

CROSSCO AUSTRALIA PTY LTD

(ACN 006 357 268)

the Landlord

and

CROSSCO CONSULTING PTY LTD

(ACN 107 156 347)

the Tenant

RETAIL PREMISES LEASE

RETAIL PREMISES LEASE

THIS LEASE made the day of December 2017

BETWEEN CROSSCO AUSTRALIA PTY LTD (ACN 006 357 268) (as Trustee for the CROSSCO SUPERANNUATION FUND) of registered address Level 1, 55 Whitehorse Road, Balwyn, Victoria

(“the Landlord”) being registered as the proprietor of an estate in fee simple in the land hereinafter described subject to the encumbrances notified hereunder HEREBY LEASES AND DEMISES to CROSSCO CONSULTING PTY LTD (ACN 107 156 347) Of 154 Macleod Street Bairnsdale (“the Tenant”) the property described in Part A of the schedule “the property leased” TO BE HELD by the Tenant for a term commencing on the 1st October 2017 and ending subject to earlier determination as herein provided on the 30th of September 2022 (“the term”) at a clear commencing rental of FIFTY TWO THOUSAND, EIGHT HUNDRED DOLLARS exclusive of GST (\$52,800.00 exclusive of GST”) per annum payable subject to the periodic reviews referred to in clause 3.7 hereof, by monthly instalments of FOUR THOUSAND FOUR HUNDRED DOLLARS exclusive of GST (\$4,400.00 exclusive of GST) on the first day of each and every month during the continuance of the Lease the first rental being due and payable on the 9th October 2017 subject to the covenants and powers implied under the *Transfer of Land Act 1958* except to the extent to which the same are hereinafter expressly or impliedly negated or modified and subject also to the covenants and conditions hereinafter contained.

1 The Tenant covenants with the Landlord as follows:-

1.1 To pay rental

To pay to the Landlord the rental hereby reserved at the times and in the manner herein provided plus any goods and services tax when applicable without any deduction or abatement of any kind whatsoever.

1.2 Pay water charges, rates and taxes

To pay all excess water charges payable in respect of the property leases for the period of the term and all annual rates taxes and charges charged against or raised or levied upon the property leases or the occupier in respect of the period of the term except such as are required by law to be paid by the Landlord.

1.3 To pay insurance and other outgoings

To pay when due or within seven (7) days of the request to do so reimburse the Landlord for all outgoings described in Part B of the schedule and produce receipts for any payments. Land tax (if payable by the Tenant shall be calculated on a single holding basis as if the Landlord was not an absentee within the meaning of the Land Tax Act 1958.

1.4 To keep interior and exterior of improvements and fixtures glass and drains in repair

To keep in respect of the property leases;

The interior of the structural improvements; and

The exterior of the structural improvements; and

The Landlords fixtures; and

The air-conditioning, plant and equipment (if any); and

The doors and windows; and

The plate glass and the mirrors; and

The drains water gas electric and sanitary pipe

The lines fittings and apparatus

Existing at the commencement of the term in the same good and Tenantable repair cleanliness and condition as the same are at the commencement of the term (damage by fire storm tempest acts of the Queen's enemies of explosion {other than fire or explosion caused as a result of a breach of the Tenants covenants herein contained} only excepted).

1.5 Not to damage the premises

Not without the previous consent in writing of the Landlord bring onto the property leased any item which by its nature or weight may cause damage to the property leased.

1.6 To keep chattels in repair and replace missing chattels

To preserve any chattels forming part of the property leased in good order repair and condition (damage by fore storm tempest acts of the Queens enemies or explosion – other than fire or explosion caused as a result of a breach of the Tenants covenants herein contained – only excepted) and to replace with articles of a similar kind and of equal value any items of the said chattels which are lost or missing or which may have been destroyed and not to remove any of the said chattels from the property leased without the previous licence in writing of the Landlord and at the expiration or sooner determination of the term to deliver up to the Landlord the said chattels (including and chattels substituted for the same as hereinbefore provided) in repair and condition consistent with the Tenant's obligations under this covenant and to maintain in accordance with the manufacture's specifications any air conditioning plant and equipment as may be installed in the property leased which maintenance shall include having the said plant and equipment serviced at not more than six (6) monthly intervals by a suitably qualified air conditioning engineer or mechanic approved by the Landlord.

1.7 Not to make alterations except for trade fixtures

Not without the previous consent in writing of the Landlord and then only in such manner and of such materials as the Landlord may approve of to erect or suffer to be erected any building or structure upon the property leased nor to make or suffer to be made any alteration in or additional to the property leased or damaged or remove or suffer to be damaged or removed any of the walls or timbers thereof PROVIDED ALWAYS that the Tenant shall be entitled to install on or in the property any fixtures fittings and plant required by the Tenant for the purpose of any business which the Tenant is required or permitted hereunder to carry on therein and to remove the same at least seven days prior to the expiration of the term the Tenant making good to the Landlord any damage caused to the property leased by the installation or removal of any such fixtures or plant.

1.8 To permit Landlord to enter and view

To permit the Landlord and the Landlord's agents surveyors and workmen to enter upon the property leased at all reasonable times for the purpose of viewing the condition thereof and for executing any needful painting or repairs which the Tenant is not liable or required to carry out hereunder or for giving or leaving notice in writing to the Tenant pursuant to all or any of the provisions of this lease or upon appointment for the purpose of showing the same to a possible purchaser or within three (3) months prior to the expiry of the lease to a new or prospective Tenant or for the purpose of affixing to the property leased "for sale" or "to let" notices in positions that do not interfere unduly with the business which the Tenant is required or permitted hereunder to carry on therein.

1.9 To comply with notice to repair

Within fourteen (14) days after being served with a written notice of any defect or lack of repair by the Landlord to forthwith repair and make good the whole of any part of the property leased which is defective or out of repair for which the Tenant is liable hereunder.

1.10 Upon default to permit Landlord to make good breach

Upon default by the Tenant under paragraph 1.9 hereof to permit the Landlord or the Landlord's agent with or without surveyors workmen or others (but without prejudice to the right of the Landlord of re-entry or determination under the clause hereinafter contained) to make good any breaches of the Tenants covenant as aforesaid and for this purpose to carry out any repairs or renovations and within fourteen days after demand to repay to the Landlord the reasonable expenses of and attendant upon such repairs renovations and making good any other work incidental thereto together with interest on the amount so expended at a rate of two per cent higher than the rate for the time being fixed under Section 2 of the *Penalty Interest Rate Act 1983* from the expiration of the said fourteen days until payment thereof.

1.11 Not to carry on noxious trade or permit nuisance

Not to carry on or permit to be carried on upon the property leased any noxious or offensive trade or calling nor to use the same for any illegal or immoral purpose nor to do or permit to be upon the property leased anything which may be or become a nuisance or annoyance to or in any way interfere with the quiet or comfort of the occupiers or owners of adjoining land but to use the property leased only for the purpose specified in Part A of the schedule and to keep same open for such purpose and carry on therein the said business in a proper and efficient manner on usual business days and hours.

1.12 No auction meetings or sound production

Not to hold or allow any auction or public meeting on the property leased nor to use or allow the use of any radio, television or other sound producing equipment at a volume that can be heard outside the property leased.

1.13 To pay gas electric and telephone charges

To pay when due for all gas and electric power supplied to the property leased during the term including all minimum or standard charges and to pay all telephone rentals and charges incurred during or payable in respect of the period of the term.

1.14 Consent

1.14.1 Not to assign without consent

Not to assign the property leased or any part thereof without first obtaining written consent of the Landlord PROVIDED ALWAYS that consent shall not be withheld unless one or more of the following applies:-

- a) The proposed assignee proposes to use the premises in a way that is not permitted under this Lease;
- b) The Landlord considers that the proposed assignee does not have sufficient financial resources or business experience to meet the obligations under this lease;
- c) The proposed assignor has not complied with the assignment provisions hereunder; and
- d) The proposed assignor has not provided the proposed assignee with business records of the previous 3 years or such shorter period as the proposed assignor has carried on business at the premises.

1.14.2 Before seeking consent of the Landlord, the Tenant shall:-

- a) Make payment to the Landlord of all moneys for the time being accrued due and owing under this Lease;
- b) Submit to the Landlord of a request in writing to consent to an assignment of this Lease or a sub-letting of the property leased;
- c) Submit in writing to the Landlord of the name and address of the proposed assignee together with not less than two references as to the proposed assignee's financial circumstances and not less than two references as to the proposed assignee's business experience and not less than two personal references which references together establish that the proposed assignee is respectable financially sound and otherwise suitable to be Tenant of the property leased;
- d) Submit to the Landlord of a copy of the proposed Deed of Assignment and the Disclosure statement required pursuant to the Retail Leases Act 2003;
- e) Pay to the Landlord of all fees costs (including costs as between Solicitor and own client) charges and expenses incurred by the Landlord of and incidental to the preparing of the said deed of covenant including costs which the Landlord reasonably incurred in connection with the documentation of the Lease an assignment of the Lease or a sub-lease and the obtaining any necessary consents to the assignment;
- f) Perform and observe up to the date of assignment all the covenants and conditions herein contained and on the Tenant's part to be observed and performed or in the event of default by the Tenant in any such observance or performance the remedying of any such default if the same be capable of remedy and whether or not the same be capable of remedy the payment to the Landlord of all costs losses expenses or liabilities incurred or suffered by the Landlord as a result of such default; and
- g) Comply with Section 61 of the *Retail Lease Act 2003*

1.14.3 The Landlord must deal expeditiously with the request and is taken to have consented to the assignment or sub-letting if:-

- a) The Tenant has complied with Section 61 of the Retail Leases Act 2003; and
- b) The Landlord has not within 28 days after the request was made, given written notice to the Tenant consenting or withholding consent.

1.14.4 Change in shareholding or Corporate Tenant

It is agreed and declared for the purpose of this clause a change in more than one half of the shareholding of a Corporate Tenant as existing at the commencement of the term (whether occurring at the one time or through a series or succession of transfers or issues of shares) or the establishment by any means of any trust under which any third party becomes the beneficial

holder of this Lease or any of the Tenant's rights hereunder shall be deemed to be an assignment by the Tenant requiring consent by the Landlord as aforesaid.

1.15 Prohibition on sub-letting, licensing and mortgaging

Not to:-

- a) Grant a sub-lease, licence or concession in respect of all or part of the demised premises;
- b) Part with occupancy rights to all or part of the demised premises; and
- c) Mortgage or otherwise charge or encumber the Tenant's estate or interest in this lease.

1.16 Not to invalidate insurance policies

Not to do or permit to be done on the property leased or to bring or keep or permit to be brought or kept thereon anything which may in any way invalidate or violate the conditions of or lead to an increased rate or premium being asked or any claim being denied on any policy of insurance effected by the Landlord pursuant to the Landlord's covenant under this Lease.

1.17 To comply with acts and Regulations concerning business

At the Tenants own expense to comply in all respects with all such provision of the Health Act, Local Government Act and the Labour & Industry Act as shall be necessitated by any business being conducted by the Tenant on the property leased and to do all acts works cleanings and other things that may be necessary or ordered to be done under the said acts or any of them or any other acts regulations or by-laws affecting factories and shops or public health or buildings for the time being in force in the State of Victoria relating to the carrying on of any such business upon the property leased or the employment of persons connected therewith or that may be required by the Municipal Council or any Health Officer, Inspector or other local or Public Authority PROVIDED ALWAYS nothing herein contained shall require the Tenant to make provide or pay for any structural alterations or additions as are required by reason of the type of use of the property leased or the number or sex of the persons employed therein.

1.18 To give notice of defects

To give to the Landlord or the Landlord's agent immediate notice in writing of any accident or damage to or defect in the property leased including the water or sewerage pipes, gas pipes, electric light fixtures or other appliances installed in or leading to the property leased or any part thereof.

1.19 To pay cost of default

To pay all moneys costs charges and expenses (including costs as between Solicitor and own client) which the Landlord may incur or expend in consequence of any default in the performance or observance of any covenant or agreement herein contained and on the part of the Tenant to be performed or observed or under or in the or the attempted exercise or enforcement of any power or authority herein contained and conferred upon the Landlord immediately the Landlord shall have paid expended or incurred the same.

1.20 To pay stamp duty

To pay to the Landlord the whole Stamp Duty (if any) payable upon the execution hereof.

1.21 To keep interior and exterior of improvements painted

To keep the interior and the exterior of the structural improvement of the property leased properly painted as at present at all times during the term and to fully repaint the property leased in a proper and workmanlike manner (using contractors approved by the Landlord) with good quality paints prior to the termination of the lease or, if the Tenant leases the property for any further term, prior to the expiration of the last of any such final repainting shall be chosen by the Landlord.

1.22 To reimburse Insurance premiums

Within seven days of request to do so reimburse the Landlord pursuant to the Landlords covenants under this lease and for which the Tenant is liable.

1.23 Not to display signs

Not to display or permit to be displayed any placard advertisement sign letters or design in or upon the property leased or any part thereof without the prior consent in writing of the Landlord and then only in accordance with any conditions as to locations and removal at the expiration of the term that the Landlord may prescribe.

1.24 To keep garden and lawns tidy

To keep any gardens forming part of the property leased properly tended any lawns mown and any enclosed yard tidy and not to cut down or remove any trees or shrubs growing on the property leased without the Landlords prior consent.

1.25 Landlord not liable for damage from water

The Landlord shall not be liable for any damage to the Tenants or any other person's property that may be in or upon the property leased or any consequential damage following there from caused by any defect in the plumbing work or by any incursion flow or overflow or leakage of rain or other water that may come flow or leak into the property leased or flow or leak through the roof of any building or through or from the water pipes

water tap or sewerage or drainage lines or apparatus of or leading to the property leased or through the bursting of any pipe thereon or any incursion of water arising from any cause whatsoever or arising from any defect in the gas electric or water fittings or installation of the property leased or adjoining property unless such damage results from a breach of any of the Landlord's covenants herein contained.

1.26 To yield up on determination

At the expiration or sooner determination of the term to yield up the property leased in all respects in accordance with the Tenant's covenants herein contained.

1.27 To use facilities for proper purpose

No to use or permit nor suffer to be used any lavatories toilets, sinks and drainage and other plumbing facilities from time to time in or upon the property leased for any purpose other than those for which they were constructed or provided and no sweeping, rubbish or other materials shall be deposited therein and any damage thereto caused by such misuse shall be made good by the Tenant forthwith.

1.28 Interest on outstanding monies

Without prejudice to any of the other rights of the Landlord hereunder the Tenant will pay to the Landlord on demand interest two percentage points higher than the rate under Section 2 of the *Penalty Interest Rates Act* for the time being on any rentals or other moneys payable by the Tenant hereunder and remaining unpaid (whether demanded or not) for fourteen days such interest to be computed from the date on which the moneys in question became due and payable to the date on which they are fully paid to the Landlord.

2 The Landlord hereby covenants with the Tenant as follows:-

2.1 Quiet enjoyment

That the Tenant paying the rent hereby reserved and observing and performing all the covenants conditions and provisions applicable to the Tenant and on the Tenant's part to be observed and performed may peaceably and quietly hold and enjoy the property leased during the term without interruption by the Landlord or any person claiming under the Landlord.

2.2 To insure

To insure and (unless the insurance so effected shall become void or voidable through or by reason of the act or default of the Tenant) to keep insured in some insurance office of repute to their respective full insurable values all insurable buildings structures and chattels comprised in the property leased against loss or damage by:-

Fire; and

Flood; and

Lightning; and

Storm and tempest; and

Riot and Civil Commotion; and

Strikes and malicious damage; and

Earthquake; and

Impact by vehicles, aircraft and articles dropped there from; and

Internal water and flood; and

Explosion; and

Glass and mirror breakage

And in the event of breakage of or damage to glass or mirrors forthwith to spend and layout all money received in respect of such insurance in replacing or reinstating as speedily as possible and in a good and proper manner the glass or mirror so broken or damaged and in case such moneys shall be insufficient for such purpose to make good such deficiency out of the Landlords own moneys.

2.3 To effect and maintain a Public Risk policy for the property leased for any single accident or event for the amount of TEN MILLION DOLLARS (\$10,000,000.00)

2.4 To pay certain rates and taxes

To pay all existing and future municipal water and sewerage charges and all land tax payable by law in respect to the property leased except any rates or charges which the Tenant is by paragraph 1.2 herein and part B of the Schedule required to pay.

2.5 To carry out required structural alterations

The Landlord is responsible for maintaining in good repair:-

- a) The structure of, or fixtures in, the retail premises; and
- b) Plant or equipment at the retail premises; and
- c) The appliances, fittings or fixtures provided under the lease by the Landlord relating to the gas, electricity, water drainage or other services.

However the Landlord is not responsible to maintain those things in good repair if the need for repair arises out of misuse by the Tenant, or the Tenant is entitled or required to remove the thing at the end of the lease.

2.6 To notify the Retail Industry Commissioner

Within 14 days after the signing of this lease, to provide to the Retail Industry Commissioner a Notice pursuant to section 25 of the Retail Leases Act 2003.

2.7 Estimate of outgoings

The Landlord shall provide to the Tenant a written estimate of all outgoings payable by the Tenant hereunder at least one month prior to the start of the Landlords accounting year in each year of the term hereof and any option.

2.8 Statement of outgoings

The Landlord shall provide the Tenant with a written statement detailing and itemising all expenditure by the Landlord for which the Tenant is liable to contribute pursuant to the terms hereof as follows:-

- a) At least once in relation to expenditure during each of the Landlords accounting periods during the term of the lease; and
- b) Within one month of the end of the Landlords accounting period to which the expenditure relates.

2.9 To compensate Tenant for interference

2.9.1 The Landlord is liable to pay to the Tenant reasonable compensation for loss or damages (other than nominal damage) suffered by the Tenant because the Landlord or a person acting on the Landlords behalf:-

- a) Substantially inhibits the Tenants access to the demised premises; or
- b) Unreasonably takes action that substantially inhibits or alters the flow of customers to the demised premises; or
- c) Unreasonably takes action that causes significant disruption to the Tenants trading at the retails premises; or
- d) Fails to take reasonable steps to prevent or stop significant disruption within the Landlords control to the Tenants trading at the demised premises; or
- e) Fails to rectify as soon as practicable:-
 - i. Any breakdown of plant or equipment that is not under the Tenants care or maintenance ; or
 - ii. Any defect in the retail premises or in the building which the retail premises are located, other than a defect due to a condition that would have been reasonably apparent to the Tenant when entering into or renewing the leases or when the Tenant accepted and signed the Lease; or
- f) Neglects a to dequately clean, maintain or repair the building in which the retail premises are located (but not the retail premises themselves)

2.9.2 Reasons of Clause 2.9.1 do not apply to action taken by the Landlord:-

- a) As a reasonable response to an emergency; or
- b) In compliance with any duty imposed by or under any Act or resulting from a requirement imposed by a body acting under the authority of an Act.

2.9.3 The amount of compensation is the amount that is:-

- a) Agreed between the Landlord and the Tenant; or
- b) If there is no agreement, determined under part 10 of the Retail Leases Act 2003.

3 PROVIDED ALWAYS AND IT IS HEREBY EXPRESSLY AGREED as follows:-

3.1 Proviso for re-entry for failure to pay rent or breach of Tenant's covenants

- 3.1.1 That if the rent hereby reserved or any part thereof shall at any time be unpaid for fourteen days after becoming payable (although no formal or legal demand shall have been made therefore and no demand shall be necessary); or
- 3.1.2 If execution or other like process be levied upon any of the Tenant's goods; or
- 3.1.3 If the Tenant's interest in this Lease shall be taken in execution or in case of the breach or non-performance or non-observance within the time and in manner herein provided of any of the covenants or agreements herein contained or implied and on the part of the Tenant to be performed and observed; or
- 3.1.4 If the Tenant (being a Company) goes into liquidation whether voluntarily or otherwise or an order is made or a resolution is passed for its winding up (except for the purpose of reconstructions or amalgamation) or makes an assignment for the benefit of or enters into an arrangement or composition with its creditors or is unable to pay its debts within the meaning of the Corporations Law or it is placed under official management or a receiver or manager of any of its assets is appointed or an inspector is appointed under the provisions of the Corporations Law or without the prior written consent of the Landlord a change occurs in its membership or the membership of its holding company, the beneficial ownership of its business or assets resulting in the effective control of the Tenant being with a person who at the commencement of this lease did not have the control and the Tenant is not a public company listed on any recognised Australian Stock Exchange or a subsidiary of such a company.

Then in every such case it shall be lawful for the Landlord by not less than twenty four hours' notice in writing to the Tenant (although the Landlord may not have taken advantage of some previous breach or default of the like nature) to at any time thereafter determine this lease in respect of any of the said breaches or defaults by the Tenant to which Section 146 of the Property Law Act does not extend and in respect of any of the said breaches or defaults by the Tenant to which the said section does extend then by like notices to determine this lease upon or at any time after the expiration of fourteen days after the date of service of the notice required to be served on the Tenant by sub section (1) of the said Section 146 (which period of fourteen days is hereby fixed as the time within which the Tenant is to remedy any such last mentioned breach or default if it is capable to remedy and to make reasonable compensation in money to the satisfaction of the Landlord for such breach or default in the requirements of such notice shall not in the meantime have been fully complied with by the Tenant)

3.2 Upon the expiration of any such notice the term hereby created shall absolutely cease and determine and the Landlord or any person authorised by the Landlord may thereupon at any time thereafter re-entr upon the property leased or any part thereof in the name of the whole and expel and remove the Tenant and all other Tenants and occupiers thereof and thereafter peaceably hold and enjoy the property leased as if this lease had not been made without prejudice to any right of action or remedy of the Landlord in respect of any antecedent breach of any of the Tenant's covenants agreements and conditions herein contained or implied.

3.3 Consent or licence not to be a general waiver

That any consent or licence constructive or otherwise which may at any time during the term be given by the Landlord to the Tenant to do any act prohibited by any of the covenants provisos or conditions herein contained or requiring such consent or licence shall not unless expressly so provided in writing operate or be constructed to take effect as a general waiver of any such covenant proviso or condition for the future but only as a consent or licence for the particular act to which it may refer or relate and that such waiver or consent shall not prejudice the rights powers and authorities of the Landlords under these presents in respect of any subsequent breach of the covenants proviso or conditions or any of them.

3.4 Receipt of rent after breach not to be a waiver

That if the Tenant shall be guilty of any breach or default in the due performance or observance of any of the provisions herein contained or implied or do or suffer other acts which would entitle the Landlord to determine this lease under the proviso for re-entry hereinbefore contained the receipt of rent by the Landlord or the doing or omission of any other act or thing whatsoever by the Landlord or any agent or servant of the Landlord (which but for this covenant would amount to a waiver of the Landlords rights in respect of any such breach or default) after the happening thereof shall not operate as nor be deemed to be a waiver in any way of the Landlords rights and powers in respect of any such breach or default any rule of law or equality to the contract notwithstanding.

3.5 No warranty as to condition of property leased

That no warranty as to the condition or safety of the property leased or any part thereof is to be implied any rule of law or equity to the contrary notwithstanding and no express warranty as to the condition or safety of the property leased or any part thereof is given unless the same is set out herein or in the (attached) Disclosure Statement given to the Tenant pursuant to the Retail Tenancies Reform Act.

3.6 Proviso for variation of rent

That if the property leased or any part thereof shall at any time during the term be destroyed or damaged by any risk required to be insured against by the Landlord not caused by any wilful act or neglect of the Tenant so as to be unfit for occupation or use and any insurance policy insuring the property leased shall not have been vitiated or payment

of the policy moneys lawfully refused in consequence of some act or default of the Tenant or the Tenants employees or agents then the rent and other payments hereby reserved or a fair proportion thereof according to the extent of the damage sustained shall be suspended until the property leased or the part thereof destroyed or damaged shall be again fit for occupation or use and in case of difference touching this proviso either party may ask the President of the Real Estate Institute of Victoria to nominate a practising member of that Institute to determine the dispute as an expert and the parties shall be bound by the determination and shall bear the costs of the determination equally.

Abatement of rent full satisfaction

PROVIDED ALWAYS that such abatement shall save as hereinafter provided be in full satisfaction of any claim the Tenant may otherwise have in respect of the damage (unless resulting from damage or destruction caused by the wilful act of the Landlord) or the Landlord failing or declining to rebuild repair replace or reinstate the same.

Landlord to restore

PROVIDED ALWAYS that the Landlord shall except as hereinafter provided repair the damage within a reasonable time after the Tenant asks the Landlord in writing to do so. If the Landlord fails to repair the damage within a reasonable time after receipt of the said notice, then the Tenant may terminate the lease by giving not less than 7 days written notice of termination to the Landlord.

Additional rent

PROVIDED THAT in the event of such damage being of such extent as to require the rebuilding of any building or structure forming part of the property leased and the Landlord being required in rebuilding to expend over and above the insurance moneys received additional moneys then of the Landlord shall have duly complied with the Landlords obligations (if any) under paragraph 2.2 up to date of such damage the Tenant shall from the date of completion of the rebuilding pay to the Landlord additional rent amounting to ten (10) per cent per annum on such additional moneys such rent to be payable at the time and in the manner hereinbefore appointed for payment of the reserved rent and to be deemed thenceforth to be rent reserved under this lease.

Impracticable or undesirable restoration and right to determine

PROVIDED THAT if in the reasonable option of the Landlord such damage shall be of such extent as to make its repair impracticable or undesirable and if the Landlord notifies the Tenant of that, the Landlord or the Tenant may terminate this lease by giving not less than 7 days written notice of termination to the other party.

3.7 Rent Review

- 3.7.1 At the conclusion of the second year of the term, on 30th September 2019, the rent payable hereunder shall thereafter be increased annually at a fixed rate of 2% or to CPI pursuant to Clause 3.7.2, whichever is the greater amount.
- 3.7.2 Prior to the end of the second and each year of the term and at the end of each year during any further term the rent payable in accordance with the provisions of this lease shall be varied by multiplying the annual rental for the preceding year by 2% or the change in the Consumer Price Index (all groups) for Melbourne, whichever is greater, as determined immediately prior to the end of the first (and any subsequent) year of the Term the annual rent so determined for any year of the term after the first year shall be payable at the times and in the manner provided in respect of the first year of the term calculated to the nearest cent of dividing the annual rent by twelve and the references in this lease to the monthly instalments of rent payable by the Tenants to the Landlord shall be varied accordingly. In this clause the consumer price index (all groups) for Melbourne published from time to time by the Commonwealth Bureau of Census and Statistics. In the event that there is any suspension or discontinuance of the consumer price index or its method of calculation is substantially altered then there shall be substituted therefore the weighted average for Australia of weekly wage rates – adult males – all groups as published by the Commonwealth Bureau of Census and Statistic then that mode of indexing shall be substituted by an index published at the date hereof and at the review dates as defined in this clause which reflects fluctuations of the cost of living in Melbourne and which the parties may mutually agree upon and if they are unable to agree then such index as shall be determined by the President for the time being of the real Estate Institute of Victoria or his nominee whose decision shall be binding and conclusive.
- 3.7.3 The review provide for in Clause 3.7.1 hereof shall be conducted as soon as practicable within the time provided. If the Landlord has not initiated the review within 90 days after the end of that time, the Tenant may initiate the review.

3.8 Option for further term

That if the Tenant shall be desirous of continuing the tenancy hereby created for the further term or terms specified in the Schedule and shall not later than the day specified in the schedule as the date until which the option is exercisable give to the Landlord a written request for renewal then the Landlord shall at the expiration of the term lease the property leased to the Tenant for the further term specified in the schedule from the date after the date of expiration of the term and the rental for the first year and each subsequent year of the further term to be calculated in accordance with Clause 3.7.1 hereof.

AND subject in all other respects to the same provisions as are herein contained except this clause for renewal which shall not apply in the final term.

SAVE AND EXCEPT that in accordance with section 27(2) of the Retail Leases Act 2003, the option or options shall not be exercisable by the Tenant if:-

- a) The Tenant has not remedied any default under the lease about which the Landlord had given the Tenant written notice; or
- b) The Tenant has persistently defaulted under the lease throughout its term and the Landlord has given the Tenant written notice of the defaults.

3.9 Tenant over holding

That in the event of the Tenant holding the property leased with the express or implied permission of the Landlord after the expiration or other sooner determination of the term or any renewal thereof the Tenant shall be deemed to hold the property leased as a Tenant from month to month subject to all the covenants and conditions herein contained so far as the same may be constructed to apply to a monthly tenancy (excluding any option herein conferred for any further term) and the tenancy so constituted may be determined by one month notice to quit on either side.

3.10 Guarantee

Where any Tenant under this lease is an incorporated entity the principal directors of that company shall execute a Deed of Indemnity and Guarantee which shall be annexed hereto.

4 Essential Terms

Failure by the Tenant to perform and observe any of the Tenants obligations under (clause 1.2, 1.2, 1.4,1.6, 1.9, 1.11, 1.14.1 and 1.21 is a breach of an essential term of this lease.

5 Notices

Any notice required to be served hereunder shall without prejudice to any mode of service be sufficiently served on the Tenant if left addressed to the Tenant on the property leased or forwarded to the Tenant by prepaid registered post addressed to the Tenant and the Tenants address last known to the Landlord and shall be sufficiently served on the Landlord if delivered to the Landlord at the Landlords address last known to the Tenant and a notice sent by post shall be deemed to be given and received at the time when in due course of post it ought to have been received at the address to which it is directed.

6 Interpretation

Unless in this Lease there shall be something in the subject or context inconsistent therewith:-

"Landlord" means and includes the executors administrators successors assignees and transferees of or any person deriving title through the Landlord

"Tenant" means and includes the executors administrators (or if the Tenant is a company its successors) and permitted assignees or transferees of or any person deriving title under or through the Tenant.

"Year" means calendar year and "month" means calendar month

"The Property Law Act" and 'the Retail Tenancies Reform Act" mean the Property Law Act 1958 and the Retail Tenancies Reform Act 1998.

A reference to the Property Law Act or the Retail Tenancies Reform Act or any section thereof shall be read as a reference to the law in force from time to time relating to the subject matter of that Act or section.

If there is more than one Landlord or more than one Tenant the covenant and agreements on their respective parts to be performed and observed shall be deemed to have been entered into jointly and severally.

Words importing persons include companies and corporations

Words importing the singular gender shall include the feminine

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

Marginal notes do not and shall not be deemed to affect nor shall they be used for the purpose of aiding interpretation of this lease.

- 7 The Tenant acknowledges receiving from the Landlord the Disclosure Statement required by Section 17 of the Retail Leases Act 2003 and the information brochure (if any) required by Section 15 of the Retail Leases Act 2003.

8 Goods and Services Tax (GST)

8.1 GST Definitions

For the purpose of this Clause 8:-

"GST" means GST within the meaning of the GST Act

"GST Act" means the *A New Tax System (Goods and Services Tax) Act 1999* (as amended).

Expressions set out in italics in this clause bear the same meaning as those expressions in the GST act.

8.2 Amounts otherwise payable do not include GST

Except where express provision is made to the contrary, and subject to this Clause 8.2, the *consideration* payable by any party under this lease represents the value of any *taxable supply* for which payment is to be made.

8.3 Liability to pay any GST

Subject to Clause 8.5, if a party makes a taxable supply in connection with this lease for a *consideration*, which, under Clause 8.2, or Clause 8.4, represents its *value*, then the party liable to pay for the *taxable supply* must also pay, at the same time and in the same manner as the value is otherwise payable, the amount of any GST payable in respect of the *taxable supply*.

8.4 Reimbursements

If this lease requires the Tenant to pay, reimburse or contribute to an amount paid or payable by the Landlord in respect of an acquisition from a third party for which the Landlord is entitled to claim an input tax credit, the amount required to be paid, reimbursed or contributed by the Tenant will be the value of the acquisition by the Landlord plus, if the Landlord's recovery from the Tenant is a taxable supply, any GST payable under clause 8.3.

8.5 Tax invoice

A party's right to payment under Clause 8.3, is subject to a valid tax invoice being delivered to the party liable to pay for the taxable supply.

- 9 The Tenant acknowledges receiving a copy of the proposed lease of the premises from the Landlord upon commencing negotiations for this lease required by Section 15 of the Retail Leases Act 2003.

SCHEDULE

PART A

Property Leased:	154 Macleod Street, Bairnsdale
Permitted Use of Premises:	Any use permitted by law
Commencement date:	1 st of October 2017
Date of Termination:	30 th September 2022
Commencement rental:	\$52,800.00 per annum fixed to 30 th September 2019
Rental Reviews:	Annually to CPI or 2% pa whichever is greater in accordance with Clause 3.7 hereof
Optional Further Terms:	(a) First further term of three (3) years (b) Second further term of three (3) years

PART B

Outgoings:	Municipal rates, water and sewerage rates; land tax; building, plate glass, mirror and public liability insurance.
Date until which the first option is exercisable:	30 th June 2022
Date until which the second option is exercisable:	30 th June 2025

IN WITNESS WHEREOF the parties hereto have hereunto set their hands the day and year first hereinbefore written.

EXECUTED by **CROSSCO AUSTRALIA PTY LTD** (ACN 006 357 268) in accordance with Section 127 of the Corporations Act 2001:

Director:

Full Name: ALAN CHARLES CROSS

Usual Address: 122 Drevermann Street BAIRNSDALE

Director: (or secretary)

Full name: ANNE MEREDITH CROSS

Usual Address: 122 Drevermann Street BAIRNSDALE

EXECUTED by **CROSSCO CONSULTING PTY LTD** (ACN 107 156 347) in accordance with Section 127 of the Corporations Act 2001:

Director:

Full Name:

Usual Address:

Director: (or secretary)

Full name:

Usual Address:



5th October 2021

Mrs. A Cross
Via email: anne_m_cross@hotmail.com

Dear Anne,

Re: 154 Macleod Street, BAIRNSDALE VIC 3875

Thank you for the opportunity to assist in determining the market worth of the above property.

To arrive at a sales figure for your property, we consider recent comparable sales, and rentals, the lease, current market trends as well as the individual features of the property.

The above property is currently leased as an office and has a rental return of \$55,000 per annum plus GST and outgoings.

After considering the above, we advise that should the property be offered for sale in the market, as at today's date, that it would have a market worth of approximately.

\$815,000 to \$895,000 plus GST (if applicable)

We trust this estimate of market worth will be of assistance.

It is important to note that when deciding to place your property on the market that all due consideration must be given to not only the estimate market worth of the property but to the following.

- o Agent selection
- o Method of sale
- o Marketing of the property

Each of the above have an extremely important role to play to achieve the best and maximum result. Accordingly, I look forward to talking with you in greater detail as to how we can achieve the best possible result for you.

Should you have any further queries, please do not hesitate to contact me.

Yours faithfully
KING & HEATH FIRST NATIONAL COMMERCIAL

Matt Baylis

.....
Matt Baylis
**Commercial Sales & Leasing
Licensed Estate Agent 075353L**

P: 5152 3311
M: 0439 633 312
E: matt.baylis@kingheath.com.au

Disclaimer: "This assessment property's potential sale value is given as at today's date and as a guide only. This is not a valuation and should not be relied upon as a valuation. I/we do not assume any responsibility for the accuracy of this assessment and the reader of this letter/report should obtain his/her independent valuation advice as to the property's market value".