

Form: 07L
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Edition: 0308

LEASE
New South Wales
Real Property Act 1900

Leave this space clear. Affix additional pages to the top left-hand corner.

PRIVACY NOTE: Section 31B of the Real Property Act 1900 (RP Act) authorises the Registrar General to collect the information required by this form for the establishment and maintenance of the Real Property Act Register. Section 96B RP Act requires that The Register is made available to any person for search upon payment of a fee, if any.

STAMP DUTY

Office of State Revenue use only

(A) TORRENS TITLE

Property leased: if appropriate, specify the part or premises
Folio Identifier 1076/755247 being 23 Wyong Road, Lambton

(B) LODGED BY

LTO Box

Name, Address or DX and Telephone

CODE

Reference (optional):

L

(C) LESSOR

THE I & J COMPANY PTY LIMITED (ACN 082 706 223) ATF THE LEWIS SUPERANNUATION FUND AS TO A 2/3 SHARE and SUPER BOULES PTY LIMITED (ACN 088 704 054) ATF THE BOUDAN SUPERANNUATION FUND AS TO A 1/3 SHARE

The lessor leases to the lessee the property referred to above.

(D)

Encumbrances (if applicable):

(E) LESSEE

AIRVIEW ALUMINIUM PTY LTD (ACN 001 205 205)

(F)

TENANCY:

(G) 1. TERM:

Five (5) years

2. COMMENCEMENT DATE:

01.07.2009

3. TERMINATION DATE:

30.06.2014

4. With an OPTION TO RENEW for a period of five (5) years set out in Item 11

5. With an OPTION TO PURCHASE set out in Not applicable

6. Together with and reserving the RIGHTS set out in Not applicable

7. This lease includes ANNEXURES A and B hereto.

8. This lease includes the provisions set out in MEMORANDUM filed in the Land Titles Office as No. Not applicable

9. The RENT is set out in item/clause 12 of Annexure A

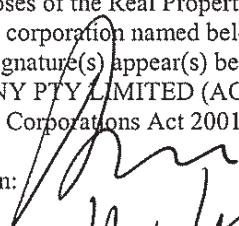
ALL HANDWRITING MUST BE IN BLOCK CAPITALS.

A set of instructions for completing this form is available from the Department of Lands, Land and Property Information division.

DATE: / /

(H)

Certified correct for the purposes of the Real Property Act 1900 and executed on behalf of the corporation named below by the authorised person(s) whose signature(s) appear(s) below.
Corporation: I & J COMPANY PTY LIMITED (ACN 082 706 223)
Authority: section 127 of the Corporations Act 2001

Signature of authorised person: 
Name of authorised person: Ian Lewis
Office held: Director

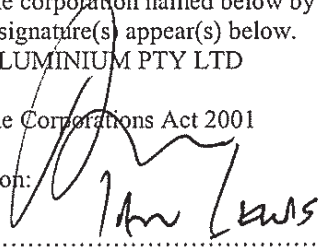
Signature of authorised person: 
Name of authorised person: SANNY LEWIS
Office held: Director/secretary

Certified correct for the purposes of the Real Property Act 1900 and executed on behalf of the corporation named below by the authorised person(s) whose signature(s) appear(s) below.
Corporation: SUPER BOULES PTY LIMITED (ACN 088 704 054)
Authority: section 127 of the Corporations Act 2001

Signature of authorised person: 
Name of authorised person: MARCEL BOUDAN
Office held: Director

Signature of authorised person:
Name of authorised person:
Office held: Director/secretary

Certified correct for the purposes of the Real Property Act 1900 and executed on behalf of the corporation named below by the authorised person(s) whose signature(s) appear(s) below.
Corporation: AIR VIEW ALUMINIUM PTY LTD (ACN 001 205 205)
Authority: section 127 of the Corporations Act 2001

Signature of authorised person: 
Name of authorised person: Ian Lewis
Office held: Director

Signature of authorised person:
Name of authorised person:
Office held: Director/secretary

Signed in my presence by the guarantor Ian Richard Lewis who is personally known to me.

.....
Signature of witness

.....
Signature of guarantor

.....
Name of witness

.....
Address of witness

Signed in my presence by the guarantor Marie Elizabeth Genevieve Boudan who is personally known to me.

.....
Signature of witness

.....
Signature of guarantor

.....
Name of witness

.....
Address of witness

(I) STATUTORY DECLARATION

I solemnly and sincerely declare that -

- 1. The time for the exercise of option to renew/option to purchase in expired Lease No.has ended.
- 2. The lessee under that lease has not exercised the option.

I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths Act 1900. Made and subscribed at in the State of..... on in the presence of-

.....
Signature of witness

.....
Signature of lessor

.....
Address of witness

.....
Name of witness

.....
Qualification of witness

ALL HANDWRITING MUST BE IN BLOCK CAPITALS.



ANNEXURE A to the Law Society Lease

Landlord: THE I & J COMPANY PTY LIMITED (ACN 082 706 223) ATF THE LEWIS SUPERANNUATION FUND AND SUPER BOULES PTY LIMITED (ACN 088 704 054) ATF THE BOUDAN SUPERANNUATION FUND

Tenant: AIRVIEW ALUMINIUM PTY LTD (ACN 001 205 205)

This annexure consists of 3 pages.

NOTE: Any alterations and additions to Lease Covenants in Annexure B **must** be made by additional clauses in Annexure A. The printed clauses in Annexure B are to remain in their copyright form without alteration.

SCHEDULE OF ITEMS (continued)

Item 9 A. **The guarantors:** Ian Richard Lewis and Marie Elizabeth Genevieve Boudan

(cl 13.7) B. **Limit of guarantors' liability:** Maximum rental and outgoings plus GST for the term of the lease

Item 10 **Additional leased property:** Not applicable
(cl 3)

Item 11 **Option to renew**
(cl 4)

- A. Further period of **five (5) years** from **01.07.2014** to **30.06.2019**.
- B. Further period of years from to **Not applicable**
- C. Maximum period of tenancy under this lease and permitted renewals: **10 years**
- D. First day option for renewal can be exercised: **6 months prior to expiry of lease**
- E. Last day option for renewal can be exercised: **3 months prior to expiry of lease**

Item 12 **Rent**
(cl 5)

For the lease period:

From Commencement Date to the first rent review date: **\$31,500.00 per annum including GST by 12 equal monthly payments or \$2,625.00 including GST**

Afterwards:

For the further period in item 11A:
From the commencement date to the first rent review date:
(for example: Current market rent) **CURRENT MARKET RENT but not less than the previous years rental with annual CPI reviews.**

For the further period in item 11B:
From the commencement date to the first rent review date:
(for example: Current market rent) **Not applicable**

Item 13 **Outgoings**



(cl 5)

A. Share of outgoings: Nil – rent is inclusive of outgoings

B. Outgoings -

- ~~(a) local council rates and charges;~~
- ~~(b) water sewerage and drainage charges;~~
- ~~(c) land tax;~~
- ~~(d) insurance;~~
- ~~(e) strata levies;~~
- ~~(f) Preventative air conditioning maintenance servicing.~~

for the land or the building of which the property is part, fairly apportioned to the period of this lease.

Item 14 Interest rate: 10%
(cl 5.1.5)

Item 15 Rent review
(cl 5.4)

Rent review date	Method of rent review	If Method 1 applies, increase by (the increase should show percentage or amount)
Date of commencement of renewal 1 st July 2014		As stated in clause 5 of Item 12 Method 3
On each anniversary of the Commencing date		Method 2

Method 1 is a fixed amount or percentage
Method 2 is Consumer Price Index.
Method 3 is current market rent.

Method 2 applies unless another method is stated.

Item 16 Permitted use: Manufacturing business
(cl 6.1)

Item 17 Amount of required public liability insurance: TWENTY MILLION DOLLARS
(cl 8.1.1) (\$20,000,000.00)



18. **Goods and Services Tax**

The rent and all other moneys payable by and on behalf of the tenant under this lease are inclusive of Goods and Services Tax or like impost (GST).

19. **Legal Fees Claim**


The Lessee will pay for all Lease preparation costs and registration.

20. **Lessor's Property**

Means all equipment, plant and fixtures and fittings and other property the Lessor provides.

21. **Directors' Guarantee**

The Guarantor hereby guarantees to the Lessor the due and punctual payment of rent and other money due and the punctual observance and performance by the Lessee of the covenants and provisions contained in or implied under this Lease and any renewal thereof on the part of the Lessee to be respectively paid, observed or performed and will immediately upon demand by the Lessor in the event of default by the Lessee under this Lease pay and perform the obligations of the Lessee under this Lease and also agrees with the Lessor to be liable for and to indemnify and keep indemnified the Lessor against all actions, claims, suits, demands and losses which the Lessor may incur or be liable for as a result of any default, act or omission of the Lessee under the terms of this Lease or in any way relating to the construction of the building AND FURTHER agrees notwithstanding any contrary rule of law or equity that the guarantee and indemnity given by the Guarantor under this clause shall be a continuing guarantee and engagement that the granting of time, credit, concession or indulgence to the Lessee or the Guarantor or the making of any composition with or the waiver of any breach or default by the Lessee or the neglect or forbearance of the Lessor to enforce the covenants and provisions of this Lease or those of this guarantee and indemnity or the avoidance for any reason whatsoever by statute or otherwise of any payment by or on behalf of the Lessee or the Guarantor to the Lessor or any moratorium or other period staying or suspending by statute or the order of any Court or other authority all or any of the Lessor's rights, remedies or recourse against the Lessee will not stay, suspend, release or discharge this guarantee and indemnity it being the intention that the guarantee and indemnity herein contained shall be unconditional and absolute in any and all circumstances AND the Guarantor hereby waives in favour of the Lessor all rights, remedies and recourse of the Guarantor against the Lessor, the Lessee and any other person estate or asset so far as necessary to give effect to anything contained in this guarantee and indemnity. If the Guarantor comprises two or more persons the liability hereunder shall be joint and several.



ANNEXURE B to the Law Society Lease

Landlord: THE I & J COMPANY PTY LIMITED (ACN 082 706 223) ATF THE LEWIS FAMILY SUPERANNUATION FUND AND SUPER BOULES PTY LIMITED (ACN 088 704 054) ATF THE BOUDAN SUPERANNUATION FUND

Tenant: AIRVIEW ALUMINIUM PTY LTD (ACN 001 205 205)

This annexure consists of 12 pages.

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NOTE: Any alterations and additions to Lease Covenants in Annexure B **must** be made by additional clauses in Annexure A. The printed clauses in Annexure B are to remain in their copyright form without alteration.

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RETAIL LEASE CERTIFICATE

If section 16 of the Retail Leases Act 1994 applies to this lease, and the term plus any further terms are less than 5 years, the term will be extended unless a section 16 certificate is given. Sections 16(1) and (2) provide -

- 16(1) The term for which a retail shop lease is entered into, together with any further term or terms provided for by any agreement or option for the acquisition by the lessee of a further term as an extension or renewal of the lease, must not be less than 5 years. An agreement or option is not taken into account if it was entered into or conferred after the lease was entered into.
- 16(2) If a lease is entered into in contravention of this section, the validity of the lease is not thereby affected but the term of the lease is extended by such period as may be necessary to prevent the lease contravening this section.

I certify that I am a solicitor not acting for the landlord and that at the request of the tenant I explained to the tenant before the tenant entered into this lease -

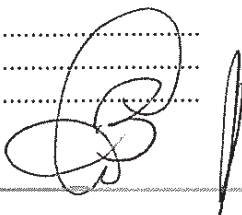
- the effect of sections 16(1) and (2); and
- that the giving of this certificate would result in section 16 not applying to this lease.

.....
Date

.....
Signature

.....
NAME (BLOCK LETTERS)

.....
.....
.....

.....
.....
.....


CLAUSE 1 FORM OF THIS LEASE

What are the parts to this lease?

- 1.1 There are three parts to this lease - a lease form, Annexure A and this annexure.
- 1.2 This lease is a deed even if it is not registered.

CLAUSE 2 PARTIES

Who are the parties to this lease?

- 2.1 The landlord. The landlord is also called the lessor (or in the case of a sublease, the sublessor) and is named on page 1 of this lease.
- 2.2 The tenant. The tenant is also called the lessee (or in the case of a sublease, the sublessee) and is named on page 1 of this lease.
- 2.3 The guarantor, if a guarantor is named in item 9 in the schedule.
- 2.4 If a party consists of two or more persons, obligations of that party can be enforced against any one or more of them.

CLAUSE 3 THE PROPERTY

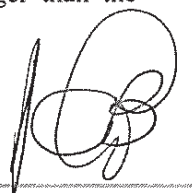
What property is leased?

- 3.1 The property leased is described on page 1 of this lease.
- 3.2 The landlord's fixtures are included in the property leased.
- 3.3 If anything else is leased (such as furniture belonging to the landlord) and is described in item 10 in the schedule it is included in the property.
- 3.4 If the property has facilities and services shared in common with other persons in the same building as the property, clause 11.3.2 applies to those common facilities. The tenant shares the common facilities with the landlord, and with other tenants of the landlord. The landlord can set reasonable rules for sharing these common facilities.

CLAUSE 4 LEASE PERIOD

How long is this lease for?

- 4.1 This lease is for the period stated in item 1 in the schedule, commences on the date stated in item 2 in the schedule and ends on the date stated in item 3 in the schedule.
- 4.2 If a further period, commencing when this lease ends, is stated in item 11A in the schedule then the tenant has the option to renew this lease for that period.
- 4.3 The tenant can renew this lease more than once if that is stated in item 11B in the schedule. However the period of tenancy under this lease and under any renewal(s) is, in total, not longer than the maximum period stated in item 11C in the schedule.



- 4.4 The tenant can exercise the option only if -
- 4.4.1 the tenant serves on the landlord a notice of exercise of option not earlier than the first day stated in item 11D in the schedule and not later than the last day stated in item 11E in the schedule;
 - 4.4.2 there is at the time of service no rent or outgoing that is overdue for payment; and
 - 4.4.3 at the time of service all the other obligations of the tenant have been complied with or fully remedied in accordance with the terms of any notice to remedy given by the landlord.

If this lease is extended by legislation, items 11D and 11E in the schedule are adjusted accordingly.

- 4.5 After exercising the option the tenant must continue to pay all rents and outgoings on time and continue to comply with all of the tenant's obligations under this lease. If the tenant does not do so, the landlord may treat any breach as being a breach of the new lease as well as of this lease.

- 4.6 A new lease will be the same as this lease except for -

- 4.6.1 the new rent;
- 4.6.2 the commencement date and the termination date;
- 4.6.3 the omission of clauses 4.2, 4.3, 4.4, 4.5 and 4.6 and items 11A and 11B in the schedule in the last lease allowed in item 11 in the schedule;
- 4.6.4 item 11B becoming item 11A;
- 4.6.5 adjustment of item 11C in the schedule; and
- 4.6.6 adjustment of items 11D and 11E in the schedule. The number of days between the dates stated in items 11D and 11E in the schedule of the new lease and the termination date of the new lease and the number of days between each date stated in items 11D and 11E in the schedule of this lease and the termination date of this lease are to correspond.

If the new rent is to be current market rent it will be decided in the same way that current market rent is to be decided under Method 3 stated in clause 5 assuming that this lease and the new lease were one continuous lease and the commencement date of the new lease was a rent review date.

CLAUSE 5 MONEY

What money must the tenant pay?

- 5.1 The tenant must pay to the landlord or as the landlord directs -
- 5.1.1 the rent stated in item 12 in the schedule;
 - 5.1.2 the share stated in item 13A in the schedule of those outgoings stated in item 13B in the schedule;
 - 5.1.3 the reasonable cost to the landlord of remedying a default by the tenant;
 - 5.1.4 the reasonable cost to the landlord of dealing with any application by the tenant for the landlord's consent under this lease (whether or not it is given);
 - 5.1.5 interest on these moneys at the rate stated in item 14 in the schedule when payment is more than 14 days overdue, calculated from the due date to the date of payment;
 - 5.1.6 registration fee for registration of this lease at the Land Titles Office (payable on delivery to the landlord's solicitor of the executed lease);
 - 5.1.7 stamp duty on this lease (payable on delivery to the landlord's solicitor of the executed lease) if not previously paid by the tenant to the Office of State Revenue;
 - 5.1.8 if the tenant defaults, the landlord's reasonable legal costs relating to the default; and
 - 5.1.9 the landlord's reasonable costs and expenses in connection with the preparation of this lease.

5.1.10 Goods and Services Tax as provided for under the heading Goods and Services Tax in Annexure A.

5.2 The first month's instalment of rent is to be paid by the commencement date. Each later month's instalment of rent is to be paid in advance.

5.3 A payment under clause 5.1.2 must be paid on the next rent day after a request for payment is made by the landlord.

A request for payment can be made -

5.3.1 after the landlord has paid an outgoing; or

5.3.2 after the landlord has received an assessment or account for payment of an outgoing.

If item 13B in the schedule refers to land tax -

- if the property is a strata lot, the relevant land tax is land tax on that lot;
- if the property is not a strata lot but is part of a building, the relevant land tax is land tax on the land on which the building is situated, plus any land of the landlord used or available for use by or for the benefit of tenants conducting business in the building or in connection with trading in the building; and
- in either case, the land tax must be calculated as if the land was the only land owned by the landlord and there was no special trust or non-concessional company involved.

When and how is the rent to be reviewed?

5.4 The rent is to be reviewed on the rent review dates stated in item 15 in the schedule.

If this lease is extended by legislation, the rent review dates include each anniversary of the latest rent review date stated in item 15 in the schedule (or if none is stated each anniversary of the commencement date) which falls during the extension.

5.5 The tenant must continue to pay rent at the old rate until the new rate is known. After that, the tenant is to pay the new rent from the next rent day. By that rent day the tenant is also to pay any shortfall between the old and new rate for the period since the rent review date. Alternatively, the landlord is to refund to the tenant any overpayment of rent.

5.6 There are three different methods described here for fixing the new rent on a rent review date. The method agreed by the landlord and the tenant is stated at item 15 in the schedule. The tenant is entitled to a reduction if the method produces a rent lower than the rent current just before the review date.

Method 1. By a fixed amount or percentage.

5.7 In this case the new rent beginning on each review date is stated in item 15 in the schedule.

Method 2. By reference to Consumer Price Index.

5.8 In this case -

- take the yearly rent as of the last review date or if none, the rent at the commencement date (\$X),
- divide that rent by the Consumer Price Index Number for Sydney (All Groups) for the quarter ended just before that date (CPI 1),
- multiply the result by the Consumer Price Index Number for Sydney (All Groups) for the quarter ended just before the review date (CPI 2).

The product is the new rent for the year beginning on the review date (\$Y), written as a formula -

$$\frac{\$X}{\text{CPI 1}} \times \text{CPI 2} = \$Y$$

- 5.9 The landlord must calculate the new rent after each review date and give the tenant written notice of the new rent.
- 5.10 If the Australian Bureau of Statistics makes a change in the reference base of the index and there is a published co-relation between the old and new base then the published co-relation is to be applied to convert the CPI 1 figure to the new reference base. If there is none then the landlord and the tenant agree to accept the calculations of the landlord's solicitor who must be retained to determine a fair co-relation between the old and the new series of numbers.
- 5.11 If the index used to calculate the new rent is discontinued the landlord may substitute another index that, as nearly as practicable, serves the same purpose and, if there is no such index, then the rent will be fixed by Method 3.

Method 3. By reference to current market rent.

- 5.12 In this case the rent is to be the current market rent. This can be higher or lower than the rent payable at the rent review date and is the rent that would reasonably be expected to be paid for the property, determined on an effective rent basis, having regard to the following matters-

- 5.12.1 the provisions of this lease;
- 5.12.2 the rent that would reasonably be expected to be paid for the property if it were unoccupied and offered for renting for the same or a substantially similar use to which the property may be put under this lease;
- 5.12.3 the gross rent, less the landlord's outgoings payable by the tenant;
- 5.12.4 where the property is a retail shop, rent concessions and other benefits that are frequently or generally offered to prospective tenants of unoccupied retail shops; and
- 5.12.5 the value of goodwill created by the tenant's occupation and the value of tenant's fixtures and fittings are to be ignored.

- 5.13 The landlord or the tenant can inform the other in writing at least 60 days before the rent review date of the rent that the landlord or tenant thinks will be the current market rent at the review date.

- 5.14 If the landlord and the tenant agree on a new rent then that rent will be the new rent beginning on the rent review date and the landlord and the tenant must sign a statement saying so.

- 5.15 If the landlord and the tenant do not agree on the amount of the new rent 30 days before the rent review date, the current market rent will be decided by a valuer appointed under clause 5.16.

- 5.16 The landlord and the tenant can either agree upon a valuer or can ask the President of the Law Society of New South Wales to nominate a person who is a licensed valuer to decide the current market rent. Where the property is a retail shop, the valuer appointed must be a specialist retail valuer.

- 5.17 The valuer will act as an expert not an arbitrator. The landlord and the tenant can each make submissions in writing to the valuer within 14 days after they receive notice of the valuer's appointment but not later unless the valuer agrees.

- 5.18 The valuer's decision is final and binding. The valuer must state how the decision was reached.

- 5.19 If the valuer -

- 5.19.1 does not accept the nomination to act; or

- 5.19.2 does not decide the current market rent within 1 month after accepting the nomination; or
- 5.19.3 becomes incapacitated or dies; or
- 5.19.4 resigns,

then another valuer is to be appointed in the same way.

5.20 The landlord and tenant must each pay half the valuer's costs.

5.21 If the landlord and tenant do not agree upon a valuer and neither asks for a valuer to be nominated before -

- 5.21.1 the next rent review date passes; or
- 5.21.2 this lease ends without the tenant renewing it; or
- 5.21.3 this lease is transferred after the rent review date with the landlord's consent; or
- 5.21.4 the property is transferred after the rent review date

then the rent will not change on that rent review date.

CLAUSE 6 USE

How must the property be used?

6.1 The tenant must -

- 6.1.1 use the property for the purpose stated in item 16 in the schedule and not for any other purpose;
- 6.1.2 open for business at times usual for a business of the kind conducted by the tenant;
- 6.1.3 keep the property clean and dispose of waste properly; and
- 6.1.4 comply with all laws regulating how the property is used, obtain any consents or licences needed, comply with any conditions of consent, and keep current any licences or registrations needed for the use of the property or for the conduct of the tenant's business there.

6.2 The landlord can consent to a change of use and cannot withhold consent unreasonably.

6.3 The tenant must not -

- 6.3.1 do anything that might invalidate any insurance policy covering the property or that might increase the premium; or
- 6.3.2 use the property as a residence or for any activity that is dangerous, offensive, noxious, illegal or immoral or that is or may become a nuisance or annoyance to the landlord or to the owner or occupier of any neighbouring property; or
- 6.3.3 hold any auction, bankrupt or fire sale in the property; or
- 6.3.4 display signs or advertisements on the outside of the property, or that can be seen from the outside, unless the landlord consents (but the landlord cannot withhold consent unreasonably); or
- 6.3.5 overload the floors or walls of the property.

CLAUSE 7 CONDITION AND REPAIRS

Who is to repair the property?

7.1 The landlord must -

- 7.1.1 maintain in a state of good condition and serviceable repair the roof, the ceiling, the external walls, and the floors of the property and must fix structural defects;
- 7.1.2 maintain the property in a structurally sound condition; and
- 7.1.3 maintain essential services.

7.2 The tenant must otherwise maintain the property in its condition at the commencement date and promptly do repairs needed to keep it in that condition but the tenant does not have to -

- 7.2.1 alter or improve the property; or
- 7.2.2 fix structural defects; or
- 7.2.3 repair fair wear and tear.

7.3 The tenant must also -

- 7.3.1 reimburse the landlord for the cost of fixing structural damage caused by the tenant, apart from fair wear and tear;
- 7.3.2 maintain and decorate the shop front if the property has one; and
- 7.3.3 decorate the inside of the property in the last 3 months of the lease period (however it ends) - 'decorate' here means restoring the surfaces of the property in a style and to a standard of finish originally used e.g. by repainting.

7.4 If an authority requires work to be done on the property and it is structural work or work needed to make the property safe to use then the landlord must do the work unless it is required only because of the way the tenant uses the property. But if it is any other work or is required only because of the way the tenant uses the property then the tenant must do the work.

7.5 If the tenant fails to do any work that the tenant must do the landlord can give the tenant a notice in writing stating what the tenant has failed to do. After the notice is given the tenant must -

- 7.5.1 do the work immediately if there is an emergency; and
- 7.5.2 do the work promptly and diligently in any other case.

If the tenant does not do the work, the landlord can do it and the tenant must reimburse the landlord for the cost of the work.

7.6 The tenant must not make any structural alterations to the property. Any other alterations require the landlord's consent in writing (but the landlord cannot withhold consent unreasonably).

CLAUSE 8 INSURANCE AND DAMAGE

What insurances must the tenant take out?

8.1 The tenant must keep current an insurance policy covering -

- 8.1.1 liability to the public in an amount not less than the amount stated in item 17 in the schedule (for each accident or event); and
- 8.1.2 damage or destruction from any cause to all plate glass in the windows and other portions of the property

and must produce to the landlord, upon request, the policy and the receipt for the last premium.

What happens if the property is damaged?

8.2 If the property or the building of which it is part is damaged (a term which includes destroyed) -

Annexure B

- 8.2.1 the tenant is not liable to pay rent, or any amount payable to the landlord in respect of outgoings and other charges, that is attributable to any period during which the property cannot be used under this lease or is inaccessible due to that damage;
- 8.2.2 if the property is still useable under this lease but its useability is diminished due to the damage, the tenant's liability for rent and any amount in respect of outgoings attributable to any period during which useability is diminished is reduced in proportion to the reduction in useability caused by the damage;
- 8.2.3 if the landlord notifies the tenant in writing that the landlord considers that the damage is such as to make its repair impracticable or undesirable, the landlord or the tenant can terminate this lease by giving not less than 7 days notice in writing of termination to the other and no compensation is payable in respect of that termination;
- 8.2.4 if the landlord fails to repair the damage within a reasonable time after the tenant requests the landlord to do so the tenant can terminate this lease by giving not less than 7 days notice in writing of termination to the landlord; and
- 8.2.5 nothing in clause 8.2 affects any right of the landlord to recover damages from the tenant in respect of any damage or destruction to which the clause applies.

CLAUSE 9 ACCESS

What are the landlord's rights of access to the property?

- 9.1 The tenant must give the landlord (or anyone authorised in writing by the landlord) access to the property at any reasonable time for the purpose of-
 - 9.1.1 inspecting the condition of the property, or how it is being used; or
 - 9.1.2 doing anything that the landlord can or must do under this lease or must do by law; or
 - 9.1.3 viewing the property as a valuer, prospective buyer or mortgagee; or
 - 9.1.4 fixing a notice in a reasonable position on the outside of the property saying that it is for sale; or
 - 9.1.5 viewing the property as a prospective tenant not earlier than 6 months before the lease period ends; or
 - 9.1.6 fixing a notice not earlier than 6 months before the lease period ends in a reasonable position on the outside of the property saying that it is to let; or
 - 9.1.7 inspecting, cleaning or repairing another property or any services to another property.
- 9.2 The landlord must give the tenant at least 2 days written notice for access (except in an emergency). The day of the giving of the notice and any Saturday, Sunday or public holiday on which the property is not open for business are not counted.
- 9.3 The landlord must promptly make good any damage caused to the property and to any of the tenant's belongings which results from exercising these rights.
- 9.4 The tenant must give to the landlord a copy of any notice relating to the property or relating to any neighbouring property immediately after receiving the notice.

CLAUSE 10 TRANSFER AND SUB-LEASE

Can this lease be transferred or the property shared or sub-let?

- 10.1 The tenant must not transfer this lease without consent.
- 10.2 The landlord can withhold consent only if -
 - 10.2.1 the proposed transferee proposes to change the use to which the property is put; or

- 10.2.2 where the property is a retail shop, the proposed transferee has financial resources or retailing skills inferior to those of the proposed transferor and otherwise the proposed transferee has financial resources or business experience inferior to those of the proposed transferor; or
- 10.2.3 the tenant has not complied with clause 10.3 and, where the property is a retail shop, clause 10.4.

10.3 A request for the landlord's consent to a transfer of lease must be made in writing and the tenant must provide the landlord with such information as the landlord may reasonably require concerning the financial standing and business experience of the proposed transferee.

10.4 Where the property is a retail shop, before requesting the consent of the landlord to a proposed transfer of this lease, the tenant must furnish the proposed transferee with a copy of any disclosure statement given to the tenant in respect of this lease, together with details of any changes that have occurred in respect of the information contained in the disclosure statement (being changes of which the tenant was aware or could reasonably be expected to be aware). For the purpose of enabling the tenant to comply with this obligation, the tenant can request the landlord to provide the tenant with a copy of the disclosure statement concerned and, if the landlord is unable or unwilling to comply with such a request within 14 days after it is made, this clause 10.4 does not apply.

10.5 Where the tenant has complied with clause 10.3 and where required to do so clause 10.4 and the landlord has not within 42 days after the request was made given notice in writing to the tenant either consenting or withholding consent the landlord is taken to have consented.

10.6 The tenant has to pay in connection with any consent the landlord's reasonable legal costs, the reasonable costs of obtaining any mortgagee's consent, the stamp duty and the registration fee for the transfer.

10.7 Where the property is a retail shop, the tenant can sublet, grant a license or concession, share or part with the possession of the whole or any part of the property or mortgage or otherwise charge or encumber the tenant's estate or interest in this lease only with the written consent of the landlord which can be refused in the landlord's absolute discretion. Otherwise, the tenant cannot do any of these things.

CLAUSE 11 LANDLORD'S OTHER OBLIGATIONS

What are the landlord's other obligations?

11.1 So long as the tenant does all the things that must be done by the tenant under this lease the landlord must allow the tenant to possess and use the property in any way permitted under this lease without interference from the landlord, or any person claiming under the landlord or having superior title to the title of the landlord.

11.2 The landlord must pay all outgoings for the land or the building of which the property is part when they fall due.

11.3 If the property is part of a building owned or controlled by the landlord -

11.3.1 the landlord must maintain in reasonable structural condition all parts of the building that the tenant can use under this lease; and

11.3.2 if the property has facilities and service connections shared in common with other persons the landlord must -

11.3.2.1 allow reasonable use of the facilities and service connections including-

- the right for the tenant and other persons to come and go to and from the property over the areas provided for access;
- access by the tenant to service connections; and
- the right for the tenant's customers to park vehicles in any area set aside for customer parking, subject to any reasonable rules made by the landlord.

11.3.2.2 maintain the facilities and service connections in reasonable condition.

11.4 The landlord must ensure that this lease is registered.

11.5 If a consent is needed for this lease, from someone such as a mortgagee or head landlord of the property, then the landlord must get the consent.

CLAUSE 12 FORFEITURE AND END OF LEASE

When does this lease end?

2.1 This lease ends -

- 12.1.1 on the date stated in item 3 in the schedule; or
- 12.1.2 if the landlord lawfully enters and takes possession of any part of the property; or
- 12.1.3 if the landlord lawfully demands possession of the property.

12.2 The landlord can enter and take possession of the property or demand possession of the property if -

- 12.2.1 the tenant has repudiated this lease; or
- 12.2.2 rent or any other money due under this lease is 14 days overdue for payment; or
- 12.2.3 the tenant has failed to comply with a landlord's notice under section 129 of the Conveyancing Act 1919; or
- 12.2.4 the tenant has not complied with any term of this lease where a landlord's notice is not required under section 129 of the Conveyancing Act 1919 and the landlord has given at least 14 days written notice of the landlord's intention to end this lease.

12.3 When this lease ends, unless the tenant becomes a tenant of the property under a new lease the tenant must -

- 12.3.1 return the property to the landlord in the state and condition that this lease requires the tenant to keep it in; and
- 12.3.2 have removed any goods and anything that the tenant fixed to the property and have made good any damage caused by the removal.

Anything not removed becomes the property of the landlord who can keep it or remove and dispose of it and charge to the tenant the cost of removal making good and disposal.

12.4 If the landlord allows the tenant to continue to occupy the property after the end of the lease period (other than under a new lease) then -

- 12.4.1 the tenant becomes a monthly tenant and must go on paying the same rent and other money in the same way that the tenant had to do under this lease just before the lease period ended (apportioned and payable monthly);
- 12.4.2 the monthly tenancy will be on the same terms as this lease, except for -
 - clause 4;
 - clauses 5.4 to 5.21 inclusive; and
 - clause 6.2 unless consent has previously been given;

- 12.4.3 either the landlord or the tenant can end the monthly tenancy by giving, at any time, one month's written notice to the other expiring on any date; and
- 12.4.4 anything that the tenant must do by the end of this lease must be done by the end of the monthly tenancy.

12.5 Essential terms of this lease include -

- 12.5.1 the obligation to pay rent not later than 14 days after the due date for payment of each periodic instalment (and this obligation stays essential even if the landlord, from time to time, accepted late payment);
- 12.5.2 the obligations of the tenant in clause 5.1.2 (dealing with outgoings);
- 12.5.3 the obligations of the tenant in clause 6.1 (dealing with use);
- 12.5.4 the obligations of the tenant in clause 7 (dealing with repairs); and
- 12.5.5 the obligations of the tenant in clause 10 (dealing with transfer and sub-lease).

- 12.6 If there is a breach of an essential term the landlord can recover damages for losses over the entire period of this lease but must do every reasonable thing to mitigate those losses and try to lease the property to another tenant on reasonable terms.

12.7 The landlord can recover damages even if -

- 12.7.1 the landlord accepts the tenant's repudiation of this lease; or
- 12.7.2 the landlord ends this lease by entering and taking possession of any part of the property or by demanding possession of the property; or
- 12.7.3 the tenant abandons possession of the property; or
- 12.7.4 a surrender of this lease occurs.

CLAUSE 13 GUARANTEE

What are the obligations of a guarantor?

- 13.1 This clause applies if a guarantor of the tenant is named in item 9A in the schedule and has signed or executed this lease or, if this lease is a renewal of an earlier lease, the earlier lease.
- 13.2 The guarantor guarantees to the landlord the performance by the tenant of all the tenant's obligations (including any obligation to pay rent, outgoings or damages) under this lease, under every extension of it or under any renewal of it or under any tenancy and including obligations that are later changed or created.
- 13.3 If the tenant does not pay any money due under this lease, under any extension of it or under any renewal of it or under any tenancy the guarantor must pay that money to the landlord on demand even if the landlord has not tried to recover payment from the tenant.
- 13.4 If the tenant does not perform any of the tenant's obligations under this lease, under any extension of it or under any renewal of it or under any tenancy the guarantor must compensate the landlord even if the landlord has not tried to recover compensation from the tenant.
- 13.5 If the tenant is insolvent and this lease or any extension or renewal of it is disclaimed the guarantor is liable to the landlord for any damage suffered by the landlord because of the disclaimer. The landlord can recover damages for losses over the entire period of this lease or any extension or renewal but must do every reasonable thing to mitigate those losses and try to lease the property to another tenant on reasonable terms.
- 13.6 Even if the landlord gives the tenant extra time to comply with an obligation under this lease, under any extension of it or under any renewal of it or under any tenancy, or does not insist on strict compliance

with the terms of this lease or any extension of it or renewal of it or of any tenancy, the guarantor's obligations are not affected.

13.7 If an amount is stated in item 9B in the schedule the guarantor's liability under this clause is limited to that amount.

13.8 The terms of this guarantee apply even if this lease is not registered, even if any obligation of the tenant is only an equitable one, and even if this lease is extended by legislation.

CLAUSE 14 EXCLUSIONS, NOTICES AND SPECIAL CLAUSES

14.1 No covenant or power is implied in this lease by section 84 or 85 of the Conveyancing Act 1919.

14.2 A document under or relating to this lease is -

14.2.1 served if it is served in any manner provided in section 170 of the Conveyancing Act 1919; and

14.2.2 served on the tenant if it is left at the property.

14.3 This lease is subject to any legislation that cannot be excluded.

14.4 In this lease, 'retail shop' means premises to which the Retail Leases Act 1994 applies.

IMPORTANT NOTES

The following notes are for guidance and do not form part of this lease.

If you are a landlord, a solicitor will prepare this lease for you.

If you are a tenant, a solicitor can advise you about it.

1. This document creates legal rights and legal obligations.
2. Failure to register a lease can have serious consequences.
3. If an option for renewal is not exercised at the right time it will be lost.
4. The tenant can exercise an option for renewal even if there has been a breach of this lease in a case where section 133E of the Conveyancing Act 1919 applies. The landlord must give a prescribed notice within 14 days after the option is exercised if the landlord wants to rely on the breach to prevent the exercise of the option.
5. The Law Society of New South Wales is not to be responsible for any loss resulting from the use of this lease as printed whether authorised or not.

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I certify that this and the preceding eleven pages are in exactly the same wording as Annexure B of the copyright Law Society Lease.

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Solicitor for the Landlord

