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AS

The following clauses numbered 1A to 19 inclusive, the FIRST SCHEDULE, the SECOND and the THIRD SCHEDULES are the terms, conditions and provisions referred to in the attached Lease Form L between **RUSSELL ALFREDSON** as the Trustee of the M & B Alfredson Superannuation Fund as to a 78.2% ownership and **KERRI-ANN LENORE BROOKS** and **STEVEN JAMES BROOKS** as Trustees for the Team Brooks Superannuation Fund as to a 21.8% ownership as tenants in common As Lessors and **KERRI-ANN LENORE BROOKS** and **STEVEN JAMES BROOKS** as Lessees.

Michael Alfredson  
K.A. Brooks  
S.J. Brooks

## LEASE

1A The within Lease relates collectively and singularly to the within Lease by the Lessors to the Lessees of that and those Land, buildings, fixtures and fittings of the Lessors as detailed in the SECOND and THIRD SCHEDULES hereto.

Reference herein to "Lessee" includes the Lessees herein described jointly and severally and reference herein to "Lessor" includes the Lessors herein described jointly and severally

## TERMINATION OF LEASE

1.B. Either party to this Lease may terminate the within Lease without any cause being established or given upon three (3) months written notice to the other but in which event, this Lease and it's conditions continue to apply to the end of that three (3) month termination notice.

Where the Lessee has terminated the Lease in accordance with this clause 1B, any annual rent or outgoings paid in advance by the Lessee as required by the FIRST SCHEDULE of this Lease and being beyond the termination date shall be forfeited to the Lessor.

## PAYMENT AND ABATEMENT OF RENT

1. The Lessee agrees to pay the rent and outgoings in the manner and to the extent as provided in the FIRST SCHEDULE hereto. In the event that the property or premises hereby leased or licensed or any part thereof shall at any time during the continuance of the lease be destroyed or damaged by fire flood lightning storm or tempest or shall suffer any damage so as to render them unfit for the occupation or use of the Lessee, then the rent hereby reserved or a proportionate part thereof (according to the nature and extent of the damage) shall abate until the premises or property shall have been rebuilt or made fit for the re-occupation and use of the Lessee.

## INSPECTION

2. The Lessor may, in person or by his agent or agents, so often as the Lessor shall reasonably require and on reasonable notice, enter upon the premises hereby leased and view the state of repair thereof and may serve upon the Lessee a notice in writing of any defect requiring the Lessee within a reasonable time (which the

Michael Alfredson  
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S.J. Brooks



Lessor may specify) to repair such defect in accordance with this lease. In default of compliance with the notice by the Lessee and in lieu of terminating the lease, it shall be lawful for the Lessor or his agent to enter from time to time and execute the required repairs and the cost of such repairs to be the responsibility of the Lessee.

#### ENTRY

3. The Lessor by her duly authorized agent or agents may enter upon the premises hereby leased at all reasonable times and on reasonable notice during the term, and with all requisite materials and appliances, for the purpose of complying with the requirement of any lawful authority in respect of the premises or for the carrying out of any repairs alterations or works of a structural nature which the Lessee may not be bound to do (or if bound may neglect to do) and for all purposes of this lease. Such construction repairs alteration and work shall be carried out by the Lessor without undue interference with the occupation and the use of the premises hereby leased by the Lessee.

#### TRANSFER OF LEASE

4. The Lessee will not during the term assign transfer demise sub-let or part with the possession of the premises hereby leased or any part thereof or suffer the said premises hereby leased to be assigned transferred demised or sub-let without the consent in writing of the Lessor and which consent shall not be unreasonably or arbitrarily withheld by the Lessor, in favour of a reasonable, respectable and financially responsible prospective Lessee or Sub Lessee.

#### NUISANCE

5. The Lessee will not during the term carry on or suffer to be carried on upon the premises hereby leased or any part thereof any trade business or use which is or may be offensive or which is contrary to law.

#### PERMITTED USE

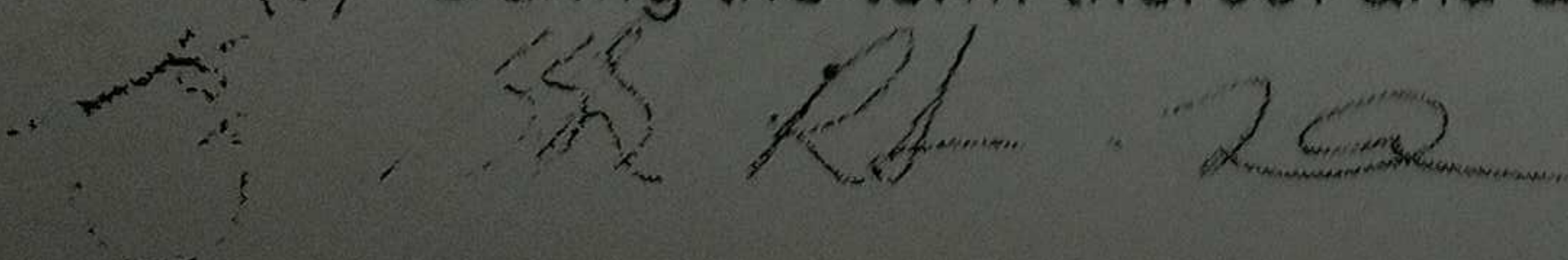
6. The Lessee will not use or permit the premises to be used for any purpose other than for the permitted use referred to in the First Schedule hereto without the prior consent of the Lessor and which consent shall not be unreasonably withheld by the Lessor.

7. The Lessee further covenants as follows:

#### HEALTH AND BUILDING

(a) To conduct his said business in accordance with all requirements of any law or laws relating to health and buildings as applies to the land and premises hereby leased and at the Lessee's own cost, to comply with all such requirements. Any works to be undertaken by the Lessee in accordance with this clause or under any other provision of this Lease must first be approved by the Lessor.

(b) During the term thereof and at regular intervals, clean out and keep free and clean,

 30.11.20



all gutters down pipes and drains.

(c) All plants, shrubs, trees growing on and about the Leased premises are to be regularly maintained and cared for by the Lessee.

#### ACCIDENTS

(e) To give prompt notice to the Lessor of any accident or defects in water pipes, electrical installations or fixtures.

#### WALLS

(f) Not to alter the leased premises or any part thereof without the consent in writing of the Lessor, such consent not to be unreasonably withheld.

#### GAS AND ELECTRICITY

(g) To pay all gas electricity and other fuel consumed and any damage to electrical and/or plumbing installations and fittings on the premises leased resulting from the abuse or misuse by the Lessee of such facility.

#### GARBAGE AND GREASE TRAPS

(h) To remove promptly at the Lessee's expense garbage refuse and waste accumulated by the Lessee and pending such removal to keep all such garbage, refuse or waste cleanly and hygienically out of the sight of the public and of the owners or occupiers of neighbouring premises. As well to clean out all grease traps (if any) as and when required during the term of the Lease.

#### PURCHASER'S INSPECTION

(i) At all reasonable times and on reasonable notice to allow intending purchasers to inspect the premises hereby leased.

#### INTENDING TENANT'S INSPECTION

(j) At all reasonable times and on reasonable notice to allow intending tenants to inspect the demised premises and the Lessor may affix and exhibit on the premises hereby leased signs suitable for advertising the premises hereby leased for sale or for letting but not in such manner as unreasonably to interfere with the Lessee's use of the premises hereby leased.

#### THIRD PARTY LIABILITY AND INDEMNITY INSURANCE

(k) To indemnify and suffer harmless the Lessor and the Lessor's officers servants and agents from and against all or any actions suits claims and demands by or on behalf of any person or corporation whatsoever in respect of any accidental death or accidental bodily injury or accidental damage to the property which may arise directly or indirectly out of the Lessee's business on the premises hereby leased or out of the occupation or use of the Lessee or the Lessee's officers

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servants or agents of the premises hereby leased and such other parts of the building or adjoining or neighbouring premises as the Lessee may be permitted to use in relation to this lease except to the extent any injury loss or damage is caused by the deliberate act, omission or negligence of the lessor and/or the lessor's servants agents or licensees. During the term of this Lease and any extension thereof, the Lessee shall take out and maintain plate glass and mirror insurance cover on a replacement cost basis and a Policy of public risk and third party public liability to a cover of at least \$10,000,000.00. The Lessee is to provide receipted premium notices evidencing the existence and payment of such cover at or before the commencement of this Lease and thereafter will if so required by the Lessor, produce receipted premium notices evidencing renewal of such insurance cover.

#### INDEMNITY

(l) To indemnify and suffer harmless the Lessor from and against all loss and damage to the premises hereby leased or to any land building or structure adjoining or in the neighbourhood of the premises hereby leased caused by the negligent use misuse or abuse of the water, sewerage gas or electricity services, fixtures or fittings to the premises hereby leased or by any negligent act or conduct by the Lessee or the officers servants or agents of the Lessee or any person claiming under the lease, and the Lessee will at his own cost and charge pay for all damage or injury arising to the Lessor or to any person or persons in the consequence of such negligence except to the extent any injury loss or damage is caused by the deliberate act, omission or negligence of the lessor and/or the lessor's servants agents or licensees.'

#### GLASS

(m) To keep all windows clean and to replace immediately at the Lessee's expense all windows, mirrors and glass which become broken or cracked as a result of the negligence, abuse or misuse by the Lessee.

#### SIGNS

(n) Not to display or permit to be displayed any signs or notices on the face of, or anywhere outside or adjacent to the premises hereby leased without the prior consent in writing of the Lessor as to the form and content of such signs or notices and which consent shall not be unreasonably or arbitrarily withheld and at their own expense to maintain in good repair and condition all signs or notices displayed on the premises hereby leased with the Lessors consent. Upon vacating the premises, all signs as provided by the lessee in accordance with this clause, shall at the conclusion of the Term of this Lease be forfeited to the Lessor except those signs or notices which the Lessor directs the Lessee to be removed or obliterated and the manner, method and rehabilitation works in doing so.

8. The Lessor covenants with the Lessee as follows:-

#### QUIET ENJOYMENT

(a) That so long as the Lessee shall observe and perform the Lessee's covenants

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hereinbefore contained, the Lessee shall and may peaceably possess and enjoy the premises hereby leased during the term, without interruption or disturbance from the Lessor or other person lawfully claiming from the Lessor.

#### LESSEE'S FIXTURES

(b) That subject to Clauses 15 hereof, the Lessee may promptly on or before the expiration of the lease remove from the premises hereby leased all fixtures fittings plant shelving or other articles in the nature of trade or Lessee's fixtures built upon the premises hereby leased by the Lessee with the Lessors consent but the Lessee shall in such removal do no damage to the premises hereby leased or shall immediately make good any damage occasioned thereby.

#### EXTERIORS

(c) To keep the exterior of the premises hereby leased in as sound and weatherproof condition as possible.

#### COSTS

9. Each party shall pay their own solicitors costs in connection with the negotiation preparation and signing of this lease. The lessee shall be responsible for any necessary registration fees.

#### DEFAULT AND RE-ENTRY

10 (i) If default shall be made by the Lessee in payment of the rent at the time and in the manner herein appointed for payment thereof, whether any formal or legal demand shall have been made therefor or not or if the Lessee shall make default in the performance, observance or fulfilment of any of the covenants or conditions herein contained and on the Lessee's part to be performed, observed or fulfilled whether positive or negative and if in either case such default shall continue for a period of fourteen (14) days after written notice thereof from the Lessor to the Lessee or if the Lessee ceases to carry on business (or being a company, goes into liquidation or is wound up or is struck off the Register), it shall be lawful for the Lessor at any time thereafter to enter upon and take possession of the demised premises and to terminate these presents but without prejudice to any rights that may have accrued prior to such determination.

(ii) Where such default comprises non payment of rent or other monetary amounts which are due and payable or become payable by the Lessee to the Lessor in accordance with the terms of this Lease, then until so paid, such amount or amounts shall attract interest at the rate of 1% per month compounding and which will be paid by the Lessee to the Lessor as from the date such amount or amounts became due for payment until the same have or has been paid in full.

(iii) If the power of re-entry as aforesaid shall become exercisable and the Lessor shall re-enter and take possession of the demised premises, such re-entry shall be deemed to operate as a surrender of these presents to the same extent as if the Lessee had endorsed upon these presents the word "surrendered" and had

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signed the same with attestation by a witness.

(iv) For the considerations herein appearing the Lessee does hereby and irrevocably nominate, constitute and appoint the Lessor and her attorney or agent or the registered proprietor or registered proprietors and owners for the time being of the land comprising the premises hereby leased, it's true and lawful attorney and attorneys with power of substitution and of revoking the appointment of such substitute or substitutes from time to time and of appointing a fresh substitute or substitutes to sign, execute and deliver on their behalf by endorsement upon these presents of such surrender and to have such surrender registered in accordance with the Land Title Act 1996 and otherwise to do all acts and things for or on behalf of or in the name of the Lessees so as to put the Lessor in possession of the Leased premises PROVIDED that such authority and appointment shall be exercisable only upon and after the Lessee has failed to rectify or remedy the default as provided by clause 10(i) hereof and having been exercised shall for the satisfaction of the Registrar of Titles and all Authorities be deemed sufficient if furnished by the Statutory Declaration of the Lessor or the registered proprietor or registered proprietors for the time being of the land comprising the premises hereby leased or any other person having knowledge of the facts as to such default and as to the failure or omission of the Lessee to rectify or remedy such default but nothing herein contained shall prejudice the rights or remedies of the Lessee against the Lessor or other such registered proprietor or registered proprietors in respect of any wrongful exercise of such power of re-entry.

#### WEEKLY TENANCY

11. If the Lessee shall have the consent of the Lessor in writing to remain in occupation of the demised property after the expiration of the term hereby created or any extension or renewal thereof, then and in such case the Lessee shall be a tenant from week to week from the Lessor of the demised property on the terms of this Agreement to Lease so far as the same are applicable to a weekly tenancy PROVIDED THAT such weekly tenancy may be determined by seven (7) days' notice being given by either party to the other and expiring on any day.

#### 12. NOTICE

The address for service of notices to the Lessee and where not otherwise served personally on the Lessee is:

e.mail: babbling.brooks@yahoo.com.au

The address for service of notices to the Lessor and where not otherwise served personally on the Lessor is:

e.mail: babbling.brooks@yahoo.com.au

And

#### 13. ARBITRATION

In the event that any dispute or difference shall arise between the parties hereto



concerning any aspect of the within Lease, such dispute shall be referred to arbitration to be conducted in accordance with the provisions of the Commercial Arbitration Act 2006 (NI). The Lessor and Lessees agree to be bound by and to comply with the determination of any such arbitration and to the enforceability of such determination in a Court of Norfolk Island as if such determination was a judgement or order of that Court.

#### OPTION TO EXTEND LEASE TERM

14. The Lessor on the written request of the Lessee made not more than sixty (60) days and not less than thirty (30) days before the expiration of the initial term (or an option term) hereby created and if there shall not be at the time of such request any existing breach or non-observance of any of the covenants on the part of the Lessee herein contained or hereby implied and at the expense of the Lessee will grant a Lease of the premises in favour of the Lessee for the particular term referred to in the Option clause referred to in the FIRST SCHEDULE hereto to commence from the date of expiration of the previous term of this Lease at a calendar monthly rental as provided for by the Option clause referred to in the FIRST SCHEDULE and otherwise on the same terms and conditions as are herein contained other than this Option clause for renewal.

Where the Lessee does not intend to exercise an option referred to herein, then the Lessee is to give to the Lessor at least 60 days written notice of intention not to exercise the particular Option and of the date the Lessee intends to vacate the premises.

#### LESSORS OPTION TO PURCHASE LESSEE'S FIXTURES

15 Where the Lessee intends to remove the Lessee's fixtures and fittings in accordance with Clause 8 (b), the Lessee shall first offer the said fixtures and fittings to the Lessor for purchase at a purchase price to be agreed upon and failing agreement then to be determined by a competent person who shall assess the value thereof not on a replacement basis but on the age and condition thereof on site and in situ. Where the Lessor declines or refuses to purchase such fixtures and fittings, the Lessee shall only be entitled to remove the same after obtaining the Lessors written acknowledgment and approval as to what is to be removed and the method of removal and the state or condition of the leased area which will result from such removal. This clause is to be read in conjunction with clause 8(b) of this Lease.

#### LESSEE'S IMPROVEMENTS

16 All alterations and improvements required by the Norfolk Island Administration or other authority to be effected to the demised premises as a consequence of the Lessee's activities as per the permitted use shall unless otherwise agreed to in writing by the Lessors, be the sole responsibility of and shall be paid for by the Lessee. On removal of any such alteration or improvements in accordance with this Lease, the Lessee is to be responsible for the cost or expense of reinstating the demised area effected by such removal to a lettable condition and standard. This clause is to be read in conjunction with clauses 8(b) and 15 of this Lease. The above provision does not apply to structural alterations required to be made



to the building unless the structural alterations are required as a direct consequence of the lessee's business.'

#### LESSOR'S RIGHTS TO IMPROVE THE BUILDING

17. The Lessor may carry out any works on the building, other than the leased premises, which the Lessor reasonably thinks should be carried out. Such works may include:

- (a) Demolishing and/or reconstructing any part of the building;
- (b) Extending or reducing the size of the building;
- (c) Renovation or refurbishment;
- (d) Altering the size, location, composition and arrangement of any parts of the building;
- (e) Altering the size, location, composition and arrangement of the common areas; and
- (f) Altering the means of access to the building or to the leased premises.

Provided that the Lessor shall consult with the Lessee prior to carrying out any works which are likely to interfere with the Lessee's enjoyment of premises.

If the Lessor employs reputable contractors or trades people to carry out the works, and if they do so during hours and using methods and practices which are not unusual for work of the kind they are doing, the Lessor will not be in breach of this Lease and will not be liable to the Lessee for nuisance, negligence, any other tort or any other breach of the Lease of carrying out the works or for anything related to doing so.

The Lessor may, subject to obtaining such approvals as may be required by law, at any time during the term construct additional areas on the leased premises, subject to giving reasonable notice to the Lessee and subject to using his best endeavours to minimise resulting inconvenience to the Lessee.

#### 18. FIRST RIGHT OF REFUSAL TO PURCHASE LEASED PROPERTY

18.1 During the Term or any further term, the Lessor must not sell or transfer the property hereby leased to anyone other than the Lessee without first offering to sell the Land to the Lessee on terms no less favourable than those upon which the Lessor is prepared to sell it to any other person.

18.2 Any offer by the Lessor under this clause must:

- (1) be in writing;
- (2) state the sale price and other terms and conditions upon which the Lessor wishes to sell the Leased property; and
- (3) Be accompanied by a draft of the proposed contract.

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**FIRST SCHEDULE***and Michele Alfredson Michele & Russell*

**LESSORS:** **RUSSELL ALFREDSON**, as the Trustees of the M & R Alfredson Superannuation Fund (referred to herein as the "ALFREDSON FUND"), as to a 78.2% ownership (referred to herein as the "ALFREDSON FUND interest) and **KERRI-ANN LENORE BROOKS** and **STEVEN JAMES BROOKS** as Trustees for the Team Brooks Superannuation Fund (referred to herein as the "BROOKS FUND"), as to a 21.8% ownership (referred to herein as the "BROOKS FUND interest), as tenants in common.

**LESSEES:** **KERRI-ANN LENORE BROOKS** and **STEVEN JAMES BROOKS** of Norfolk Island

**TERM OF LEASE:** Ten (10) years.  
(The initial term)

**DATE OF COMMENCEMENT OF LEASE:** 3 October 2014

**RENT and OUTGOINGS** (clause 1):  
(And manner of payment of rent)

**RENT:**

The Lessees shall pay rent separately to the ALFREDSON FUND interest and the BROOKS FUND interest in the following manner and so as to represent the Lessors separate ownership interest in the leased property.

**ALFREDSON FUND rent:**

1. As to the ALFREDSON FUND interest, the Lessees shall pay an annual rent payable by the Lessees to the ALFREDSON FUND for the first two (2) years of the initial term being the sum of \$40,000.00 payable by the Lessee to the ALFREDSON FUND by calendar monthly instalments of \$3,333.33 in advance commencing as from the 3 October 2014. NB: This is calculated at 8% of the initial investment amount of \$500,000.
2. Annual Rent for the third (3rd) year of the said initial term shall be the sum of \$45,000.00 payable by the Lessees to the ALFREDSON FUND by calendar monthly instalments of \$3,750.00 in advance commencing as from the 3 October 2016. NB: This is calculated at 9% of the initial investment amount of \$500,000.
3. Annual Rent for each of the fourth (4th) to the tenth (10th) year inclusive of the said initial term shall be the sum of \$50,000.00 payable by the Lessees to the ALFREDSON FUND by calendar monthly instalments of \$4,166.67 in advance commencing as from the 3 October 2017. NB: This is calculated at 10% of the initial investment amount of \$500,000.

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- 18.3 An offer under this clause may only be accepted by the Lessee by written notice to the Lessor within 30 days of its receipt by the Lessee and lapses at the expiry of that period.
- 18.4 Until the period of 30 days expires, the Lessor must not sell or transfer the Leased property otherwise than in accordance with this clause unless in the meantime the offer is unconditionally declined by the Lessee.
- 18.5 If the offer is declined or determined by lapse of time, the Lessor may sell the Leased property at the nominated sale price or a price in excess of the nominated sale price. If the Lessor wishes to reduce the price at which it will sell the Leased property, the provisions of this clause will apply to give the Lessee the right to buy the Leased property at the reduced sale price.
- 18.6 Time is of the essence of this clause.
- 18.7 This clause will cease to be binding on the Lessor if the Lessee fails to punctually pay the Rent or observe and perform the provisions of this Lease.

#### INTERPRETATION

19 In the interpretation of this lease, except as the context shall otherwise require

Words importing the singular number only include the plural and vice versa.

Words importing the masculine gender only include the feminine and neuter genders and vice versa.

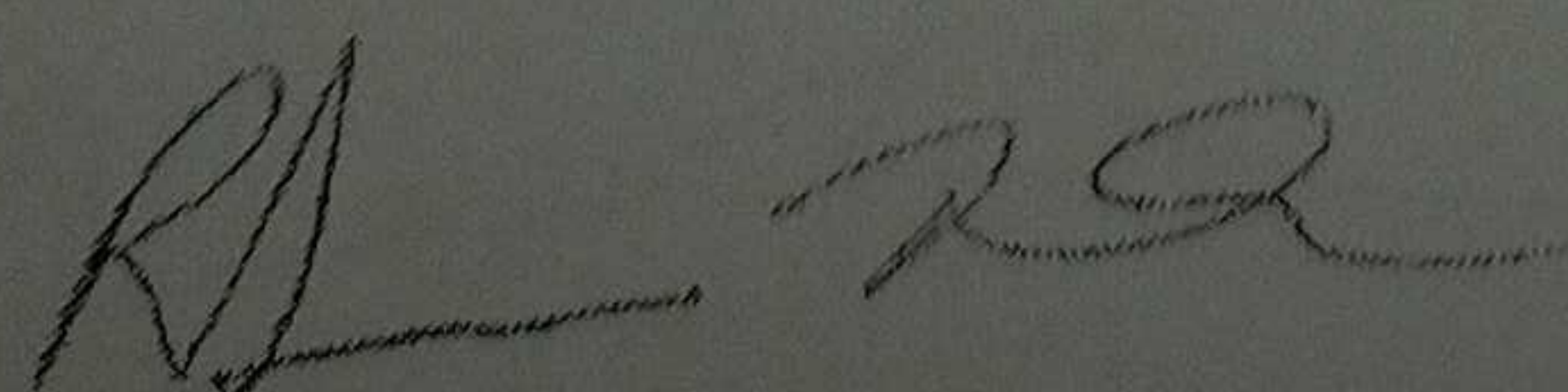
Words importing persons include corporations.

"Term" and "Lease Term" includes the term of this Lease and any extension renewal or holding over thereof.

The terms "Premises hereby leased", "land", "demised property", "Leased property", include collectively and individually, all of the Lessors property and interests as better described in the SECOND SCHEDULE hereto.

"Lessor" includes the executor's administrator's successors and assigns of the Lessor.

"Lessee" includes the heirs executors administrators successors and permitted assigns of the Lessee, and where one or more parties enter into this Lease or become parties to this Lease as Lessees then the term Lessee shall include the said lessees and shall bind the said lessees jointly and severally.





10. EXECUTION

SIGNED IN MY PRESENCE BY THE LESSORS

RUSSELL ALFREDSON MICHELE ALFREDSON as the Trustees of the Michele & Russell Alfredson Superannuation Fund and  
 KERRI-ANN LENORE BROOKS and STEVEN JAMES BROOKS as Trustees for the Team Brooks Superannuation Fund

SIGNATURE OF LESSORS

SIGNATURE OF WITNESS

11. EXECUTION BY THE LESSEES

SIGNED BY THE LESSEES:

KERRI-ANN LENORE BROOKS and STEVEN JAMES BROOKS

SIGNATURE OF LESSEES

SIGNATURE OF WITNESS

INSTRUCTIONS FOR COMPLETION

- ◆ The information collected by this form is authorised by the Land Titles Act 1996 and may be used for the purposes of that Act, and will be available for search pursuant to Section 30 of that Act. It will also be made available to Government agencies for statistical and administrative purposes and non-government persons and organisations concerned with land.  
 A fee may apply to any or all of the above.

- ◆ This document should clearly indicate the identifiers of all land affected.
- ◆ Complete all boxes or rule out if inapplicable.
- ◆ Execution of document by-

Natural Person - Should be witnessed by an adult person who is not a party to the document.

Attorney - If this document is executed by an attorney pursuant to a registered power of attorney, it must set out the full name of the attorney and the form of execution must indicate the source of his/her authority eg "AB by his/her attorney XY pursuant to Power of Attorney registered no.....of which he/she has had no notice of revocation."

Corporation - If this document is executed by a corporation under seal, the form of execution should include a statement that the seal has been properly affixed. eg In accordance with the articles of association of the corporation, each person attesting the affixing of the seal should state his/her position (eg Director/Secretary) in the corporation.

◆ Solicitor A solicitor may not execute this document on behalf of the lessee/lessor unless appointed under a registered power of attorney .

◆ Alterations should not be made by erasure but by scoring through with a pen and the words substituted written above them verified by initials in the margin.

◆ Typewriting and handwriting should be clear, legible and in permanent black ink.

◆ If additional space is required, additional sheets should be properly annexed to the memorandum.

OFFICE USE ONLY

DOCUMENTS LODGED HEREWITH:


CERTIFICATE OF REGISTRATION

EXAMINED		DATE	
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**BROOKS FUND rent**

1. As to the BROOKS FUND interest, the Lessees shall pay an annual rent payable by the Lessees to the BROOKS FUND for the first five (5) years of the initial term being the sum of \$7,000.00 payable by the Lessees to the BROOKS FUND either (a) by a lump sum payment of \$7,000.00 before but not later than the end of the Lease year under revue or (b) by regular or irregular calendar monthly instalments of \$583.33 in advance commencing as from 3 October 2014 and being on account of the lump sum rental payable for the subject year under revue. NB: This is calculated at 5% of the initial investment amount of \$140,000.

2. Annual rent for each of the sixth (6<sup>th</sup>) to the tenth (10<sup>th</sup>) year inclusive of the said initial term shall be the sum of \$8,400 payable by the Lessees to the BROOKS FUND either (a) by a lump sum payment of \$8,400.00 before but not later than the end of the Lease year under revue or (b) by regular or irregular calendar monthly instalments of \$583.33 in advance commencing as from 3 October 2019 and being on account of the lump sum rental payable for the subject year under revue. NB: This is calculated at 6% of the initial investment amount of \$140,000.

**GOODS AND SERVICES TAX**

All Goods and Services Tax payable on the said rental or other Government imposts as is or becomes payable by the Lessor on the rent shall be paid by the Lessee on demand from the Lessor to the Lessor in addition to and with payment of the rent.

**WATER ASSURANCE CHARGES, WATER USE AND ADDITIONAL GOVERNMENT IMPOSTS AND CHARGES**

In addition to the rental and any other charges payable by the Lessee to the Lessor under this Lease, the Lessee is to pay all charges assessed and levied against the Lessor pursuant to the Water Assurance Charges Act 1991 and any other Government taxes, rates, charges or levies imposed on the subject Leased property during the term of this Lease or any extension thereof. The Lessee shall pay such charges as and when the same are issued to the Lessee and if paid by the Lessor, then to reimburse the Lessor within 7 days of the presentation by the Lessor to the Lessee of the account for such charges.

**PERMITTED USE (clause 6):**

Conduct by the Lessee from the land hereby Leased as is more particularly described and provided for in the SECOND SCHEDULE hereto of the Lessees tourist accommodation business known as "CHANNERS ON NORFOLK GARDENSIDE APARTMENTS" of Norfolk Island.

Such permitted use provided for herein shall be in accordance with and otherwise subject to the terms and conditions as provided for in this Lease and its Schedules.

**OPTION PERIOD (clause 14):**

The term of the Option Period referred to in Clause 14 hereof shall be ten (10) years, to commence from the date of expiration of the initial term of this Lease.



The calendar monthly rental payable for the Option period if exercised shall be agreed upon between the Lessor and the Lessee before the commencement of the Option period and failing agreement such rental shall be the previous year's rent increased by the higher of the Retail Price Index figure as published under the Retail Price Index Act 1983 for the 12 month period ended 3 October 2024 or by 5%.

**SECOND SCHEDULE**

(Description of Leased Premises, property and interests for the Lease term)

The use and occupation of all that land and buildings on the Lessor's land described in Item 1 first page of this Lease and including all fixtures and fittings thereto being the property and ownership of the Lessor but subject to the right of passage of occupiers and users who seek to utilise the driveway servicing the improvements and buildings hereby leased, to gain access to and use of the adjoining rear Portion 52h4.

*Russell Alfredson*  
*Michelle Alfredson*  
*Michelle & Russell*

**RUSSELL ALFREDSON** as the Trustees of the **M & R Alfredson Superannuation Fund**  
as tenants in common as Lessors

Date: 3 October 2014

*[Signature]*

*[Signature]*

**KERRI-ANN LENORE BROOKS** and **STEVEN JAMES BROOKS** as Trustees for the  
Team Brooks Superannuation Fund

Date: 3 October 2014

*[Signature]*

*[Signature]*

**KERRI-ANN LENORE BROOKS** and **STEVEN JAMES BROOKS** as Lessees

Date: 3 October 2014

*[Signature]*