

MEMORANDUM OF LEASE**CERTIFICATES OF TITLE BEING LEASED**

Whole of the land in CT **Volume 5297 Folio 485**

ESTATE AND INTEREST

In fee simple

ENCUMBRANCES

Nil

LESSOR (Full name and address)

KS Gregory Holdings Pty Ltd ACN 627 395 206 of Unit 3, 345 Milne Road Modbury North SA 5092

LESSEE (Full name, address and mode of holding)

Copy King Family Pty Ltd ACN 626 906 198 of 21 Taylor Street Kadina SA 5554

TERM OF LEASE

COMMENCING ON THE 1st October 2018

EXPIRING ON THE 30th September 2023

together with the right of renewal set out in clause 47.

RENT AND MANNER OF PAYMENT (OR OTHER CONSIDERATION)

The rental shall be the sum of **\$36,975.00** per annum payable monthly in advance by equal installments on the 1st day of each month during the term with the first payment due and payable on the 1st October 2018. The rental is subject to review as set out in clause 41.

OPERATIVE CLAUSE

The Lessor LEASES TO THE LESSEE the land ABOVE described and the LESSEE ACCEPTS THIS LEASE of the land for the term and at the rent stipulated, subject to the covenants and conditions expressed herein and to the powers and covenants implied by the Real Property Act 1886 (except to the extent that the same are modified or negated below).

DEFINE THE LAND BEING LEASED INCORPORATING THE REQUIRED EASEMENT(S) ETC.

IT IS COVENANTED BY AND BETWEEN THE LESSOR AND THE LESSEE as follows:
(Covenants, where not deposited, to be set forth on insert sheet(s) and securely attached)

Definitions

1. In this lease these definitions and interpretations apply unless they are inconsistent with the context.
 - (a) **"the premises"** means the shop premises located at 21 Taylor Street Kadina being the whole of the land comprised in Certificate of Title Register Book Volume 5297 Folio 485;
 - (b) **"accounting period"** means each financial year;
 - (c) **"notify"** means to serve a written notice;
 - (d) **"the lease"** or **"this lease"** means this Memorandum of Lease document;
 - (e) **"CPI"** means the Consumer Price Index (Adelaide - all groups) as published by the Australian Bureau of Statistics or its successor, and includes any published index replacing the Consumer Price Index;
 - (f) **"the term"** means the term of this lease and of any renewal of this lease;
 - (g) **"the Act"** means the Retail And Commercial Leases Act 1995 (S.A.) as amended and any regulations thereunder;
 - (h) **"ESL"** means the Emergency Services Levy pursuant to the Emergency Services Funding Act 1998 (SA) payable in respect of the premises;
 - (i) **"GST"** means goods and services tax under the A New Tax System (Goods and Services Tax) Act 1999 as amended, any substituted tax and any similar tax on any supply made under or pursuant to this lease;
 - (j) **"the Institute"** means the Australian Property Institute South Australian Division or its successor;
 - (k) **"statute"** includes all statutes, and all delegated legislation orders and regulations issued under any statute or law;
 - (l) references to corporations include natural persons and vice versa;
 - (m) references in the singular number include the plural number and vice versa;
 - (n) references to any gender include any other gender;
 - (o) if the Lessor, or the Lessee, comprises more than one person their liabilities and agreements under this lease are joint and several;
 - (p) clause headings are for ease of reference only;

Rates, Taxes and Outgoings - Lessee to Pay

2. Throughout the term the Lessee will pay all rates, taxes, charges and assessments which may be made or become payable in respect of the premises for each of the following:
 - (a) gas, electric light and power;
 - (b) telephone rental, telephone calls and facsimile transmissions;

- (c) council or corporation rates;
- (d) quarterly water rates and Save the River Murray levy;
- (e) excess, additional or any water usage;
- (f) effluent or sewerage charges or rates;
- (g) ESL; and
- (h) GST,

and if the period in respect of which any particular rate, tax, charge or assessment does not coincide with the lease year then the amount that the Lessee is to pay in the first year and in the last year of the term will be adjusted proportionately.

Rent

3. Throughout the term the Lessee will pay the rent to the Lessor promptly at the times stipulated in this lease. The Lessee will pay the rent whether demanded or not, free of exchange and without any deductions whatsoever.

Interest on Unpaid Money

4. The Lessee is to pay to the Lessor interest at the rate of 7.00% per annum on any money due under this lease but unpaid until all outstanding moneys, including interest, are paid in full.

Permitted Use

5. The Lessee may use the premises for the purpose of a printing, framing and photography retail business and for ancillary purposes. The Lessee is to conduct its business on the premises in a reputable manner. The Lessee will not change the use of the premises without the written consent of the Lessor.

Insurance

6. The Lessee at its expense, is to take out and keep current, throughout the term, the following insurance policies in relation to the premises:
 - (a) A public risk policy which provides for a minimum cover for each accident, claim or event of ten million dollars (\$10,000,000.00); and
 - (b) A plate glass policy, if there is any plate glass in the premises.

The policies must note the interests of the Lessor and the Lessee and must be with an insurance company approved by the Lessor. The Lessee, on request, is to provide satisfactory evidence to the Lessor that the above insurance is in force and current.

Lessee not to Void Insurance

7. The Lessee must not do anything or allow anything to be done which might result in any insurances on or relating to the premises becoming void or voidable or which might increase the premium on any policy.

Claim on Insurance

8. On the happening of any event against which the Lessor is or is required by this lease to be insured, the Lessor will pursue to its reasonable conclusion any claim it may have for indemnity under its insurance.
9. On the happening of any event against which the Lessee is or is required by this lease to be insured, the Lessee will pursue to its reasonable conclusion any claim it may have for indemnity under its insurance.

Lessee to Replace Glass

10. The Lessee is immediately to apply all money received under the plate glass insurance policy towards reinstating the damaged glass. If the money is insufficient to meet the cost of the reinstatement, the Lessee is to reinstate the damaged glass at its expense.

No Noise or Offence

11. The Lessee must not do anything to allow anything to be done whereby any noisy, noxious or offensive trade or calling is made in or emanates from the premises or whereby any other nuisance, disturbance or annoyance is made in or emanates from the premises.

Clean and Tidy

12. Throughout the term the Lessee will keep the premises, the exterior facade and other fixtures clean and tidy and free from accumulations, refuse and rubbish to a degree normally acceptable for the conduct of such a business as is permitted to be carried on by the Lessee pursuant to this Lease. The Lessee, at its own expense, is to keep the premises free of pests, but this does not apply to white ants if present at the premises at the commencement of this lease.

Structural or other Alterations

13. The Lessee is not to make structural or other alterations or additions to the premises without the consent of the Lessor and the Lessee shall in any event be liable for all costs in respect therefor and the Lessee is liable to make good any structural or other damage of whatever kind occurring as the result of any such alteration and addition.

Installations

14. The Lessee must not:
 - (a) install or alter any partitioning or other installation in the premises;
 - (b) paint any portion of the premises (including the windows);
 - (c) install any window blinds or curtains;
 - (d) affix any signs lights advertisements names or notices to the premises; or
 - (e) redecorate the premises in any manner,without the consent of the Lessor, provided however that such consent shall not be unreasonably withheld.
15. If the Lessor gives written approval for any of these activities, the Lessee may carry out the same at its cost.
16. Unless otherwise agreed between the Lessor and the Lessee, upon vacating the premises the Lessee will at its cost remove any partitioning work, installation, signs, lights, advertisements, names or notices, window blinds and curtains that have been erected or installed and will repair any damage caused by the erection or removal of the same and will otherwise return the premises to a similar state and condition as it was in at the commencement of the term.

Lessee to Repair

17. Throughout the term the Lessee is to keep the premises in good repair, having regard to their condition at the commencement of the lease, but need not carry out:
 - (a) repairs due to fair wear and tear; or
 - (b) repairs due to some natural disaster or other serious event which is beyond the reasonable control of the Lessee; or
 - (c) any structural work, unless it has become necessary because of any actions, whether negligent or deliberate of the Lessee or those for whom the Lessee is responsible, or unless required by another provision of this lease.
18. Without affecting the generality of the previous clause, the Lessee must:
 - (a) immediately repair any damage to the premises caused by negligence or misconduct on the part of the Lessee or those for whom the Lessee is responsible;
 - (b) immediately replace non-functioning electric lights in the premises;
 - (c) regularly maintain and repair the Lessor's fittings, accessories or services that are located within the premises and serve the premises;

- (d) enter into and keep current at the Lessee's cost any maintenance, service and repair contracts which are reasonably required by the Lessor for the purposes of the previous subclause with contractors approved by the Lessor;
- (e) at its cost regularly clean all filters in the air conditioning plant that services the premises and arrange annual servicing of the air conditioning plant and equipment. The Lessee will provide evidence of the annual servicing to the Lessor. Any minor repairs to the air conditioning plant and equipment are the responsibility of the Lessee and any structural repairs are the liability of the Lessor; and

Compliance with Statutes

19. The Lessee will forthwith comply with all statutes, delegated legislation, ordinances, proclamations, orders and regulations present or future affecting or relating to the premises or the use thereof, and with all requirements which may be made or notices or orders which may be given by any governmental, city, municipal, health, licensing or any other authority having jurisdiction or authority in respect of the premises or the use thereof provided that nothing in this clause shall impose on the Lessee any obligation in respect of any structural alteration or additions to the premises unless the same are rendered necessary by the nature of the business conducted by the Lessee upon the premises.

Occupation at Lessee's Risk

20. The Lessee will occupy and use the premises at the risk of the Lessee. The Lessee hereby releases to the full extent permitted by law the Lessor and its contractors from all claims and demands of every kind resulting from any accident damage death or injury to person or any loss or damage to property occurring on or about the premises except to the extent that the same is caused by negligence on the part of the Lessor and its contractors. The Lessee will indemnify and keep indemnified the Lessor from and against all actions, claims, demands, damages and costs to which the Lessor shall or may be or become liable resulting from any act default or omission of the Lessee or any of its agents, employees, contractors, servants, licensees, invitees or any trespassers.

Quiet Enjoyment

21. If the Lessee pays the rent and does not breach the lease, the Lessee may use and occupy the premises during the term without any interference from the Lessor or any person lawfully claiming under the Lessor, subject to the provisions of the lease and the Lessor's rights under it.

Structural Condition

22. Throughout the term the Lessor is to keep the premises in good structural condition and repair at its expense.

Subletting and Mortgaging

23. The Lessor may in its absolute discretion refuse to consent to the Lessee:
- (a) granting a sublease or licence for the whole or a part of the premises; or
 - (b) mortgaging or otherwise charging or encumbering the Lessee's interest in the lease; or
 - (c) parting with possession of the whole or a part of the premises.

Lessor can Carry Out

24. If the Lessee omits or neglects to pay any money or to do or effect any act or thing which the Lessee has herein covenanted to pay do or effect for a period of 14 days after service of default by the Lessor, then on each and every such occasion it shall be lawful for but not obligatory upon the Lessor and without prejudice to any rights or powers arising from such default to pay such money or to do or effect such act or thing by itself as if it were the Lessee and for that purpose the Lessor may enter upon the premises and there remain for the purpose of doing or effecting any such act or thing and carry out any work required and the Lessee shall pay and refund to the Lessor on demand all monies paid by the Lessor and all the costs charges and expenses of the Lessor in doing or effecting any such act or thing pursuant to this clause.

Lessor may Repair the Premises

25. At all reasonable times, and on reasonable notice, the Lessor and/or its agents may enter the premises for any one or more of the following purposes:
- (a) to comply with the terms of any statute affecting the premises;
 - (b) to carry out any structural works which the Lessor thinks should be carried out;
 - (c) to install any services such as air conditioning, automatic fire sprinklers, gas pipes, water pipes, drainage pipes, cables or electrical wiring;
 - (d) to carry out any repairs to the premises which the Lessor thinks should be carried out;
 - (e) to carry out any works to the adjoining leased premises which the Lessor thinks should be carried out;
 - (f) to take inventories of fittings and accessories;
 - (g) to redecorate the premises, if the Lessee fails to redecorate them in accordance

with the terms of this lease; and

- (h) to remedy any defects of which the Lessor has notified the Lessee and which the Lessee has not remedied within the required time.

In carrying out the works referred to in this clause the Lessor is not to cause unnecessary interference with the use of the premises by the Lessee.

- 26. If the Lessor carries out any works in the premises which should have been carried out by the Lessee, after first providing the Lessee with written notice of their intention to so do, the Lessee must pay the Lessor on demand the costs which the Lessor incurs in doing so.

Termination on Default and Damages

- 27. The Lessor may terminate the lease if:
 - (a) all or part of the rent or any part or other money due to the Lessor under the lease remains unpaid for 30 days after it is due, whether formally demanded or not;
 - (b) the Lessee breaches the lease, and does not remedy that breach within 30 days of being required to do so by written notice given to the Lessee by the Lessor;
 - (c) defects notified by the Lessor are not remedied within the time specified in the notice;
 - (d) the Lessee is a corporation and an order is made or a resolution is passed for its winding up, unless it is for reconstruction or amalgamation;
 - (e) the Lessee is a company and ceases or threatens to cease to carry on business or goes into liquidation, whether voluntary or otherwise, or is wound up or if a liquidator or receiver (in both cases whether provisional or otherwise) is appointed;
 - (f) the Lessee is a company and is placed under official management under the Corporations Law or enters into a composition or scheme of arrangement;
 - (g) the interest of the Lessee under the lease is taken in execution; and
 - (h) the Lessee, being an individual, becomes bankrupt or commits any act of bankruptcy.
- 28. The Lessor may terminate the lease by:
 - (a) notifying the Lessee of the termination, or
 - (b) re-entering the premises, with force if necessary, and ejecting the Lessee and all other persons from the premises and repossessing them, or
 - (c) doing both,and thereupon this lease shall absolutely determine.

29. If the Lessor terminates the lease:
- (a) the Lessee remains liable for any previous breach of the lease, and other remedies available to the Lessor for recovery of unpaid rent or for breach of the lease are not affected; and
 - (b) it may, in addition to any other rights and remedies that it might have, recover damages from the Lessee for the loss of the benefit of so much of the lease as would have continued but for the termination.

Lease Binds Successors

30. This lease will apply to and bind the Lessor's and the Lessee's executors, administrators and assigns or, in the case of a corporation, its successors and assigns, as if they were parties to this lease.

Implied Covenants and Powers

31. The covenants and powers implied in every memorandum of lease by any law of South Australia shall prevail to the extent of any inconsistency between this lease and the relevant law.

Notification and Service

32. Where the lease provides that one party is to notify the other, any notice may be served by any of the following methods:
- (a) by personal delivery to the person to be served;
 - (b) by prepaid or registered post to the person to be served,
 - (i) addressed to the premises, if to the Lessee; or
 - (ii) addressed to the person's last known place of business; or
 - (iii) addressed to the person's last known place of residence, if to a natural person; or
 - (iv) addressed to the registered office or principal place of business, if to a corporation.
33. Anything sent by post will be taken to have been received in the ordinary course of post, whether or not the person to be served receives it.
34. Where more than one person has the same interest in the lease, notification to or by one of them is sufficient notification to or by all of them.

Holding Over

35. If the Lessee remains in occupation of the premises after the end of the lease with the consent of the Lessor, it will do so as a tenant from month to month. The terms of this lease will apply to the tenancy as far as they may be applicable. Either the Lessor or the Lessee may terminate the tenancy by one calendar months notification to the other, expiring at any time.

Abatement of Rent on Damage to the Premises

36. If, during the lease:
- (a) a natural disaster or other serious event occurs which is beyond the reasonable control of the Lessee;
 - (b) as a result, the premises are destroyed or damaged, wholly or in part; and
 - (c) because of the destruction or damage the Lessee is not able to conduct its business in a reasonable manner,
- the Lessee's obligations to pay rent, and to pay rates and taxes and outgoings will abate proportionally with the effect on the Lessee's business until the premises are reconstructed or restored to a level that allows the Lessee to conduct its business on the premises in a reasonable manner.
37. Any dispute arising in relation to an abatement of rent will be referred to an independent valuer appointed for that purpose by the President for the time being of the Institute. The decision of the valuer shall be final and binding on the Lessor and the Lessee and in so acting the valuer shall be acting as an expert and not as an arbitrator. The fees and expenses of the valuer shall be paid by the Lessor and the Lessee in equal shares. No compensation or other payment shall be payable by the Lessor to the Lessee by reason of the Lessee having to vacate by reason of any loss or damage as aforesaid.

Termination of Lease on Damage to the Premises

38. If an abatement of rent event occurs and after two months the premises have not been reconstructed or restored to a condition in which the Lessee is able to conduct its business on the premises in a reasonable manner, either the Lessor or the Lessee may notify the other of its intention to terminate the lease and the lease will terminate one month after the date of notification.

Costs

39. (1) The reasonable costs of preparation and execution of this lease and the Disclosure Statement required under the Act will be shared equally between the Lessor and the Lessee.
- (2) The costs of registration, if required, will be shared equally between the Lessor and the Lessee, however the Lessee will pay the registration fee on the lease and the Lessor will pay the cost of any mortgagee consent or mortgage production fee.

Expiration of the Term

40. At the expiration or sooner determination of the term the Lessee will peaceably and quietly leave surrender and deliver up the premises to the Lessor.

Indexation and Review of Rent

41. The annual rent will be reviewed at the beginning of the second year of the term of this lease and after that at the beginning of each successive year.
42. The reviewed rent will take effect from the beginning of the year.
43. The Lessee will be liable to pay the reviewed rent from the commencement of the year in which it is to take effect whether or not the Lessor has notified it of the amount to which the annual rent has been varied. However, if the Lessee continues to pay the rent at the rate of the current annual rent until the Lessor notifies it of that amount, the Lessee will not for that reason only be in default for non-payment of rent. When the Lessor notifies the Lessee of the amount, any necessary adjustment is to be made on the day on which the rent is next due.
44. On each occasion when the annual rent is to be reviewed, the current annual rent will be varied in proportion to any change in the CPI for the one year period ending on the last day of the month of June immediately preceding the review date.

GST

45. If there is GST payable, the Lessor will provide tax invoices to the Lessee for the supply relating to rent under this lease in a form that complies with the GST legislation.

Registration of Lease

46. The Lessor shall if requested in writing by the Lessee during the term either effect the registration of this Lease on the Certificate of Title to the land or in the event that this Lease is not in registrable form execute a Memorandum of Lease in registrable form containing all the same covenants and terms as are set out in this lease and effect the registration of that lease on the Certificate of Title to the land, and in either event the Lessor shall do and execute all such deeds acts documents and things as may be reasonably necessary to effect such registration of the said lease. The Lessor shall be excused from the requirements of this clause if the Lessor is precluded, notwithstanding all the Lessor's reasonable efforts and actions, from effecting the registration of any such lease due to the non-compliance or refusal to consent to such registration by any prior mortgagee of the land.

Option for Renewal

47. If the Lessee:

- (a) has paid the rent regularly and on time during the lease, and
- (b) has punctually complied with all the Lessee's covenants and obligations during the lease, and
- (c) gives to the Lessor a notice of exercise to renew the lease not earlier than four calendar months but not less than one calendar month before the end of this lease,

the Lessor will grant a renewal of this lease for a further term of 5 years from the date this lease ends.

48. The renewed lease will have the same terms as this lease, with the following exceptions:

- (a) the new lease will not provide for an option for a further term;
- (b) the rent at the commencement of the new lease will be the market rent of the premises at that time as agreed between the Lessor and the Lessee, but if they have not agreed by the time that the term of this lease expires then the rent shall be the current market rent as determined by an independent valuer appointed for that purpose by agreement between the Lessor and the Lessee and, failing agreement, appointed by the President at that time of the Institute. The valuer shall act as an expert and not as an arbitrator. The determination of the valuer shall be binding on both the Lessee and the Lessor. The costs of the valuation shall be paid by the Lessee and the Lessor in equal shares;

Additional Terms and Conditions

49. The Lessor enters into this lease in its capacity as the bare trustee for KS Gregory Superannuation Fund.
50. The Lessor will pay the Land Tax assessment in respect to the premises.

CONSENTS OF MORTGAGEES AND SECTION 32 DEVELOPMENT ACT 1993 CERTIFICATION

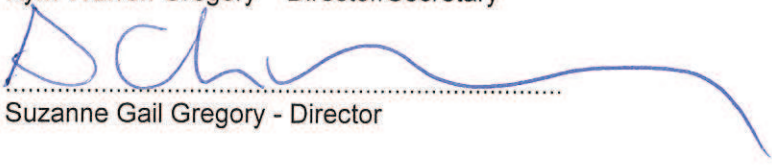
This lease does not contravene Section 32 of the Development Act.

DATED

EXECUTION

EXECUTED by KS GREGORY HOLDINGS PTY LTD
(ACN 627 395 206) on 11th September 2018 in accordance
with Section 127 of the *Corporations Act 2001*:


.....
Kym Warren Gregory – Director/Secretary


.....
Suzanne Gail Gregory - Director

EXECUTED by COPY KING FAMILY PTY LTD
(ACN 626 906 198) on 11th September 2018 in accordance
with Section 127 of the *Corporations Act 2001*:


.....
Kym Warren Gregory – Director/Secretary


.....
Daniel Mark Gregory - Director