

Form: 07L
Release: 4.7

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

Insert Duties Assessment No. as issued by Revenue NSW Office.

Duties Assessment No.

(A) **TORRENS TITLE**

Property leased

Folio Identifier: 51/SP61574, Premises being Suite 313, Level 3, 71-73 Archer Street, Chatswood NSW 2067

(B) **LODGED BY**

Document
Collection
Box

Name, Address or DX, Telephone, and Customer Account Number if any.

McQiu Lawyers, Suite 22, Level 11, 809-811 Pacific Highway, Chatswood NSW 2067

Email: property@mcqiulawyers.com.au

Reference: 21/01635

CODE

L

(C) **LESSOR**

Plan LSR Custodian Pty Ltd (ACN 615 387 481)

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

(D)

Encumbrances (if applicable):

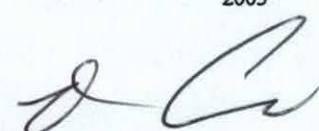
(E) **LESSEE**

Sydney Heart Specialists Pty Ltd (ABN 87 163 791 946)

(F)

TENANCY:

- (G) 1. **TERM** Two (2) years
2. **COMMENCING DATE** 20 May 2021
3. **TERMINATING DATE** 19 May 2023
4. With an **OPTION TO RENEW** for a period of 2 years set out in item No 12 of Annexure A
5. With an **OPTION TO PURCHASE** set out in clause N.A. of N.A.
6. Together with and reserving the **RIGHTS** set out in clause N.A. of N.A.
7. Incorporates the provisions or additional material set out in **ANNEXURE(S) A and B** hereto.
8. Incorporates the provisions set out in N.A. No. N.A.
9. The **RENT** is set out in item No. 13 of Annexure A



DATE

(H)

Certified correct for the purposes of the Real Property Act 1900 and executed on behalf of the company named below by the authorised person(s) whose signature(s) appear(s) below pursuant to the authority specified.

Company: Plan LSR Custodian Pty Ltd (ACN 615 387 481)
Authority: section 127 of the Corporations Act 2001

Signature of authorised person:

Signature of authorised person:

Name of authorised person: Xiaolin Qiu Clifford
Office held: Sole Director/Secretary

Name of authorised person:
Office held:

Certified correct for the purposes of the Real Property Act 1900 and executed on behalf of the company named below by the authorised person(s) whose signature(s) appear(s) below pursuant to the authority specified.

Company: Sydney Heart Specialists Pty Ltd (ABN 87 163 791 946)
Authority:

X Signature of authorised person:

Signature of authorised person:

Name of authorised person: Clement Cheuk Man Wong
Office held: Sole Director/Secretary

Name of authorised person:
Office held:

(I) STATUTORY DECLARATION*

I Xiaolin Qiu Clifford

solemnly and sincerely declare that—

1. The time for the exercise of option to renew in expired lease No. AQ146426 has ended; and
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 provisions of the Oaths Act 1900.

Made and subscribed at Gordon in the State of New South Wales on 6 August 2021
 in the presence of Gayle L. of suite 22, lvl 11, 809-811 Chatswood NSW 2067
 Justice of the Peace (J.P. Number:) Practising Solicitor
 Other qualified witness [specify]

who certifies the following matters concerning the making of this statutory declaration by the person who made it:

1. I saw the face of the person ~~OR I did not see the face of the person because the person was wearing a face covering, but I am satisfied that the person had a special justification for not removing the covering; and~~
2. I have known the person for at least 12 months ~~OR I have confirmed the person's identity using an identification document and the document I relied on was a~~ [Omit ID No.]

Signature of witness:

Signature of applicant:

* As the services of a qualified witness cannot be provided at lodgment, the declaration should be signed and witnessed prior to lodgment. # If made outside NSW, cross out the witness certification. If made in NSW, cross out the text which does not apply.

ANNEXURE A

SEE A SOLICITOR ABOUT THIS LEASE

Lessor: Plan LSR Custodian Pty Ltd (ACN 615 387 481)

Lessee: Sydney Heart Specialists Pty Ltd (ABN 87 163 791 946)

This annexure consists of 8 pages.

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You can prepare your own version of Annexure A of this Retail Lease. Except as permitted under the *Copyright Act 1968* (Cth) or consented to by the copyright owner (including by way of guidelines issued from time to time), no other part of this Retail Lease may be reproduced without the specific written permission of The Law Society of New South Wales.

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 – cl 1.3)

- Item 10 (cl 13.1) A. **The guarantor:** Clement Cheuk Man Wong
- (cl 13.7) B. **Limit of guarantor’s liability:** Nil

Item 11 (cls 3, 6.2.7) **Additional leased property:** N/A

Item 12 (cl 4) **Option to renew**

- A. Further period of two (2) years from 20 May 2023 to 19 May 2025.
- B. Further period of N/A years from N/A to N/A
- C. Maximum period of tenancy under this lease and permitted renewals: Two (2) years
- D. First day option for renewal can be exercised: 19 November 2022
- E. Last day option for renewal can be exercised: 20 February 2023

Item 13 (cl 5) A. **Rent**

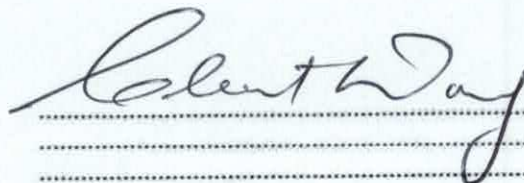
For the lease period:
From the commencement date
to the first rent review date:

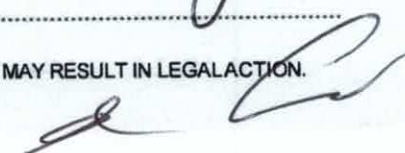
\$28,800 a year by monthly instalments of
\$2,880 (plus GST)

Afterwards:

At the new yearly rent beginning on each
review date by monthly instalments of one
twelfth of the new yearly rent.

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Item 13 (continued) (cl 5) For the further period in item 12A:
 From the commencement date to the first rent review date: (for example: Current market rent) Previous years rent plus 3%
 Afterwards: At the new yearly rent beginning on each review date by monthly instalments of one twelfth of the new yearly rent.

For the further period in item 12B:
 From the commencement date to the first rent review date: (for example: Current market rent) N/A
 Afterwards: At the new yearly rent beginning on each review date by monthly instalments of one twelfth of the new yearly rent.

Item 13 (cl 15) B. **GST**
 Clause 15 provides for payment by the lessee of GST unless otherwise here indicated:

Item 14 (cl 5) **Outgoings**

A. Share of outgoings: Lessee responsible
 B. Outgoings –
 [Select applicable items]
~~(a) local council rates and charges;~~
~~(b) water sewerage and drainage charges;~~
~~(c) land tax;~~
 (d) public liability insurance and building insurance;
~~(e) any outgoings listed in the lessor's disclosure statement;~~
 (f) Car park levy
 (f) All utilities and service connection fees including but not limited to electricity, telephone and rubbish removal.
~~(h) all levies and contributions of whatsoever nature determined and/or levied by the owners corporation with the exception of any contribution to a capital works fund or special levy in respect of the strata scheme of which the property forms part (if applicable);~~
 for the land or the building of which the property is part, fairly apportioned to the period of this lease.

Item 15 (cl 5.1.5) **Interest rate:** 10%

Item 16 (cl 5.4) **Rent review**

Rent review date	Method of rent review	If Method 1 applies, increase by (the increase should show percentage or amount)
19 May 2022	Method 1	3%

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 17 **Permitted use:** Medical Specialist Rooms
(cl 6.1)

Item 18 **Amount of required public liability insurance:** \$20,000,000.00. Insurance cover must be
(cl 8.1.1) for a period of not less than 12 months and note the Lessor as an interested party.

Item 19 **Bank Guarantee**
(cl 16)

Item 20 **Security Deposit**
(cl 17)
3 month(s) rent and the lessee's proportion of outgoings increased by the rate of GST (expressed as a percentage) applicable from time to time, or an amount of \$8,489.25.

Item 21 **Address for service of notices**
(cl 14.2)

Lessor: Plan LSR Custodian Pty Ltd (ACN 615 387 481)
Street address: Suite 22, Level 11, 809-811 Pacific Hwy, Chatswood NSW 2067

Fax: Email: admin@mcqiulawyers.com.au

Lessee: Sydney Heart Specialists Pty Ltd (ABN 87 163 791 946)
Street address: Suite 313, 71-73 Archer Street, Chatswood NSW 2067

Fax: Email: sonia.sydneyheartspecialists@gmail.com

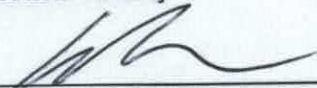
Guarantor: Clement Cheuk Man Wong
Street address: Terrace 11, 1 Levy Walk, Zetland NSW 2017

Fax: Email:

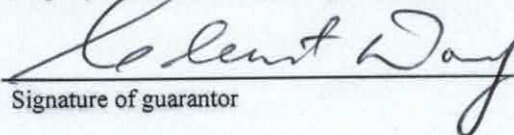
Item 22 **Execution by guarantor**
(cl 13)

I certify that I am an eligible witness and
that the guarantor signed this dealing in
my presence.
[See note * at end]

) Certified correct for the purposes of the *Real*
) *Property Act 1990* and signed by the guarantor.



Signature of witness



Signature of guarantor

Wai Yin So

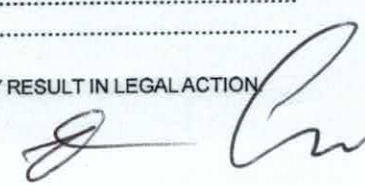
Name of witness

4802/343 -357 Pitt St.

Sydney NSW 2000

Address of witness

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* Section 117 of the *Real Property Act 1900* requires that you must have known the signatory for more than 12 months or have sighted identifying documentation.

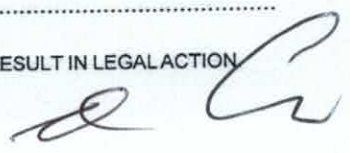
Details of strata manager/secretary of the owners corporation (if applicable)

Southern Strata Management Pty Ltd
GPO Box 98, Gymea NSW 2227
Ph: 02 8582 1100
E: info@southernstrata.com.au

The following alterations and additions are to be made to the Lease Covenants in Annexure B:
The following alterations and additions are to be made to the Lease Covenants in Annexure B:

1. **Clause 3.4** shall be amended by inserting the words "from time to time" at the end of the clause.
2. **Clause 4.4** shall be amended by inserting the following clause as clause 4.4.4 immediately after clause 4.4.3
"the guarantors request that the option be exercised and agree to guarantee the new lease"
3. At **clause 5.1.9** the words 'but only that part of those costs and expenses which are permitted to be recovered by a lessor under section 14 and section 45 of the Retail Leases Act, 1994' are deleted.
4. **Clause 5.12.4** is deleted.
5. At **clause 5.16.1** the words 'Unless 5.16.2 applies' are deleted.
6. **Clause 5.16.2** is deleted.
7. **Clause 7.5** shall be amended by inserting the word "immediately" before the word "reimburse" in the second last line.
8. **Clause 10.2.2** is deleted.
9. At **clause 10.2.3** the words 'and, where the property is a retail shop, clause 10.4' are deleted.
10. **Clause 10.4** is deleted.
11. At **clause 10.5** the words 'and where required to do so clause 10.4' are deleted, the words 'or where the Retail Leases Act 1994 applies 28 days' are deleted and the words 'or the lessee has complied with paragraphs 41(a) and 41(b) of that Act, whichever is the later,' are deleted.
12. **Clause 10.7** is deleted.
13. **Clause 12.4.1** amended to read 'unless either party gives the other written notice at least one (1) month before the end of the term that vacant possession shall be given on that day, the Lessee becomes a monthly lessee and must go on paying the same rent and other money in the same way that the lessee had to do under this lease just before the lease period ended increased by a further 5%.'
14. At **clause 14.3** the words '(for example, the Retail Leases Act 1994)' are deleted.
15. **Clause 14.4** is deleted.
16. **Clause 14.5** is deleted.

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- 17. At clause 17.4 the words 'Where the property is a retail shop, the security deposit will be held in accordance with Section 16C of the Retail Leases Act 1994.' are deleted, the words 'to the Director General' are deleted and the words '(or so much of it as is then held by the Director-General)' are deleted.
- 18. At clause 17.5 the words 'Where the property is other than a retail shop' are deleted.
- 19. Insert after clause 18:

'Work Health and Safety

19.1 In this clause:

- 19.1.1 Principal Contractor has the same meaning as in the WH&S Regulation;
- 19.1.2 WH&S Laws means the laws relating to work health and safety that apply to the property and the use of it and includes the WH&S Regulation; and
- 19.1.3 WH&S Regulation means the Work Health and Safety Regulation 2011 (NSW).
- 19.1.4 The Lessee acknowledges that this is a non-smoking building.
- 19.1.5 The Lessee agrees not to prop open any fire doors of the building or leave or store any materials in the fire stairs or at fire exits at any time.

19.2 **Statutory Requirements**

- 19.2.1 The lessee will at all times comply with all statutes, ordinances, proclamations, orders and regulations affecting the property, the use of the property by the lessee and the lessee's goods.
- 19.2.2 The lessee will comply with all notices and orders given by any statutory, public or other competent authority in respect of the property, the use of the property by the lessee and the lessee's goods.
- 19.2.3 The lessee will comply with all WH&S Laws in relation to the property.
- 19.2.4 The lessee indemnifies the lessor in relation to any failure by the lessee to comply with the lessee's obligations under this clause 19.2.
- 19.2.5 The Lessee acknowledges that the premises are subject to the Strata Titles Act, and are subject to the management and control of the Owners Corporation Plan No. 37063 and their By-Laws. The Lessee agrees to comply with those By-Laws made under the Act and by the Body Corporate from time to time.

19.3 **Car Park**

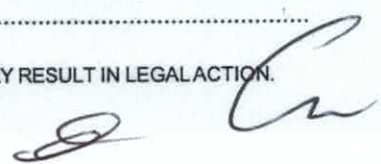
- 19.3.1 The lessee indemnifies the lessor against all claims, costs and expenses for which the lessor is liable in relation to any death, personal injury or property damage caused or contributed to by any act or failure to act or neglect of the lessee or its servants or agents or because of the lessee's or its servants or agents use of the car parking area.
- 19.3.2 The lessee acknowledges and agrees that the car park licence fee will be reviewed in the same manner and at the same time as rent under this Lease except where a current market review occurs then the car parking licence fee will increase by the same proportion as the increase in the rent, if any, occurring as a result of that current market review.

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- 19.3.3 The Lessee acknowledges that The State Government of NSW levy on liable car parking spaces includes the car parking space the subject of this agreement. The amount of such levy or levies shall be paid by the Lessee for the car parking space and is included in the rental. In the event that the car parking levy is increased, the rental will be increased accordingly.
- 19.3.4 The Lessee hereby indemnifies and agrees to hold harmless the lessor from and against all claims demands actions causes of actions, suits, losses, damages, costs, charges or expenses which he may incur, sustain, be put to or which may be made or recovered against him in respect of or arising out of the use of the demise car parking space by the Lessee or by any of his servants, workmen, employees or invitees. The Lessee shall not do or permit to be done in the said car parking space or bring or keep anything thereon which will in any way increase the rate of fire insurance, obstruct or interfere with the right of other cars or in any way obstruct the entry passages or the grounds.
- 19.3.5 The Lessee shall not use the said parking space for any reason other than parking a motor vehicle and shall not clean, grease, oil or repair any motor vehicle in the parking area or any part thereof.
- 19.3.5 The Lessor does not accept responsibility for the loss or damage to any article or thing in or upon any vehicle or for any injury to any person however such loss damage or injury may arise.
- 19.3.6 The Lessor will issue one access control per space if required. The Lessee agrees that in the event that the access control is lost, the Lessee is responsible for the cost of a replacement access control. All access controls must be forthwith returned to the lessor upon termination of this Lease.

19.4 Insurance

The Lessee must:

- 19.4.1 In connection with the Premises, effect no later than the Commencing Date and maintain throughout the Term with independent and reputable insurers:
 - i. Public liability insurance for at least the amount in item 18;
 - ii. Plate glass insurance for its full replacement value;
 - iii. Workers compensation insurance; and
 - iv. Other insurances which are required by law or which, the Lessor's reasonable opinion, a prudent Lessee of the Premises would effect, including those in connection with the Lessee's works on the Premises; and
- 19.4.2 Ensure that the public liability and plate glass insurance required to be effected under clause 19.5.1 is in the name of the Lessee, references the Premises and notes the interests of the Lessor and any other person named by the Lessor; and
- 19.4.3 On each renewal date of the insurances required to be effected under clause 19.5.1 and otherwise when asked to do so, give the Lessor evidence that it has complied with clause 19.5.1 and, if requested by the Lessor, do all things reasonably required to assist the Lessor in any review of insurance arrangements undertaken by or on behalf of the Lessor; and
- 19.4.4 Notify the Lessor if:
 - i. An insurance policy required by clause 19.5.1 is cancelled; or
 - ii. An event occurs which may give rise to a claim under or which may affect rights under an insurance policy in connection with the Premises, the Building or property in them.

19.5 Legal Costs

19.5.1 The Lessee shall reimburse the Lessor for legal costs and disbursements of and incidental to:

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- i. The preparation of this Lease;
- ii. The assignment of this Lease including costs incurred in the assessment of the suitability of any proposed assignee (whether or not the proposed assignee is approved by the Lessor) and the negotiation and preparation of an assignment of lease or a new lease to the proposed assignee; and
- iii. Any breach of this lease by the Lessee or the Guarantor.

19.6 Make Good

Make Good means to:

- 19.6.1 Remove to the extent required by the Lessor, from the Premises, all fitout, fixtures, furnishings, cables, conduits and wires installed in the Premises on or after the Commencing Date by or on behalf of the Lessee or the Lessee's Employees and Agents; and
- 19.6.2 Remove all Lessee's Property from the Premises; and
- 19.6.3 Properly repair any damage caused by the removal of things referred to in paragraphs 19.7.1 and 19.7.2 of this clause from the Premises; and
- 19.6.4 Thoroughly clean the Premises, professionally clean all light fittings, replace broken light globes and remove all rubbish, waste and materials brought onto or left in or about the Premises by the Lessee or the Lessee's Employees and Agents; and
- 19.6.5 Wash down the inside surfaces of the Premises; and
- 19.6.6 Paint, stain, wallpaper or otherwise treat all surfaces inside the Premises in the same way that those surfaces were painted, stained, wallpapered or otherwise treated when last redecorated with the Lessor's approval, or if the Premises have not been redecorated with the Lessor's approval, then as they were at the date the Lessee first entered into occupation of the Premises or otherwise as directed by the Lessor.

Make Good Payment:

- 19.6.7 Means the one-off amount payable by the Lessee, determined by the Lessor as the average of three quotes obtained by the Lessor in lieu of the Lessee carrying out its Make Good obligations under this Lease.

19.7 Signage

- 19.7.1 The Lessee will not sign write any part of the building except the glass suite doors. No other signage or advertising media will be permitted in or around the centre without the prior written approval of the Lessor and the Owners Corporation.
- 19.7.2 The Lessee acknowledges that where directory strips are required for the foyer, the door of the suite and letterbox, such directory strips may only be ordered by the Lessor's agent, and are at the cost of the Tenant.
- 19.7.3 The Lessee acknowledges that no other signs whatsoever are to be erected on the exterior doors or windows of the building or on or around the leased premises without the prior written approval of the Landlord.

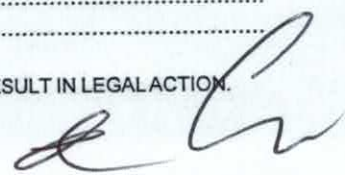
19.8 Emergency Evacuation

- 19.8.1 The Lessee is to provide the Lessor with a copy of its emergency evacuation procedure. The Lessee is to ensure that its procedure coordinates with any procedure or meeting points that may be nominated by the Lessor from time to time.

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19.9 **Air-Conditioning System**

19.9.1 The Lessee acknowledges that the central air-conditioning system is the property of the Owners Corporation and under the control of the Owners Corporation. The Lessee will be responsible for the running of the air conditioning properly levied against the strata lot. The Lessee will have no claim for compensation against the Lessor should the air conditioning not be operating or operable. The Lessee acknowledges that the operating hours of the air conditioning is under the control of the Owners Corporation.

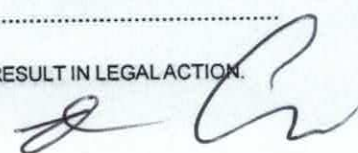
20 **Confidential**

20.1 All terms and conditions of the Lease are confidential and are not to be disclosed to any third party except:

- (a) with the prior written approval of the other party; or
- (b) to officers, employees and consultants or advisers of the party (or its related bodies corporate) who have a need to know (and only to the extent that each has a need to know) for the purpose of this Lease and are aware that the Confidential Information must be kept confidential.

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ANNEXURE B – RETAIL LEASE

SEE A SOLICITOR ABOUT THIS LEASE

Lessor: Plan LSR Custodian Pty Ltd (ACN 615 387 481)

Lessee: Sydney Heart Specialists Pty Ltd (ABN 87 163 791 946)

This annexure consists of 14 pages.

Property: Suite 313, 71 – 73 Archer Street, Chatswood NSW 2067

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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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.....
Date

.....
Signature

.....
NAME (BLOCK LETTERS)

Robert Day
.....
.....

[Handwritten signature]

CLAUSE 1 INTERPRETATION

About this lease.

- 1.1 There are three parts to this lease – a lease form, Annexure A and this Annexure B.
- 1.2 This lease is a deed even if it is not registered.
- 1.3 A reference in this deed to the schedule is to the schedule of items commencing at item 1 on the lease form.
- 1.4 The lessor is named on page 1 of this lease.
- 1.5 The lessee is named on page 1 of this lease.
- 1.6 The guarantor is named in item 10 in the schedule, if there is a guarantor.
- 1.7 If a party consists of two or more persons, obligations of that party can be enforced against any one or more of them.
- 1.8 In this lease, “property” means the Property leased described on page 1 of this lease.
- 1.9 In this lease, “Act” means the *Retail Leases Act 1994*.
- 1.10 This lease is subject to any provision of the Act that cannot be excluded.
- 1.11 In this lease “Secretary” has the same meaning as in the Act.
- 1.12 In this lease “Registrar” has the same meaning as in the Act.
- 1.13 A reference to any legislation is also a reference to any corresponding later legislation.

CLAUSE 2 GRANT OF LEASE

The lessor grants to the lessee, and the lessee accepts, a lease of the property.

CLAUSE 3 THE PROPERTY

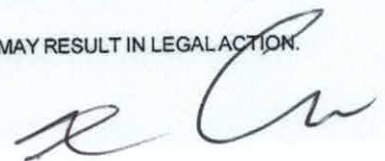
What property is leased?

- 3.1 The property leased is described on page 1 of this lease.
- 3.2 The lessor’s fixtures are included in the property.
- 3.3 If anything else is leased (such as furniture belonging to the lessor) and is described in item 11 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 lessee shares the common facilities with the lessor, and with others. The lessor 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 (G)1 in the schedule, commences on the date stated in item (G)2 in the schedule and ends on the date stated in item (G)3 in the schedule, subject to any extension under the Act.
- 4.2 If a further period, commencing when this lease ends, is stated in item 12A in the schedule then the lessee has the option to renew this lease for that period.
- 4.3 The lessee can renew this lease more than once if that is stated in item 12B 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 12C in the schedule.
- 4.4 The lessee can exercise the option only if –
 - 4.4.1 the lessee serves on the lessor a notice of exercise of option not earlier than the first day stated in item 12D in the schedule and not later than the last day stated in item 12E 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 lessee have been complied with or fully remedied in accordance with the terms of any notice to remedy given by the lessor.



- 4.5 After exercising the option the lessee must continue to pay all rents and outgoings on time and continue to comply with all of the lessee's obligations under this lease. If the lessee does not do so, the lessor 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 12A and 12B in the schedule in the last lease allowed in item 12 in the schedule;
 - 4.6.4 item 12B becoming item 12A;
 - 4.6.5 adjustment of item 12C in the schedule; and
 - 4.6.6 adjustment of items 12D and 12E in the schedule. The number of days between the dates stated in items 12D and 12E 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 12D and 12E 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 lessee pay?

- 5.1 The lessee must pay to the lessor or as the lessor directs –
- 5.1.1 the rent stated in item 13A in the schedule;
 - 5.1.2 the share stated in item 14A in the schedule of those outgoings stated in item 14B in the schedule and the utility charges referred to in clauses 5.23 and 5.24;
 - 5.1.3 the reasonable cost to the lessor of remedying a default by the lessee;
 - 5.1.4 the reasonable cost to the lessor (including legal costs) of dealing with any application by the lessee for the lessor's consent or where applicable an owners corporation's consent under this lease (whether or not it is given);
 - 5.1.5 interest on these moneys at the rate stated in item 15 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 NSW Land Registry Services (payable on delivery to the lessor's solicitor or conveyancer of the executed lease);
 - 5.1.7 if the lessee defaults, the lessor's reasonable legal costs relating to the default;
 - 5.1.8 the lessor's reasonable costs and expenses in connection with the preparation of this lease but only that part of those costs and expenses which are permitted to be recovered by a lessor under section 14 and section 45 of the Act; and
 - 5.1.9 GST as provided for in clause 15.
- 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 lessor.
- A request for payment can be made –
- 5.3.1 after the lessor has paid an outgoing; or
 - 5.3.2 after the lessor has received an assessment or account for payment of an outgoing.
- 5.4 If item 14B in the schedule refers to land tax, the liability of the lessee is not to exceed the amount of that liability had the amount of land tax payable by the lessor been assessed on the basis that the land was the only land owned by the lessor and that there was no special trust or non-concessional company involved and –
- 5.4.1 if the property is a strata lot, the relevant land tax is land tax on that lot; or
 - 5.4.2 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 lessor used or available for use by or for the benefit of lessees conducting business in the building or in connection with trading in the building.

When and how is the rent to be reviewed?

- 5.5 The rent is to be reviewed on the rent review dates stated in item 16 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 16 in the schedule (or if none is stated each anniversary of the commencement date) which falls during the extension.

- 5.6 The lessee must continue to pay rent at the old rate until the new rate is known. After that, the lessee is to pay the new rent from the next rent day. By that rent day the lessee is also to pay any shortfall between the old and new rate for the period since the rent review date. Alternatively, the lessor is to refund to the lessee any overpayment of rent.
- 5.7 There are three different methods described here for fixing the new rent on a rent review date. The method agreed by the lessor and the lessee is stated at item 16 in the schedule. The lessee 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.

- 5.8 In this case the rent beginning on each review date will be increased by the percentage or amount stated in item 16 in the schedule.

Method 2. By reference to Consumer Price Index.

- 5.9 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 –

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

- 5.10 The lessor must calculate the new rent after each review date and give the lessee written notice of the new rent.
- 5.11 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 lessor and the lessee agree to accept the calculations of the lessor's solicitor or conveyancer who must be retained to determine a fair co-relation between the old and the new series of numbers.
- 5.12 If the index used to calculate the new rent is discontinued the lessor 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.

- 5.13 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 –

- 5.13.1 the provisions of this lease;
- 5.13.2 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;
- 5.13.3 the gross rent, less the lessor's outgoings payable by the lessee;
- 5.13.4 rent concessions and other benefits that are frequently or generally offered to prospective lessees of unoccupied retail shops; and
- 5.13.5 the value of goodwill created by the lessee's occupation and the value of lessee's fixtures and fittings are to be ignored.



- 5.14 The lessor or the lessee may inform the other in writing at least 60 days before the rent review date of the rent that the lessor or lessee thinks will be the current market rent at the review date.
- 5.15 If the lessor and the lessee agree on a new rent then that rent will be the new rent beginning on the rent review date and the lessor and the lessee must sign a statement saying so.
- 5.16 If the lessor and the lessee 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 5.17.
- 5.17 The valuer appointed must be a specialist retail valuer appointed by agreement of the parties or, failing agreement, by the Registrar, upon application by the lessor or the lessee.
- 5.18 The valuer will act as an expert not an arbitrator. The lessor and the lessee can each make submissions in writing to the valuer .
- 5.19 The valuer's decision is final and binding. The valuer must state how the decision was reached in accordance with the provisions of the Act.
- 5.20 If the valuer –
- 5.20.1 does not accept the nomination to act;
 - 5.20.2 does not decide the current market rent within 1 month after accepting the nomination;
 - 5.20.3 becomes incapacitated or dies; or
 - 5.20.4 resigns,
- then another valuer is to be appointed in the same way.
- 5.21 The lessor and lessee must each pay half the valuer's costs.
- 5.22 If the lessor and lessee do not agree upon a valuer and neither applies for a valuer to be appointed within 6 months after a review date then the rent will not change on that rent review date.

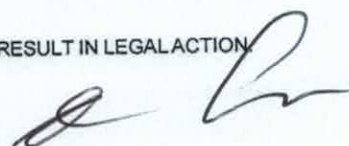
Utility Charges

- 5.23 The lessee must pay separately metered utility charges for utilities such as water usage, gas, electricity, telecommunications, trade waste or grease trap charges with respect to the property directly as they fall due.
- 5.24 If the utilities are not separately metered the lessor, acting reasonably, must apportion an amount attributable to the property. The amount apportioned by the lessor to the lessee must be paid by the lessee to the lessor on the next date that rent is due to be paid by the lessee to the lessor.
- 5.25 If the lessee does not pay the utility charges under either clause 5.23 or 5.24 the lessor may pay the same and immediately recover from the lessee the amount paid by the lessor as if the charges were rent in arrears payable by the lessee.

CLAUSE 6 USE

How must the property be used?

- 6.1 The lessee must –
- 6.1.1 use the property for the purpose stated in item 17 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 lessee;
 - 6.1.3 keep the property clean and dispose of waste properly;
 - 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 lessee's business there; and
 - 6.1.5 do all things required by the lessor from time to time (including, without limitation, signing any documents required by the lessor) to enable the lessor to register its security interests under the *Personal Property Securities Act 2009* (Cth) and to release any security interests under that Act.
- 6.2 The lessee must not –
- 6.2.1 do anything that might invalidate any insurance policy covering the property or that might increase the premium unless the lessor consents in which case the lessee must pay the increased premium;
 - 6.2.2 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 lessor or to the owner or occupier of any neighbouring property;



- 6.2.3 hold any auction, bankrupt or fire sale in the property;
- 6.2.4 display signs or advertisements on the outside of the property, or that can be seen from the outside, unless the lessor consents (but the lessor cannot withhold consent unreasonably);
- 6.2.5 overload the floors or walls of the property;
- 6.2.6 without the prior written consent of the lessor use any common area for any purpose other than for access to and egress from the property; or
- 6.2.7 create a security interest (as that term is defined in the *Personal Property Securities Act 2009* (Cth)) in favour of a third party in respect of the additional leased property without the lessor's consent which must not be unreasonably withheld.

CLAUSE 7 CONDITION AND REPAIRS

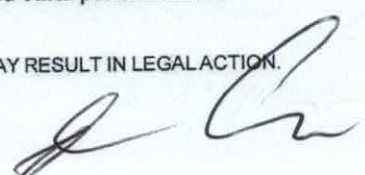
Who is to repair the property?

- 7.1 The lessor must –
 - 7.1.1 maintain in a state of good condition and serviceable repair the roof, the ceiling, the external walls and external doors and associated door jambs, 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 lessee 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 lessee does not have to –
 - 7.2.1 alter or improve the property;
 - 7.2.2 fix structural defects; or
 - 7.2.3 repair fair wear and tear.
- 7.3 The lessee must also –
 - 7.3.1 reimburse the lessor for the cost of fixing structural damage caused by the lessee, apart from fair wear and tear;
 - 7.3.2 maintain and decorate the shop front if the property has one;
 - 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 lessor must do the work unless it is required only because of the way the lessee uses the property. If it is any other work, or is required only because of the way the lessee uses the property, then the lessee must do the work.
- 7.5 If the lessee fails to do any work that the lessee must do the lessor can give the lessee a notice in writing stating what the lessee has failed to do. After the notice is given the lessee 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 lessee does not do the work, the lessor can do it and the lessee must reimburse the lessor for the cost of the work.
- 7.6 The lessee must not make any structural alterations to the property. Any other alterations require the lessor's consent in writing (but the lessor cannot withhold consent unreasonably).

CLAUSE 8 INSURANCE AND DAMAGE

What insurances must the lessee take out?

- 8.1 The lessee must keep current an insurance policy noting the interests of the lessor and covering –
 - 8.1.1 liability to the public in an amount not less than the amount stated in item 18 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 lessor, 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) –
- 8.2.1 the lessee is not liable to pay rent, or any amount payable to the lessor 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 lessee'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 lessor notifies the lessee in writing that the lessor considers that the damage is such as to make its repair impracticable or undesirable, the lessor or the lessee 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 lessor fails to repair the damage within a reasonable time after the lessee requests the lessor to do so the lessee can terminate this lease by giving not less than 7 days' notice in writing of termination to the lessor; and
 - 8.2.5 nothing in clause 8.2 affects any right of the lessor to recover damages from the lessee in respect of any damage or destruction to which the clause applies.

CLAUSE 9 ACCESS

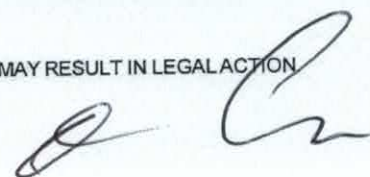
What are the lessor's rights of access to the property?

- 9.1 The lessee must give the lessor (or anyone authorised in writing by the lessor) 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;
 - 9.1.2 doing anything that the lessor can or must do under this lease or must do by law;
 - 9.1.3 viewing the property as a valuer, prospective buyer or mortgagee;
 - 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 lessee not earlier than 6 months before the lease period ends;
 - 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 lessor must give the lessee 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 lessor must promptly make good any damage caused to the property and to any of the lessee's belongings which results from exercising these rights.
- 9.4 The lessee must give to the lessor a copy of any notice relating to the property or relating to any neighbouring property immediately after receiving the notice.

CLAUSE 10 TRANSFER, SUB-LEASE AND CHANGE IN CONTROL

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

- 10.1 The lessee must not transfer this lease without the lessor's written consent.
- 10.2 The lessor can withhold consent only if –
- 10.2.1 the proposed transferee proposes to change the use to which the property is put;
 - 10.2.2 the proposed transferee has financial resources or retailing skills inferior to those of the proposed transferor as at the date of request for the lessor's consent;
 - 10.2.3 in the case of a lease awarded by public tender, the proposed transferee fails to meet any criteria of the public tender;

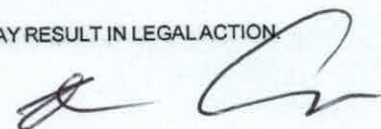


- 10.2.4 the lessee has not complied with clause 10.3 and clause 10.4; or
10.2.5 section 80E of the Act applies.
- 10.3 A request for the lessor's consent to a transfer of lease must be made in writing and the lessee must provide the lessor with such information as the lessor may reasonably require concerning the financial resources and retailing skills of the proposed transferee.
- 10.4 Before requesting the consent of the lessor to a proposed transfer of this lease, the lessee must furnish the proposed transferee with a copy of any disclosure statement given to the lessee 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 lessee was aware or could reasonably be expected to be aware). For the purpose of enabling the lessee to comply with this obligation, the lessee can request the lessor to provide the lessee with an updated lessor's disclosure statement within 14 days and, if the lessor fails to comply with such a request within 14 days after it is made, it is sufficient compliance by the lessee if the proposed assignee is provided with an updated lessor's disclosure statement completed by the lessee to the best of the lessee's knowledge (but with information as to current outgoings in place of information as to estimated outgoings).
- 10.5 The lessor must deal expeditiously with a request for consent to assignment of lease. Where the lessee has complied with clause 10.3 and clause 10.4, and the lessor has not within 28 days after the request was made or the lessee has complied with the requirements of section 41 of the Act, whichever is the later, given notice in writing to the lessee either consenting or withholding consent, the lessor is taken to have consented.
- 10.6 The lessee has to pay in connection with any consent the lessor's reasonable legal costs, the stamp duty and the registration fee for the transfer.
- 10.7 The lessee can sub-let, grant a licence 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 lessee's estate or interest in this lease only with the written consent of the lessor which can be refused in the lessor's absolute discretion.
- 10.8 Change in control of lessee: company**
- 10.8.1 If the lessee is a company and there is a proposal for the lessee or any company controlling the lessee to change its shareholding or change its constitution so that the effective control of the lessee is altered then that proposed change in control is treated as a proposed transfer of this lease and clause 10.1 applies.
- 10.8.2 Clause 10.8.1 does not apply if the lessee is listed on the Australian Securities Exchange or, if the change occurs to a company controlling the lessee, that company is listed on the Australian Securities Exchange.

CLAUSE 11 LESSOR'S OTHER OBLIGATIONS

What are the lessor's other obligations?

- 11.1 So long as the lessee does all the things that must be done by the lessee under this lease the lessor must allow the lessee to possess and use the property in any way permitted under this lease without interference from the lessor, or any person claiming under the lessor or having superior title to the title of the lessor.
- 11.2 The lessor 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 lessor –
- 11.3.1 the lessor must maintain in reasonable structural condition all parts of the building that the lessee can use under this lease; and
- 11.3.2 if the property has facilities and service connections shared in common with other persons the lessor must –
- 11.3.2.1 allow reasonable use of the facilities and service connections including –
- the right for the lessee and other persons to come and go to and from the property over the areas provided for access;
 - access by the lessee to service connections; and
 - the right for the lessee's customers to park vehicles in any area set aside for customer parking, subject to any reasonable rules made by the lessor.
- 11.3.2.2 maintain the facilities and service connections in reasonable condition.

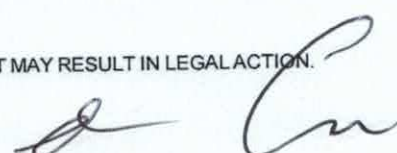


- 11.4 The lessor must provide the lessee with an executed copy of the lease within 3 months after the lease is returned to the lessor or the lessor's solicitor, conveyancer or agent following its execution by the lessee. That 3 month period is to be extended for any delay attributable to the need to obtain any consent from a head lessor or mortgagee (being delay not due to any failure by the lessor to make reasonable efforts to obtain consent).
- 11.5 If this lease is for a term of more than 3 years or is to be registered –
- 11.5.1 the lessor must lodge the lease for registration in accordance with the *Real Property Act 1900* within 3 months after the lease is returned to the lessor or the lessor's solicitor, conveyancer or agent following its execution by the lessee; and
- 11.5.2 the 3 month period within which a lease must be lodged for registration is to be extended for any delay attributable to –
- 11.5.2.1 the need to obtain any consent from a head lessor or mortgagee (being delay not due to any failure by the lessor to make reasonable efforts to obtain consent), or
- 11.5.2.2 requirements arising under the *Real Property Act 1900* that are beyond the control of the lessor.
- 11.6 For the purposes of clause 11.5 the term of this lease includes any term for which the lease may be extended or renewed at the option of the lessee. Clauses 11.5 and 11.6 do not affect the operation of the *Real Property Act 1900*.
- 11.7 Where this lease is lodged for registration, the lessor must –
- 11.7.1 ensure that this lease is registered; and
- 11.7.2 provide the original registered lease to the lessee, where available.
- 11.8 If a consent is needed for this lease, from someone such as a mortgagee or head lessor of the property, then the lessor must get the consent.

CLAUSE 12 FORFEITURE AND END OF LEASE

When does this lease end?

- 12.1 This lease ends –
- 12.1.1 on the date stated in item 3 in the schedule;
- 12.1.2 if the lessor lawfully enters and takes possession of any part of the property; or
- 12.1.3 if the lessor lawfully demands possession of the property.
- 12.2 The lessor can enter and take possession of the property or demand possession of the property if –
- 12.2.1 the lessee has repudiated this lease;
- 12.2.2 rent or any other money due under this lease is 14 days overdue for payment;
- 12.2.3 the lessee has failed to comply with a lessor's notice under section 129 of the *Conveyancing Act 1919*;
- or
- 12.2.4 the lessee has not complied with any term of this lease where a lessor's notice is not required under section 129 of the *Conveyancing Act 1919* and the lessor has given at least 14 days' written notice of the lessor's intention to end this lease.
- 12.3 When this lease ends, unless the lessee becomes a lessee of the property under a new lease the lessee must –
- 12.3.1 return the property to the lessor in the state and condition that this lease requires the lessee to keep it in (including any obligation to decorate under clause 7.3.3); and
- 12.3.2 have removed any goods (unless otherwise directed by the lessor to the extent the lessor has any security interest) and anything that the lessee fixed to the property and have made good any damage caused by the removal.
- Anything not removed becomes the property of the lessor who can keep it or remove and dispose of it and charge to the lessee the cost of removal, making good and disposal.
- 12.4 If the lessor allows the lessee to continue to occupy the property after the end of the lease period (other than under a new lease) then –

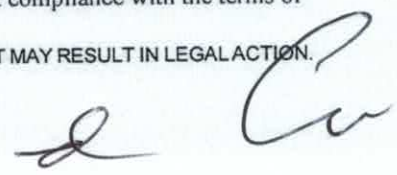


- 12.4.1 the lessee becomes a monthly lessee and must go on paying the same rent and other money in the same way that the lessee had to do under this lease just before the lease period ended (apportioned and payable monthly);
- 12.4.2 the monthly tenancy will be on the same terms as this lease, except for –
- clause 4; and
 - clauses 5.5 to 5.22 inclusive;
- 12.4.3 either the lessor or the lessee can end the monthly tenancy by giving, at any time, 1 month written notice to the other expiring on any date; and
- 12.4.4 anything that the lessee 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 lessor, from time to time, accepted late payment);
- 12.5.2 the obligations of the lessee in clause 5.1.2 (outgoings);
- 12.5.3 the obligations of the lessee in clauses 5.23 to 5.25 (utility charges);
- 12.5.4 the obligations of the lessee in clause 6.1, 6.2.1, 6.2.2 and 6.2.5 (use);
- 12.5.5 the obligations of the lessee in clause 7 (repairs);
- 12.5.6 the obligations of the lessee in clause 8.1 (insurance);
- 12.5.7 the obligations of the lessee in clause 10 (transfer, sub-lease and change in control);
- 12.5.8 the obligations of the lessee in clause 15 (GST); and
- 12.5.9 the obligations of the lessee in clause 16 (bank guarantee) or clause 17 (security deposit).
- 12.6 If there is a breach of an essential term the lessor 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 lessee on reasonable terms.
- 12.7 The lessor can recover damages even if –
- 12.7.1 the lessor accepts the lessee's repudiation of this lease;
- 12.7.2 the lessor ends this lease by entering and taking possession of any part of the property or by demanding possession of the property;
- 12.7.3 the lessee 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 lessee is named in item 10A in the schedule and has signed or executed this lease in item 22 or, if this lease is a renewal of an earlier lease, the earlier lease.
- 13.2 The guarantor guarantees to the lessor the performance by the lessee of all the lessee'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 lessee 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 lessor on demand even if the lessor has not tried to recover payment from the lessee.
- 13.4 If the lessee does not perform any of the lessee'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 lessor even if the lessor has not tried to recover compensation from the lessee.
- 13.5 If the lessee is insolvent and this lease or any extension or renewal of it is disclaimed the guarantor is liable to the lessor for any damage suffered by the lessor because of the disclaimer. The lessor 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 lessee on reasonable terms.
- 13.6 Even if the lessor gives the lessee 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 10B 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 lessee is only an equitable one, and even if this lease is extended by legislation.

CLAUSE 14 EXCLUSIONS AND NOTICES

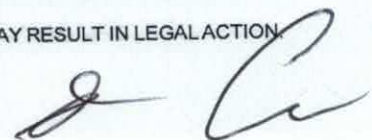
- 14.1 No covenant or power is implied in this lease by section 84 or 85 of the *Conveyancing Act 1919*.
- 14.2 A document under or relating to this lease is –
- 14.2.1 signed by a party if it is signed by the party or the party's solicitor or conveyancer;
 - 14.2.2 served if it is served by the party or the party's solicitor or conveyancer;
 - 14.2.3 served if it is served in any manner provided in section 170 of the *Conveyancing Act 1919*;
 - 14.2.4 served on the lessee if it is left at the property;
 - 14.2.5 served if it is sent by email or by fax to the email address or fax number for either the lessor or the lessee set out in this lease in item 21 (or any substitute email address or fax number given by either of them), unless it is not received;
 - 14.2.6 served on a person if it or a copy of it comes into possession of that person; and
 - 14.2.7 served at the earliest time it is served, if it is served more than once.

CLAUSE 15 GOODS AND SERVICES TAX

- Unless item 13B in the schedule has been completed in a way that indicates that this clause is not to apply:
- 15.1 As consideration in whole or in part for a taxable supply the person receiving the supply must pay to the party making the supply an additional amount equal to the amount of GST payable on the supply.
- 15.2 To the extent that the lessee is required to reimburse the lessor in whole or in part for outgoings incurred by the lessor, for the purposes of this lease the amount of the outgoings must be reduced by the amount of any credit or refund of GST to which the lessor is entitled as a result of incurring outgoings.
- 15.3 Outgoings in item 14B in the schedule are to be calculated after deducting any input tax credit to which the lessor is entitled.
- 15.4 For the purposes of this lease GST means a tax in the nature of a supply of goods and services tax levied or imposed by the Commonwealth of Australia.

CLAUSE 16 BANK GUARANTEE

- 16.1 If an amount or a number of months appears in item 19 in the schedule, clauses 16.2 to 16.6 apply.
- 16.2 On or before the commencement date of this lease the lessee will deliver to the lessor a guarantee for the performance of the lessee's obligations under this lease by an authorised deposit-taking institution trading in the State of New South Wales in the form of an unconditional and irrevocable undertaking to pay drawn in favour of the lessor (unlimited as to time) in a form acceptable to the lessor, acting reasonably, and for an amount equivalent to the number of months or the amount referred to in item 19 in the schedule.
- 16.3 The lessor is entitled to claim under the guarantee an amount equal to any moneys due but unpaid by the lessee to the lessor under this lease and the lessee must deliver to the lessor within 14 days of a notice from the lessor, an additional guarantee equal to the amount claimed.
- 16.4 The lessee agrees to vary the amount of the guarantee within 28 days of a written request from the lessor after any rent review so that the amount represents the equivalent of the number of months referred to in the schedule.
- 16.5 Subject to the provisions of section 16BA of the Act the lessor will deliver the guarantee (or so much of it as is then held by the lessor) to the lessee within 2 months after the lessee completes performance of the obligations under this lease for which the guarantee is provided as security.
- 16.6 If there is a change in lessor, the lessee must at the cost of the lessor provide a replacement guarantee that complies with clause 16.2 drawn in the name of the new lessor, within 2 months of receipt of a written request



for a replacement guarantee.

CLAUSE 17 SECURITY DEPOSIT

- 17.1 If an amount or a number of months appears in item 20 in the schedule, clauses 17.2 to 17.5 apply.
- 17.2 On or before the commencement date of this lease the lessee will deliver the security deposit to the lessor and any lodgment form to lodge the security deposit with the Secretary.
- 17.3 The lessor is entitled to deduct from the security deposit an amount equal to any monies due but unpaid by the lessee to the lessor under this lease and the lessee must deliver to the lessor within 14 days of a notice from the lessor, an additional amount equal to the amount claimed.
- 17.4 The security deposit will be held in accordance with Section 16C of the Act.
- 17.5 The lessee agrees to vary the amount of the security deposit within 28 days of a written request from the lessor after any rent review so that it represents the equivalent of the number of months referred to in the schedule.

CLAUSE 18 STRATA

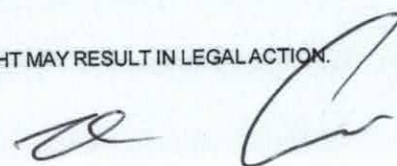
- 18.1 "Strata Acts" means the *Strata Schemes Management Act 2015* and the *Strata Schemes Development Act 2015*, and includes any amending Acts, rules, regulations, ordinances, by-laws, statutory instruments, orders or notices made under those Acts.
- 18.2 "Owners corporation", "owner", "strata scheme", "lot" and "parcel" where used in this lease have the meanings given under the Strata Acts.
- 18.3 "Strata conversion" means a subdivision of the property under the *Strata Schemes Development Act 2015* or the *Community Land Development Act 1989* or the *Community Land Management Act 1989* or other legislation permitting such subdivision.

18.4 Strata Conversion

- 18.4.1 By its entry into this lease the lessee acknowledges that the lessor can register a strata plan, a strata plan of subdivision, a strata plan of consolidation or a building alteration plan insofar as any of these may relate to the property, the building or the land. The lessor will provide the lessee with copies of the proposed strata plan and associated documentation for the lessee's approval, which approval must not be unreasonably withheld.
- 18.4.2 Unless the lessee raises an objection to the strata conversion referred to in clause 18.4.1, then within 14 days of written request by the lessor the lessee will sign and return to the lessor any consents or other documents necessary to enable the lessor to carry out the strata conversion and will make no objection or claim for compensation in relation to the strata conversion.
- 18.4.3 If the strata conversion occurs:
- 18.4.3.1 any reference in this lease will be deemed to be a reference to the buildings comprised in the registered plan or plans of which the property forms part;
 - 18.4.3.2 any levies or other monies payable to the owners corporation will be payable by the lessee with the exception of any contribution to a capital works fund or special levy; and
 - 18.4.3.3 this lease will be deemed to be amended in any respect that is necessary to ensure that this lease reflects that the strata conversion has been carried out.

18.5 Not to prejudice interests of owners corporation.

- 18.5.1 Without the prior written consent of the owners corporation, the lessee must not do any act, matter or thing under the exercise of its rights and obligations elsewhere contained in this lease or permit or allow any act, matter or thing to be done which will or may:
- 18.5.1.1 increase the rate of premium payable by the owners corporation under any policy of insurance taken out by the owners corporation; or
 - 18.5.1.2 invalidate, avoid or suspend the operation of any policy of insurance or otherwise prejudice the owners corporation rights under any such policy.



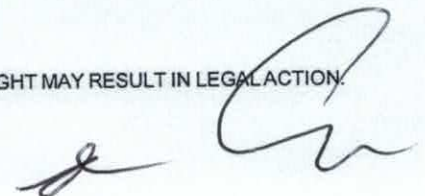
- 18.5.2 Upon the occurrence of any of the matters referred to in clause 18.5.1, the lessee must:
- 18.5.2.1 pay to the lessor or such other person responsible for payment any amounts payable to the owners corporation as a consequence of any such matters;
 - 18.5.2.2 pay to the lessor for and on behalf of the owners corporation any amounts payable by the owners corporation as a consequence of any such matters and not the subject of clause 18.5.1; and
 - 18.5.2.3 pay to the lessor for and on behalf of the owners corporation the amount of any and all losses and damages arising from the occurrence of any such matters.

18.6 Indemnity

The lessee indemnifies the lessor for any loss or damage suffered by the lessor if the lessee or the lessee's employees fail to comply with the obligations as to conduct imposed upon the lessee or the lessee's employees by this lease or by reason of the Strata Acts.

18.7 Use

- 18.7.1 Where the property is a lot in a strata scheme the lessee must:
- 18.7.1.1 use the common property only in connection with the use of the property and to obtain access to and egress from the property;
 - 18.7.1.2 co-operate with all other permitted users of the common property;
 - 18.7.1.3 comply with the provisions of the Strata Acts and the by-laws and all lawful orders, motions and directives under the Strata Acts as may be applicable to the exercise of the lessee's rights and obligations under this lease;
 - 18.7.1.4 meet the cost of all damage to the common property caused by the lessee or any invitee or licensee of the lessee;
 - 18.7.1.5 permit the owners corporation, temporarily, to close any part of the common property for the purpose of making and effecting repairs to it; and
 - 18.7.1.6 permit the owners corporation access to the property on giving the lessee reasonable prior notice for the purpose of making and effecting any repairs to the common property.
- 18.7.2 Where the property is a lot in strata scheme the lessor must use its reasonable endeavours to:
- 18.7.2.1 assist the lessee, at the expense of the lessee, to obtain the consent of the owners corporation to the lessee's fit out of the property (as approved by the lessor) and the lodgment of any development application in relation to the lessee's use of the property; and
 - 18.7.2.2 cause the owners corporation to maintain and repair the common property, to the extent of any obligation of the lessor to maintain the building.



IMPORTANT NOTES

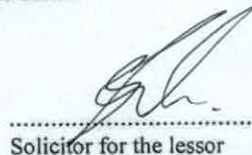
The following notes are for guidance and do not form part of this lease.

If you are a lessor, a solicitor or conveyancer will prepare this lease for you. This lease is specifically for use for retail premises only. It imports requirements of the *Retail Leases Act 1994* which may not be appropriate for non-retail premises. This lease should not be used for a lease of non-retail premises.

If you are a lessee, a solicitor or conveyancer can advise you about it.

1. This document creates legal rights and legal obligations.
2. The lessor must give a lessor's disclosure statement at least 7 days before the lease is entered into in accordance with the *Retail Leases Act 1994*.
3. Failure to register a lease can have serious consequences.
4. If an option for renewal is not exercised at the right time it will be lost.
5. The lessee 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 lessor must give a prescribed notice within 14 days after the option is exercised if the lessor wants to rely on the breach to prevent the exercise of the option.
6. The Law Society of New South Wales is not responsible for any loss resulting from the use of this lease as printed whether authorised or not.

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



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Solicitor for the lessor

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