance effected by the Lessee, the Lessee will promptly replace, repair or reinstate the damaged or destroyed property, utilising the proceeds from the insurance.
- (b) The Lessee must pay any additional costs of replacement, repair or reinstatement not covered by the proceeds from the insurance, unless the Building is seriously damaged or destroyed and is not repaired or reinstated by the Lessor or this Lease is terminated as a consequence of the damage or destruction.
- (c) In the events under paragraph (b), the proceeds from any insurance effected by the Lessee in respect of damage or loss to the Lessor's property will be remitted to the Lessor as compensation for its loss.

29 Lessee's conduct relevant to insurance

29.1 Compliance with fire safety regulations

- (a) The Lessee agrees to comply with the requirements imposed by the Lessor's insurer for the Building and under fire safety regulations, in respect of the authorised use by the Lessee of the Premises:
 - (i) with regard to the installation, repair and maintenance of fire alarms, sprinklers, and fire prevention equipment in the Premises, except those provided by the Lessor at or before the commencement of this Lease; and
 - (ii) including in respect of partitions and alterations in the Premises.
- (b) The Lessee is liable to the Lessor for the reasonable cost of installations and equipment, which the Lessor may install in the Premises during this Lease, in order to comply with the

requirements under paragraph (a), if the Lessee has failed to comply with those obligations in any respect.

30 Risk

- (a) The Lessee occupies the Premises and uses the Building, the Common Areas and the Land at its own risk.
- (b) The Lessee has satisfied itself that the Premises, the Building and the Land are sufficient for the Lessee's purpose.

31 Lessee's indemnities to Lessor

31.1 Indemnities

The Lessee agrees to indemnify the Lessor from and against any liability, loss, damage, expense or claim, which the Lessor may incur, including to a third party, during or after the Term, in respect of or arising from:

- (a) loss, damage or injury to property or person occurring within the Building or the Premises, caused or contributed to by the Lessee's failure (including through the Lessee's agents or employees) to comply with the obligations imposed under this Lease;
- (b) the negligent use or misuse by the Lessee (and by its agents or employees) of any Services or Facilities in the Building or in the Premises;
- (c) the overflow, leakage or escape of water, gas, electricity, fire, or other materials or substances in or from the Premises, caused or contributed to by the Lessee's (and its agents' or employees') negligence;
- (d) loss, damage or injury to property or person, caused or contributed to by the Lessee's negligence, arising out of use of the Premises;
- (e) loss, damage or injury to property or persons, caused or contributed to by the defective installation of plant, fixtures and equipment in the Premises by or on behalf of the Lessee; and
- (f) the Lessee's failure to notify the Lessor regarding any defect in the Facilities or Services in the Premises.

31.2 Conditions and limitations

The indemnities under this clause

- (a) include penalties, fines, legal and other costs incurred by the Lessor;
- (b) do not apply when the loss, damage or injury was caused or substantially contributed to by the wilful or negligent act or omission of the Lessor, its employees or agents;
- (c) do not apply when the Lessor is indemnified for the loss or damage from moneys paid or recovered from insurances effected by the Lessor.

32 Prohibition against assignment, subletting and mortgage over lease

32.1 No dealings without consent

During the continuance of this Lease, in respect of whole or part of this Lease or the Premises, the Lessee must not:

- (a) assign, transfer, sublet, deal with, hold on trust, or grant any interest in, this Lease;
- (b) mortgage, charge or encumber this Lease;
- (c) part with possession of whole or any part of the Premises;
- (d) grant any licence, or share the right of occupation or possession, in respect of whole or part of the Premises;
- (e) grant any franchise or concession over the Lessee's business conducted at the Premises which would entitle any other person to use, occupy or trade from whole or part of the Premises.

32.2 Consent to assignment

The Lessee may apply to the Lessor for consent to the assignment of this Lease, which will not be unreasonably withheld if the following conditions are satisfied:

- (a) the Lessee must make a written application to the Lessor for consent and furnish complete copies of all written documents entered into between the Lessee and the proposed assignee relating to the Lessee's business and the premises, written personal and business references and financial statements relating to the assignee;
- (b) the Lessee must establish to the reasonable satisfaction of the Lessor that:
 - (i) the proposed assignee is respectable, responsible and solvent;
 - (ii) the proposed assignee has adequately performed its obligations as the lessee or former lessee of other business premises;
 - (iii) in respect of the business or profession intended to be conducted by the assignee at the Premises the assignee has sufficient financial resources and business experience to be capable of adequately complying with the Lessee's obligations under this Lease and of efficiently conducting the assignee's business at the Premises;
- (c) the Lessee must have paid to the Lessor all moneys due under this Lease up to the date of the assignment (and, in respect of any liability which cannot be accurately determined, will secure it to the Lessor's reasonable satisfaction at the date of the assignment);
- (d) there are no unremedied breaches of the Lessee's obligations under this Lease at the date of the assignment;
- (e) any other consents which are required to the assignment, by head lessors, mortgagees or others, are obtained before the assignment;
- (f) when the assignee is a company, other than a company whose shares are listed on an Australian Stock Exchange, personal guarantees for performance of lease covenants for the duration of the lease term by the assignee be provided, in a form reasonably acceptable to the Lessor and prepared on behalf of the Lessor at the Lessee's expense, by two of the assignee's directors or principal shareholders chosen by the Lessor;
- (g) the execution by the Lessee and the assignee of a transfer of this Lease;
- (h) the execution of a deed in a form reasonably required by and prepared on behalf of the Lessor, by the Lessor, Lessee, assignee, in which
 - (i) the Lessee confirms its liability under this Lease for the balance of the current lease term;
 - (ii) the Lessor is released from liability to the Lessee under this Lease;
 - (iii) the assignee covenants to observe the Lessee's obligations under this Lease during the duration of this Lease;

- (iv) any continuing guarantors confirm their consent and continuing liability, unless that is adequately covered in their guarantee;
- (v) new guarantors execute guarantees under this Lease for the assignee;
- (i) the payment by the Lessee to the Lessor of the Lessor's reasonable costs and disbursements in accordance with **clause 10.3-10.6**.

32.3 Change in control of Lessee

When the Lessee is not a company whose shares are listed on an Australian Stock Exchange, any proposed

- (a) transfer in the legal or beneficial interest in shares of the Lessee if a company;
- (b) allotment of shares in the Lessee company; or
- (c) changes in the company's articles of association,

which would have the consequence of altering the effective control of the Lessee company, is considered to be an assignment of this Lease and requires the Lessor's consent in accordance with **clause 32.2** as if the parties which would acquire control over the company were assignees of the Lease.

33 Lessor's covenant for quiet enjoyment

The Lessor covenants with the Lessee that whilst the Lessee complies with the financial and other obligations under this Lease, the Lessee may occupy and have the use and enjoyment of the Premises for the Term without interruption or disturbance from the Lessor and other persons lawfully claiming through or under the Lessor.

34 Limitation of Liability

The Lessee expressly acknowledges and agrees that if the Lessor has entered into this Lease as the trustee of a trust then:

- (a) the Lessor has done so in no other capacity; and
- (b) the Lessor will not be personally liable to the Lessee for any breach of the terms and conditions contained or implied in this Lease and if any such breach occurs then the Lessee will be able to claim damages from the Lessor only to the extent that the Lessor is liable to be reimbursed from the net assets of the trust and no officers of the Lessor will be personally liable to the Lessee.

35 Miscellaneous reservations

35.1 Roof, external walls, advertising

The Lessor reserves the exclusive entitlement to use the roofs and external walls of the Building, and the entitlement to erect and display and to authorise the erection and display of advertisements and advertising signs above, on or from the roofs or external walls of the Building.

35.2 For sale and for lease signs

The Lessor may install on the external walls of the Building or of the Premises for sale signs if the Building is offered for sale or for lease signs during the last two months of a lease term.

35.3 Right to inspect Premises

- (a) The Lessor, its employees, agents and persons authorised by the Lessor, may enter and remain on the Premises, for reasonably short periods of time, for the purpose of inspecting the Premises, with a prospective purchaser or mortgagee of the Building or with a prospective lessee of the Premises.
- (b) The right to enter and inspect the Premises will be exercised
 - (i) during the last two months of the lease term, with prospective lessees;
 - (ii) during two hours in any week, to be nominated by the Lessor, with prospective purchasers or mortgagees of the Building.

35.4 Passage of Services

The Lessor reserves the right to maintain Services to the Premises, to any other leased premises in the Building and to the Common Areas, by having those Services pass through or under the Premises, and to have access to those Services for the purpose of maintenance, repair or replacement, or to provide additional Services for any leased premises or common areas through or under the Premises.

35.5 Grant of Easements

The Lessor may grant easements of support over any part of the Land or dedicate or transfer any part of the Land in favour of another person for any reason whatsoever except that the Lessor shall not without the Lessee's prior consent do anything which will substantially and permanently derogate from the quiet enjoyment of the Lessee's rights by the Lessee.

36 Lessor's entitlement to alter Building or Common Areas

36.1 Work in Building

The Lessor may carry out any building work in the Building, but without that work altering or interfering with the Premises.

36.2 Extent of building work

The Lessor is entitled to

- (a) repair, renovate or refurbish the Building and Common Areas;
- (b) alter the Common Areas, including their size, nature and arrangement;
- (c) extend or alter the Building;
- (d) add to and alter the car parking facilities, alter their location and the direction and access to those facilities;
- (e) alter the access to the Building or to the Premises, including for pedestrians or for vehicles.

37 Lessee's obligation to yield up Premises

The Lessee agrees, immediately on the expiry or legally effective termination of this Lease, to yield up possession and control over the Premises to the Lessor, in the condition and state of repair as required under this Lease.

38 Essential terms of lease

It is agreed that the following obligations by the Lessee are essential terms of this Lease:

- (a) the covenant to pay Rent throughout the lease term at a date not later than seven (7) days after the due date for the payment of each monthly instalment of Rent (**clause 7**);
- (b) the covenant to pay Outgoings throughout the lease term at a date not later than seven (7) days after the due date for the payment of instalments (**clause 8**);
- (c) the covenant dealing with the use of the Premises (**clause 14**);
- (d) the covenant dealing with assignment and subletting (**clause 32**).

39 Lessor's entitlements after Lessee vacates during lease term

39.1 Lessor's entitlements

- (a) If the Lessee vacates or abandons the Premises during the lease term in breach of the Lessee's obligations under this Lease, the Lessor may:
 - (i) accept the keys to the Premises from the Lessee;
 - (ii) renovate, restore and clean the Premises;
 - (iii) change the locks and secure the Premises; or
 - (iv) permit prospective tenants to inspect the Premises.
- (b) The Lessor may take any action in paragraph (i) without the Lessor's conduct constituting:
 - (i) a re-entry or termination of this Lease;
 - (ii) the acceptance of a surrender of this Lease.

40 Power of attorney by Lessee to Lessor

The Lessee for valuable consideration:

- (a) irrevocably appoints the Lessor and every director and secretary of the Lessor (jointly and severally) the Lessee's attorney for the purpose of:
 - (i) withdrawing any caveat which the Lessee is obliged to withdraw but does not;
 - (ii) surrendering this Lease after the Lessee vacates or abandons the Premises or the Lease expires; and
 - (iii) doing anything else the Lessee is obliged to do under this Lease but does not do when required;
- (b) undertakes to ratify all that the attorney does or causes to be done under this clause; and
- (c) indemnifies the Lessor in respect of:
 - (i) losses arising from any act done under this clause; and
 - (ii) the Lessor's costs and expenses of and incidental to the withdrawing of any caveat or the lodgement of any surrender mentioned in this clause.

41 Waiver

41.1 Demand and acceptance of Rent and other financial obligations

After the Lessee is in default or breach under this Lease, including in breach of an essential Term, the demand or acceptance from the Lessee by the Lessor of arrears or of any late payment of Rent, Outgoings or other financial obligations does not:

- (a) preclude the Lessor from exercising any rights or remedies under this Lease, including enforcing or terminating this Lease;
- (b) constitute a waiver of the essentiality of the Lessee's obligation to make those payments; or
- (c) waive the Lessee's continuing obligation to make those payments during the lease term.

42 Termination after damage to or destruction of Building

42.1 Lessor's entitlement to terminate lease

- (a) The Lessor may terminate this Lease when the Building is seriously damaged by fire, storm, tempest, earthquake, lightning, explosion, or other similar event, in any of the following circumstances:
 - (i) when the Building is required to be demolished and wholly replaced;
 - (ii) when the serious damage or destruction extends to more than fifty per cent (50%) of the Building, including the Premises;
 - (iii) when the Lessor is not required to repair, replace or reinstate the Building under this Lease;
 - (iv) when the Building cannot be repaired or reinstated by the Lessor, acting reasonably and promptly, within four (4) months after the damage;
 - (v) when the Premises are incapable of being used and occupied due to the damage and this Lease expires, with no option for renewal, within two (2) years after the date when the damage occurs.
- (b) In any of the circumstances specified in paragraph (a) the Lessor may give written notice at any time terminating this Lease on one month's notice.

42.2 Lessee's entitlement to terminate Lease

The Lessee may give one month's written notice terminating this Lease,

- (a) when the Premises are seriously damaged by fire, storm, tempest, earthquake, lightning, explosion, or other similar event, or the Premises are rendered incapable of being used and occupied as a consequence of serious damage to the Building from such an event; and
- (b) when the Lessor takes no action to repair or reinstate the Premises for a consecutive period of four (4) months after the date of the damage.

43 Termination of Lease for default

43.1 Default

Each of the following constitutes a default by the Lessee under this Lease:

- (a) the failure to pay to the Lessor Rent or comply with any other financial obligation under this Lease, including the payment of Outgoings, for a period in excess of seven (7) days after the due date for payment, whether a formal demand for payment has or has not been made;
- (b) the failure to comply with an essential term (as set out in **clause 38**);
- (c) any serious, persistent and continuing breach by the Lessee of its covenants and obligations under this Lease.

43.2 Termination after default

The Lessor may terminate this Lease, after a default by the Lessee in accordance with **clause 43.1**, and continuance of the default, after the Lessor will have served a legally effective notice of breach of covenant (if required) by

- (a) re-entering and taking possession of the Premises, using reasonable force to secure possession;
- (b) serving on the Lessee written notice terminating this Lease;
- (c) instituting proceedings for possession against the Lessee;
- (d) taking the actions in both (a) and (b) or in (b) and (c).

44 Lessor's entitlement to damages

Damages for breach or for repudiation

- (a) In the event that the Lessee's conduct (whether acts or omissions) constitutes
 - (i) a repudiation of this Lease (or of the Lessee's obligations under this Lease);
 - (ii) a breach of any Lease covenants;
 - (iii) a breach of an essential Term;

the Lessee covenants to compensate the Lessor for the loss or damage suffered by the Lessor as a consequence of the repudiation or breach, whether this Lease is or is not terminated for the repudiation, breach or on any other ground.

- (b) The Lessor's entitlement to damages is in addition to any other remedy or entitlement, including termination of this Lease.
- (c) The Lessor is entitled to recover damages against the Lessee in respect of the repudiation or breach of covenant or essential term for the loss suffered by the Lessor during the Term, including the periods before and after termination of this Lease.
- (d) The Lessor's entitlement to recover damages is not affected or limited by any of the following:
 - (i) if the Lessee abandons or vacates the Premises;
 - (ii) if the Lessor elects to re-enter or to terminate the Lease;
 - (iii) if the Lessor accepts the Lessee's repudiation;

- (iv) if the parties' conduct constitutes a surrender by operation of law.

44.2 Additional entitlements of Lessor

The Lessor's entitlement to damages is in addition to

- (a) the entitlement to recover Rent, rates, taxes, Outgoings and Outgoings until the date of expiry or termination of this Lease;
- (b) interest on late payments in accordance with this Lease;
- (c) costs of any breach or default, including the costs of termination.

45 Removal of Lessee's property

45.1 Lessee's obligation to remove property

- (a) The Lessee must remove all its property, including furniture, plant, equipment and stock in trade, from the Premises, before the expiry or termination of this Lease or, if it is terminated by the Lessor, within seven (7) days after this Lease is terminated.
- (b) After the Lessor terminates this Lease, the Lessee and its employees and agents may have access to the Premises, whilst the Lessor has possession and control over those premises, for the next seven (7) days (excluding Sundays and public holidays), between 8am and 5pm, for the purposes of removing the Lessee's property and cleaning, repairing or restoring the Premises.
- (c) The Lessee must not cause any damage to the Building or to the Premises whilst removing its property, must leave the Premises clean and tidy after the removal and will be liable for the cost of repair of the damage caused by or during the removal.

45.2 Lessee's failure to remove property

- (a) If the Lessee fails to remove any of its property from the Premises, the Lessor may
 - (i) have that property removed from the Premises and stored, using reasonable care in removing and storing the property, but being exempted from any liability to the Lessee for loss or damage to any of its property through the negligence of the Lessor, its employees or agents;
 - (ii) sell or otherwise dispose of all or any of the Lessee's property, with or without removing them from the Premises, in the name of and as agent for the Lessee.
- (b)
 - (i) In respect of all or any of the Lessee's property which the Lessee has failed to remove from the Premises, the Lessee is deemed to have abandoned the property and title to it and the Lessor at its option acquires title to that property through abandonment.
 - (ii) The Lessor is not obliged to account to the Lessee for the value of any property whose title vests in the Lessor by abandonment.

45.3 Lessee's responsibility for damages and costs

The Lessee is responsible for and indemnifies the Lessor in respect of

- (a) any loss or damage caused by the Lessee, its employees or agents during the removal of the Lessee's property from the Premises;
- (b) the costs of removal, storage and sale of any of the Lessee's property.

46 Notices

46.1 Notice

Any notice, document or demand (called 'notice') under this Lease must be served in accordance with this clause.

46.2 Signature of notice

The notice must be in writing, signed by the party giving it, or by the party's duly authorised officer (if a corporation), agent or solicitor.

46.3 Service of notice

A notice may be served on a party to this Lease, including their successors, assigns, and guarantors

- (a) by personal delivery to that party or if more persons than one are lessors or lessees to any one of them;
- (b) by delivering the notice to the Premises and leaving it with an employee of the Lessee;
- (c) by delivering the notice to the Lessor's business address and leaving it with an employee of the Lessor;
- (d) by sending it, addressed to the party at that party's address stated in **Item 13**, by prepaid security post or certified post;
- (e) if the Lessor maintains a centre manager's or administrator's office in the Building, by delivering any notice addressed to the Lessor to that office whilst it is open and leaving it with a person working in that office.

46.4 Additional or altered address

Either party may advise the other party of an additional or an altered address for the service of notices, which is within Western Australia and is not a post office box.

46.5 Time of service

A notice is considered to have been served:

- (a) at the time of delivery;
- (b) on the third Business Day after the day on which it is posted, the first Business Day being the day of posting.

47 Consent or Approval

Unless otherwise specified, wherever this Lease requires the Lessor to give approval or consent, that approval or consent may be withheld or delayed by the Lessor in its absolute discretion.

48 Variation

This Lease may only be varied by deed executed by the parties.

49 Further Assurance

Each party must promptly, at its own cost, do all things necessary or desirable to give full effect to this Lease.

50 Consent of Mortgagee

- (a) The Lessor will not, unless requested by the Lessee, obtain the consent of any mortgagee, chargee, or encumbrancee of the Land.
- (b) If the Lessee requests the Lessor to obtain the consent of any mortgagee, chargee or encumbrancee of the Land, the Lessor must do so, at the Lessee's cost in all respects, as soon as reasonably practicable after the Commencement Date.

51 Counterparts

Any party to this Lease may sign a counterpart copy and all counterparts of this Lease, when taken together, will constitute the one and the same instrument.

Reference Schedule

Item 1 (introduction)	Lessor: Zanoli Super Pty Ltd as Trustee for Zanoli Self Managed Super Fund
Item 2 (introduction)	Lessee: ZC Roofing Pty Ltd Pty Ltd
Item 3 (cl 1)	Land: 1/41 Douglas Drive, Mawson Lakes SA 5095 Description of Premises: Two-storey office site
Item 4 (cl 1 and cl 3(b))	Inclusions in Premises – Lessor's Fixtures: N/A Lessor's chattels: N/A
Item 5 (cl 4)	Lease term: Three (3) years Commencement Date: 1 November 2020 Last day of lease term: 31 October 2023
Item 6 (cl 6)	Option for renewal – Period of service of notice of exercise of option (cl 6.4(b)): between 6 months and 9 months prior to the expiry date; Term of renewal (cl 6.5): A three-year renewal option.
Item 7 (cl 7)	Rent: \$15,600 Dollars per annum with annual standard CPI increases Payable by equal monthly instalments of \$1,300 Dollars on the first day of each month.
Item 8 (cl 8)	Percentage of Outgoings (cl 8): 100% of outgoings
Item 9 (cl 12)	Rate of interest (cl 12.2(b)): 12% per annum
Item 10 (cl 14)	Permitted Use (cl 14): The Premises is only for general and ancillary office use and for no other purpose without the prior written consent of the Lessor.
Item 11 (cl 26)	Removal of fixtures, not more than fourteen (14) days after Lessee ceased to occupy Premises.
Item 12 (cl 28)	Lessee's insurances Amount of initial public risk cover (cl 28): 20 million dollars
Item 13	Address for service of notices (cl 46.3(d)) – Lessor: 322 Glen Osmond Road Myrtle Bank SA 5064 Lessee: 123 Greenhill Road Unley SA 5061 Additional or altered address may be notified within (cl 46.4).

Executed as a Deed

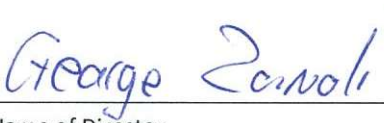
**Executed by Zanoli Super Pty Ltd as Trustee
for Zanoli Self Managed Super Fund** in
accordance with section 127 of the
Corporations Act 2001 (Cth):



Director



Director



Name of Director



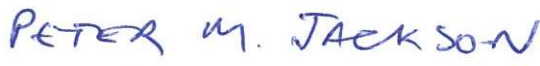
Name of Director

Executed by ZC Roofing Pty Ltd in accordance with
section 127 of the *Corporations Act 2001 (Cth)*:



Director

Director



Name of Director

Name of Director