

Suzanne Boyle

To: Dene Kilpatrick
Subject: RE: MCLEAN SUPER FUND

Hello Dene

In response to your email dated 5th March 2021:

1. Valuation for 7 Warabrook Drive, Warabrook; have contacted Bob Dupont PRP Valuers; the valuation could be a few weeks.
2. Term Deposit dated 17 June 2020 to 16 September 2020; attached.
3. Insurance: Copy of overall account; "360 Buspack" from Markey Insurance for McLean Group together with their breakup.
4. Copies of Leases. As Applicable 30 June 2020
 - a. Healthcare Australia
 - b. S T & M M McLean Appraisal
 - c. Hunter Primary Care
5. Bank Statement July 2020. As requested.

Cheers

MAYNEW NOMINEES PTY LTD

Stan McLean

Managing Director

Form: 07L
Release: 4-4

COPY 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 86B RP Act requires that the Register is made available to any person for search upon payment of a fee, if any.

STAMP DUTY

Office of State Revenue use only

(A) TORRENS TITLE

Property leased
FOLIO IDENTIFIER 35/806784 BEING 7 WARABROOK BOULEVARD, WARABROOK

(B) LODGED BY

Document Collection Box	Name, Address or DX, Telephone, and Customer Account Number if any	CODE L
	References:	

(C) LESSOR

MAYNEW PTY LIMITED (ACN 000 677 725)

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

(D)

Encumbrances (if applicable):

(E) LESSEE

HUNTER PRIMARY CARE LTD (ACN 061 783 015)

TENANCY:

(F)

- (G)**
1. TERM FIVE (5) YEARS AND THREE (3) MONTHS
 2. COMMENCING DATE 1 MAY 2017
 3. TERMINATING DATE 31 JULY 2022
 4. With an OPTION TO RENEW for a period of TWO PERIODS OF FIVE (5) YEARS EACH set out in clause 4 of ANNEXURE "A"
 5. With an OPTION TO PURCHASE set out in clause 18 of ANNEXURE "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" hereto.
 8. Incorporates the provisions set out in N.A.
No. N.A.
 9. The RENT is set out in item No. 1 of REFERENCE SCHEDULE

Handwritten marks: 146 and a signature.

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: MAYNEW PTY LIMITED (ACN 000 677 725)

Authority: section 127 of the Corporations Act 2001

Signature of authorised person: [Signature]
Name of authorised person: STAN M LLEAN
Office held: DIRECTOR

Signature of authorised person: [Signature]
Name of authorised person: MARGARET MCKEAN
Office held: DIRECTOR

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: HUNTER PRIMARY CARE LTD (ACN 061 783 015)

Authority: section 127 of the Corporations Act 2001

Signature of authorised person: [Signature]
Name of authorised person: See Annexure A
Office held: Page 29

Signature of authorised person: [Signature]
Name of authorised person: See Annexure A
Office held: Page 29

(I) STATUTORY DECLARATION*

I solemnly and sincerely declares that—

- 1. The time for the exercise of option to _____ in expired lease No. _____ 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 _____ in the State of New South Wales on _____ in the presence of _____ of _____

- [] 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.

[Handwritten marks]

**THIS IS THE REFERENCE SCHEDULE REFERRED TO IN THE LEASE
BETWEEN MAYNEW PTY LIMITED (ACN 000 677 275) AS LESSOR AND
HUNTER PRIMARY CARE LIMITED (ACN 061 783 015) AS LESSEE**

THE REFERENCE SCHEDULE

ITEM 1 YEARLY RENT (Clause 2.01)

From the Rent Commencing Date to the first anniversary of the Commencing Date - \$415,600.00 per annum plus GST

ITEM 2 RENT REVIEW DATES

(a) Consumer Price Index Review Date (Clause 2.04(a))

On each anniversary of the Commencing Date during the Term.

(b) (i) Fixed Percentage Review Date (Clause 2.04 (b))

Not applicable.

(ii) Fixed Percentage Review Rate (Clause 2.04 (b))

Not applicable.

(c) Market Rent Review Date (Clause 2.04 (c))

On the commencing date of any further term granted following the exercise of any option for renewal contained in this Lease.

ITEM 3 OPTION FOR RENEWAL LEASE PERIOD (Clause 4.01)

Five (5) years commencing on 1 August 2022 and a further five (5) years commencing on 1 August 2027

ITEM 4 PERMITTED USE (Clause 6.01)

Commercial Office

ITEM 5 DEMISED PREMISES (Clause 1.1)

The land and improvements comprised in Folio Identifier 35/806784

ITEM 6 FREQUENCY OF OUTGOING INTALMENTS (Clause 3.03)

Monthly in advance

ITEM 7 PROPORTION OF OUTGOINGS (Clause 3.01)

100%

ITEM 8 LAND (Clause 1.1)

Folio Identifier 35/806784 known as 7 Warabrook Boulevard, Warabrook

ITEM 9 BANK GUARANTEE (Clause 17)

An amount equivalent to three (3) months' Yearly Rent plus GST

*St. W. Lee
op. of Lee*

6/4


THIS AND THE FOLLOWING 22 PAGES COMPRISE THE ANNEXURE "A"
REFERRED TO IN THE LEASE BETWEEN MAYNEW PTY LIMITED (ACN 000
677 275) AS LESSOR AND HUNTER PRIMARY CARE LIMITED (ACN 061 783 015)
AS LESSEE

CLAUSE 1: DEFINITIONS AND INTERPRETATIONS

1.1 Definitions:

In this Lease, unless the context otherwise requires:

"Building" means the building situated on the Land together with the fixtures and fittings and other improvements and conveniences, amenities and appurtenances (including air conditions and machinery) attaching to the Building and owned by the Lessor.

"Claims" includes actions, suits, and causes of action, arbitrations, debts, dues, costs, claims, demands, verdicts and judgments either at law or in equity or arising under a Statute.

"Commencing Date" means the date described as the commencing date on the front page of this Lease.

"Demised Premises" means the premises described in Item 5 of the Reference Schedule and all fixtures, fittings, furnishings, plant, machinery and equipment (if any) now or later installed in those premises by the Lessor.

"Holding Over Period" means the period described in Clause 13.01(b) of this Lease.

"Land" means the land described in Item 8 of the Reference Schedule.

"Lessee" means:

- (i) in the case of a corporation, its successors in title and permitted assigns; and
- (ii) in the case of a natural person, his heirs, executors, administrators and permitted assigns.

"Lessor" means:

- (i) in the case of a corporation, its successors in title and assigns; and
- (ii) in the case of a natural person, his heirs, executors, administrators and assigns.

"Outgoings" means the costs and expenses of the Lessor now or later properly and reasonably assessed or assessable, charged or chargeable, paid or payable or otherwise incurred upon or in respect of the Land, the Building or the Demised Premises or any one or part of them or upon the Lessor in connection with them or the collection of rent including:

- (a) all rates, charges, assessments, duties, impositions and fees payable to any government, local government, semi-government, public or other competent body department institution or authority;

*Stephen
Stephen*

SM

- (b) all land tax (on a single holding basis);
- (c) all fire and other comprehensive insurance premiums to the extent of the full reinstatement value from time to time;
- (d) all premiums in respect of loss of rents and of a public liability policy and premiums in respect of such other policies as the Lessor may reasonably deem proper and desirable from time to time, all policies to be upon such terms and conditions and to have such cover as the Lessor acting reasonably will from time to time deem prudent provided that any extra premium payable pursuant to Clause 11.06 will be borne wholly by the Lessee;
- (e) all costs of repairs, general maintenance, painting, fire safety maintenance, gardening and landscaping costs, incurred in keeping the Demised Premises, the Building or the Land in good and substantial repair, order and condition;
- (f) all management costs; and
- (g) all regular period instalments levied and payable pursuant to section 76(a) of the Strata Schemes Management Act, 2015 or the Community Land Management Act, 1989 if the Demised Premises are a lot or become a lot in a relevant plan of subdivision.

"Person" includes a corporation.

"Prescribed Rate" means two per centum (2%) per annum above the standard overdraft rate of interest charged at the relevant date by Westpac Banking Corporation or its successors or assigns for an overdraft accommodation to the Lessor for an amount of One Hundred Thousand Dollars (\$100,000.00).

"Proposed Land" means such part of the Land as may be created if the Land is subdivided pursuant to the right of the Lessor to do so in Clause 6.09 of this Lease.

"Reference Schedule" means the Reference Schedule annexed to this Lease.

"Rent Commencing Date" means 1 August 2017.

"Term" means the term described as the term on the front page of this Lease and includes, where applicable, the Holding Over Period.

"Yearly Rent" means the yearly rent payable pursuant to Clause 2 from time to time.

Interpretation:

- 1.2 **Readings and Index:** Headings and sub-headings are included for the sake of ease of reference and none of the terms of this Lease are to be construed or interpreted by reference to such headings or sub-headings.
- 1.3 **Joint and Several Liability:** Where two or more persons are Lessees or Guarantors or where any obligation in this Lease is to be undertaken by two or more persons, the covenants and obligations to be performed by them bind them jointly and each of them severally.

- 1.4 Plurals and Genders:** Words importing the singular or plural number include the plural and singular numbers respectively and words of each gender include any other gender.
- 1.5 Severability:** If any term of this Lease becomes invalid or unenforceable the remaining terms of this Lease will not be affected and will be valid and enforceable to the fullest extent permitted by law.
- 1.6 Statutes and Regulations:** References to statutes, regulations, ordinances or by-laws are deemed to extend to all statutes, regulations, ordinances or by-laws amending consolidating or replacing the same.
- 1.7 Independent Obligations:** The respective obligations of the parties to this Lease whether positive or negative are construed upon the basis that each obligation is a separate and independent obligation made by one party in favour of the other party.
- 1.8 Implied Covenants:**
- (a) None of the covenants and powers implied in a lease by virtue of Sections 84 and 85 of the Conveyancing Act, 1919 apply to this Lease except so far as they are embodied in the terms of this Lease.
 - (b) Section 84A of the Conveyancing Act, 1919 does not apply to this Lease.
 - (c) The use in this Lease of any words in any of the forms of words contained in the first column of Part II of the Fourth Schedule to the Conveyancing Act, 1919 does not imply any covenant under Section 86 of that Act.
- 1.9 Exclusion of Implied Terms:** This Lease embodies the entire understanding and the whole agreement between the parties relative to the subject matter contained in this Lease and all previous negotiations representations warranties arrangements and statements (if any) whether expressed or implied (including any collateral agreement or warranty) with reference to the subject matter or the intentions of either of the parties are merged and otherwise are excluded and cancelled.

CLAUSE 2: RENTAL

- 2.01 Yearly Rent:** The Lessee will, on and from the Rent Commencing Date and for the Term, pay to the Lessor, without demand from the Lessor, free of exchange and without any deduction whatsoever, the Yearly Rent indicated in Item 1 of the Reference Schedule until the first review date specified in this Clause and then as determined in accordance with this Lease.
- 2.02 Manner of Payment:** Subject to the provisions of Clauses 2.01 and 2.03 the Yearly Rent is payable monthly in advance by equal instalments equivalent to one twelfth of the Yearly Rent for the time being on the first day of each month during the Term.
- 2.03 Apportionment for Broken Periods:** If the Term commences on a day other than the first day of a month, the Lessee will pay to the Lessor, in respect of the broken periods prior to the first complete month of the Term and subsequent to the last complete month of the Term on the first day of each such broken period, a proportionate part of the appropriate monthly payment payable on account of the

Yearly Rent to the first day of the following calendar month or to the expiration of the Term, as the case may be.

2.04 Rental Reviews:

- (a) **Consumer Price Index Reviews:** On each date indicated in Item 2(a) of the Reference Schedule the Yearly Rent will be increased but not decreased by the greater of 2.5% and movements in the Consumer Price Index (capped at 4%) by using the following formula:

$$R = A \times \frac{B}{C}$$

Where:

"R" means the Yearly Rent payable on and from the date indicated in Item 2(a) of the Reference Schedule.

"A" means the Yearly Rent payable during the year of the term of this Lease immediately prior to the relevant date indicated in Item 2(a) of the Reference Schedule.

"B" means the Index Number applicable for the quarter ending immediately prior to the relevant date indicated in Item 2(a) of the Reference Schedule.

"C" means the Index Number applicable for the quarter ending immediately prior to the last to occur of the Commencing Date and the last date on which the Yearly Rent was reviewed.

In this Clause 2.04(a) the expression "Index Number" means the Consumer Price Index All Groups Number (Sydney) published from time to time by the Australian Bureau of Statistics. If there is any suspension or discontinuance of the Consumer Price Index then Index Number will mean the New South Wales male basic wage applicable in the city of Sydney. If the system of practice of the determination of the New South Wales male basic wage ceases, then Index Number means the index published at the date hereof and at the time of variation of the rental by the Australian Bureau of Statistics which reflects fluctuations of the costs of living in Sydney and which the parties may mutually agree upon and if they are unable to agree then such variation of rental will be by reference to such index as may be determined by the President for the time being of the Australian Property Institute (NSW) or some person nominated by him whose decision will be conclusive and binding.

- (b) **Percentage Rate Reviews:** On each date indicated in Item 2(b)(i) of the Reference Schedule the Yearly Rent will be increased by the percentage rate indicated in Item 2(b)(ii) of the Reference Schedule.
- (c) **Market Rental Reviews:** On each date indicated in Item 2(c) of the Reference Schedule the Yearly Rent will be reviewed to the current annual market rental as agreed between the Lessor and the Lessee prior to such date and in default of agreement prior to such date then the following procedure will apply:

- (1) either the Lessor or the Lessee may request the President of the New South Wales Division of the Australian Property Institute to nominate a valuer who is a full member of not less than five (5) years standing of the said Institute and is the holder of a licence to practice as a valuer of the kind of premises demised by this Lease who will make a final determination of the current annual market rental as at the relevant date;
- (2) the valuer referred to in the preceding sub-clause will undertake his valuation of the current annual market rental on the following basis and take into consideration the following matters:
 - (i) be deemed to be acting as an expert and not as an arbitrator;
 - (ii) exclude the value of any goodwill attributable to the Lessee's business and the value of the Lessee's fixtures and fittings in the premises and will also exclude any deleterious condition of the premises if such condition results from any breach of any term of this lease by the Lessee;
 - (iii) have regard to the terms and condition of this Lease in particular to any liability on the part of the Lessee to pay a contribution to the Outgoings of the Land pursuant to Clause 3 and to the period of time until the next Review Date;
 - (iv) have regard to the rental value of comparable premises (including but not limited to location, lease period, use and building size) to the Demised Premises; and
 - (v) have regard to fixtures and fittings and other improvements and machinery owned by the Lessor and included in the Demised Premises.
- (3) The reasonable costs incurred in the determination of such current annual market rental will be borne by the parties equally.
- (4) On the Commencing Date of the first further term, the Yearly Rent may not increase or decrease by more than 5%.

General Matters for Rental Reviews:

- 2.05** If the same date is indicated in more than one sub-item of Item 2 in the Reference Schedule then the greater of the Yearly Rent determined by using each method will apply on and from that date.
- 2.06** If the Yearly Rent determined pursuant to this Clause 2 is less than the Yearly Rent payable prior to such determination then the Yearly Rent payable during the term of this Lease immediately prior to such determination will apply.
- 2.07** Any variation in the Yearly Rent provided for in this Lease will apply from the relevant date indicated in item 2 of the Reference Schedule notwithstanding that such rental may be determined after that date.

- 2.08 Rent Free Period:** Provided the Lessee is not otherwise in default under this Lease, no Yearly Rent will be payable from the Commencing Date to the day prior to the Rent Commencing Date (inclusive). If at any time during the rent free period the Lessee is in default, all Yearly Rent which would otherwise have been payable under this Lease will become due and payable.

CLAUSE 3: OUTGOINGS

- 3.01 Payment by Lessee:** The Lessee must pay to the Lessor the proportion of Outgoings attributable to the Demised Premises for the term.
- 3.02 Estimate:** The Lessor will as soon as practicable after the Commencement Date and then as soon as practicable after 1 July in each year of the Term advise the Lessee of the likely Outgoings and give an estimate of the amount payable by the Lessee for Outgoings for the period stipulated by the Lessor.
- 3.03 Payment:** The Lessee must pay the amount advised as estimated Outgoings by equal instalments in advance at the intervals indicated in Item 6 of the Reference Schedule commencing from the Commencing Date and ending on the expiration of the Term.
- 3.04 Updated Estimates:** The Lessee will continue to pay the estimated amount advised by the Lessor pursuant to the preceding sub-clause unless and until the Lessor gives the Lessee updated details of the likely Outgoings and gives an estimate of the new amount payable by the Lessee for future periods.
- 3.05 Determination:** The Lessor must as soon as practicable after 30 June in each year of this Lease or at the expiration of the Term advise the Lessee of the actual proportion of Outgoings payable by the Lessee under this Lease.
- 3.06 Adjustments:** If the amount paid by the Lessee on account of estimated Outgoings for any period is less than the amount of actual Outgoings for that period then the Lessee will as soon as practicable after notification pay the difference to the Lessor.
- 3.07 Adjustments:** If the amount paid by the Lessee on account of estimated Outgoings is greater than the proportion of Outgoings payable by the Lessee then the Lessor will either:
- (a) if this Lease has been validly terminated or has expired, refund such difference to the Lessee; or
 - (b) in all other cases, allow such difference to the Lessee against the instalment payments on account of estimated Outgoings next due.
- 3.08 Broken Periods:** The proportion of Outgoings attributable to the Demised Premises and payable by the Lessee will be determined in the case of the first broken period from the Commencing Date to the 30th day of June next following, in the case of the last broken period from the 30th day of June last preceding the date of expiration of this Lease to the actual date of expiration and in all other cases for each period of twelve (12) months expiring on 30 June, in each year of the Term.
- 3.09 Lessee's Proportion of Outgoings:** The proportion of Outgoings payable by the Lessee pursuant to this Clause 3 will be:

- (a) where the Outgoings are levied for the Demised Premises only, the Lessee is liable for all such Outgoings;
- (b) where the Outgoings are levied for the Land only, the Lessee is liable for that percentage indicated in Item 7 of the Reference Schedule.
- (c) where the Land is subdivided by the Lessor so as to create the Proposed Land then:
 - (i) Clause 3.09(b) will not apply; and

the Lessee will be liable for that proportion of Outgoings calculated in accordance with the following formula:

$$LP = O \times \frac{\text{Area of PL}}{\text{Area of L}} \times \frac{\text{Area of DP}}{\text{Area of all premises on PL}}$$

Where:

"LP" = The proportion of Outgoings payable by the Lessee;

"O" = All Outgoings other than Outgoings levied for the Demised Premises only;

"PL" = Proposed Land;

"L" = Land;

"DP" = Demised Premises.

3.10 GST Provision

- (a) All Yearly Rent, Outgoings and any other moneys payable by the Lessee under this Lease are calculated without regard to GST.
- (b) The Lessee will pay to the Lessor an amount equal to the GST determined to be payable under the GST Law ("the GST Amount") in respect of any Taxable Supply made by the Lessor under this Lease; and at least 5 days before the date on which the Lessor is required to remit the GST Amount to the relevant Authority under the GST Law.

For the purposes of this clause 3.10, the following definitions apply:

"GST" means any value added, consumption, turnover or similar tax, impost or duty on goods and/or services introduced by the Commonwealth or the State of New South Wales after the Commencing Date, including any goods and services tax under the GST Law.

"GST Law" has the meaning given to it in the New Tax (Goods and Services Tax) Act 1999 (as amended from time to time) or any re-enactment of or substitution for it and includes any regulation or statutory instrument issued under it.

"Taxable Supply" means any supply of goods or services by or on behalf of the Lessor:

- (a) to the Lessee under this Lease; and
- (b) otherwise to the Lessee in respect of the Demised Premises.

CLAUSE 4: OPTION FOR REWEVAL OF LEASE

4.01 Option: If the Lessee:

- (a) desires to take a renewed lease of the Demised Premises for the further term indicated in Item 3 of the Reference Schedule from the expiration of the Term; and
- (b) gives to the Lessor not less than three (3) months' and not more than six (6) months' notice in writing of that desire (in respect of which time is of the essence);

then the Lessor and the Lessee will determine the Yearly Rent for the first year of the renewed Lease in accordance with Clause 2.04 (c) as if the first date of the renewed Lease were a Market Rent Review date under this Lease.

4.02 Each party will pay their own legal costs in relation to the new Lease except that the Lessee will pay all registration fees.

4.03 The Lessee can exercise the option only if:

- (a) the Lessee serves on the Lessor a notice of exercise of option in accordance with Clause 4.01;
- (b) there is at the time of service no Yearly Rent or Outgoings overdue for payment; and
- (c) 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.

4.04 After exercising the option the Lessee must continue to pay all Yearly Rent 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.

4.05 A new Lease will be the same as this Lease except for:

- (a) the new Yearly Rent;
- (b) the Commencing Date and Terminating Date;
- (c) in the case of the first option granted under this Lease, the omission of the definition of "Rent Commencing Date", Sub-Clause 2.04(c)(4) and Clause 2.08; and

- (d) in the case of the last option granted under this Lease, the omission of Clause 4.

4.06 Lapse of Option: The right to take a renewed Lease for a further term will lapse if the Lessee fails to give the notice required by Clause 4.01(b).

CLAUSE 5: RESUMPTION OR DAMAGE TO PREMISES

5.01 Termination: If the whole or any substantial part of the Demised Premises:

- (a) is resumed or taken for any public purpose by any competent authority;
- (b) is destroyed or damaged by fire, flood, lightning, storm, tempest, earthquake or by other disabling cause or inevitable accident during the Term;
- (c) is rendered inaccessible to the Lessee having regard to its normal means of access; or
- (d) is rendered substantially unfit for the use and occupation of the Lessee so as to deprive the Lessee of the substantial use of the same or so as to render, in the reasonable opinion of the Lessor, the rebuilding or reconstruction of the Demised Premises in its previous form impracticable or undesirable;

then notwithstanding anything contained or implied in this Lease, this Lease may be terminated without right or claim for compensation by either the Lessor or the Lessee by not less than one (1) months' notice in writing to the other.

5.02 Antecedent Rights: Any termination in accordance with the provisions of Clause 5.01 will be without prejudice to the rights of either the Lessor or the Lessee in respect of any antecedent breach or non-observance of this Lease.

5.03 Abatement: Upon the occurrence of any of the events referred to in Clause 5.01, the Yearly Rent and Outgoings hereby reserved or a fair and just proportion of them according to the nature and extent of the damage or destruction sustained will abate and all or any remedies for the recovery of such Yearly Rent or Outgoings or a fair and just proportion or will be suspended until either:

- (a) the Demised Premises are rebuilt or reconstructed or made fit for the occupation and use of the Lessee; or
- (b) the Lease is terminated pursuant to the provision of Clause 5.01.

5.04 No Obligation to Rebuild or Re-Instate: Nothing contained or implied in this Lease imposes any obligation upon the Lessor to rebuild or re-instate the Demised Premises or make it fit for occupation and use BUT NEVERTHELESS the Lessor will have the right at all reasonable times with workmen and others and all necessary materials and appliances to enter upon the Demised Premises for the purpose of re-building or re-instating the Demised Premises or making them fit for occupation and use by the Lessee.

CLAUSE 6: USE OF THE DEMISED PREMIES BY THE LESSEE

- 6.01 Business Use:** The Lessee will not use or permit to be used the Demised Premises or any part of them for any purpose other than as premises for carrying on the business specified in Item 4 of the Reference Schedule and the Lessee will not permit or suffer the Demised Premises or any part of them to be used for any other purpose or for any residential purpose whether temporary or permanent.
- 6.02 No Noxious Use of Premises:** The Lessee will not at any time during the Lease:
- (a) use, exercise or carry on or permit or suffer to be used exercised or carried on in or upon the Demised Premises or any part of them any noxious, noisome or offensive act, trade, business, occupation or calling;
 - (b) do or omit or permit or suffer to be done or omitted any act matter or thing whatsoever in upon or about the Demised Premises or any part of them which is or will or may be or grow to the annoyance, nuisance, grievance, damage or disturbance of occupiers or owners of any adjacent premises;
 - (c) use or permit or suffer to be used the Demised Premises or part of them for any illegal purpose or activity; or
 - (d) permit any hazardous substances or contaminants to be disposed of in the Demised Premises or on the Land.
- 6.03 Exterior Signs:** The Lessee will not, without the written consent of the Lessor, which consent will not be unreasonably withheld, erect, paint or place upon the exterior of the Demised Premises signs, lights, embellishments, advertisements, names or notices and upon the expiration or sooner determination of the term hereby created, the Lessee will at its own expense remove any signs, lights, embellishments, advertisements, names or notices put by the Lessee upon the exterior to the Demised Premises and the Lessee will make good any damage or disfigurement cause by reason of such removal.
- 6.04 Heavy Installations:** The Lessee will not bring upon the Demised Premises any heavy machinery or other plant or equipment other than that used in the ordinary conduct of the Lessee's business and which does not otherwise breach this clause without the consent of the Lessor which consent will not be unreasonably withheld and in no event will any such machinery, plant or equipment be of such nature, weight or size as to cause or, in the reasonable opinion of the Lessor, be likely to cause any structural or other damage to the floors or walls of the Demised Premises. Before bringing any such equipment, plant or machinery upon the Demised Premises the Lessee will inform the Lessor of the Lessee's intention so to do and the Lessor may direct the routing, installation and location of all such machinery, plant and equipment and the Lessee will observe and comply with all such reasonable directions.
- 6.05 Lessee's Compliance with Regulations Ordinances and By-Laws:**
- (a) The Lessee will at its cost duly observe and perform and in all respects comply with the provisions and requirements of every statute, regulation, ordinance, by-law and every notice or order of any competent authority relating to or resulting from the use or occupation of the Demised Premises by the Lessee

and the Lessee will indemnify the Lessor and keep the Lessor indemnified against all claims in respect of such. The Lessee is under no liability in respect of any structural alterations not caused or occasioned by the Lessee's use or occupation of the Demised Premises.

- (b) The Lessee will not do or omit or suffer to be done or omitted on or about the Demised Premises any act or thing by reason of which the Lessor may under any statute, regulation, ordinance, by-law, notice or order, incur or have imposed upon it or become liable to perform any work or to pay any penalty, damages, compensation, fees, costs charges or expenses.

6.06 General Provisions re Use: The Lessee agrees with the Lessor that:

- (a) The Lessee will give to the Lessor prompt notice of any breakages to or defect in the water pipes, air-conditioning ducts, electric light or other fittings;
- (b) the Lessee will advise the Lessor and the managing agent of the Demised Premises for the time being of the private address and telephone number of the Lessee's manager. The Lessor and the said managing agent will be promptly informed of any change in such address or telephone number.
- (c) all electric light globes and tubes which may become damaged or worn out, or fail to light, and light which may become damaged or fail to operate will be replaced by the Lessee at the cost of the Lessee; and
- (d) all keys belonging to the Demised Premises held by the Lessee during its occupancy, whether the same have been provided by the Lessor or made or procured by such Lessee for its own use, will be surrendered to the Lessor on the termination of its tenancy.

6.07 Lessor does not Warrant Use of Premises: The Lessor does not expressly or impliedly warrant that the proposed use of the Demised Premises by the lessee is an approved use by the Local Council, that the Demised Premises or any part of them are or will remain suitable or adequate for all or any of the purposes of the Lessee and all warranties (if any) as to suitability and adequacy of the Demised Premises implied by law are expressly negatived.

6.08 Common Areas, Carparking and Accessways: The Lessee has the right for the Lessee and its invitees to use in common with other persons entitled to use the same for a proper purpose all common areas not otherwise exclusively used by any person and for the Lessee to use those car spaces in those areas of the car park on the Land and those parts of the common areas designated from time to time by the Lessor and also to use in common with other persons entitled thereto but for the purpose only of ingress and egress to and from the Demised Premises the entrance, vestibules, corridors, passages, stairways, driveways and landings in the Building and on the Land.

6.09 Subdivision and Joint Services: The Lessor reserves the right and liberty to the Lessor and persons claiming through or authorised by the Lessor:

- (a) to install, maintain, use, repair, alter and replace pipes, ducts, conduits, cables and wires leading through the Demised Premises and to pass and run water, air, electricity, sewerage, drainage and other utility services through such

pipes, ducts, conduits and wires and to enter upon the Demised Premises for such purposes PROVIDED THAT in exercising such rights the Lessor will not interfere with the Lessee in the Lessee's use and occupation of the Demised Premises to any greater extent than may be reasonably necessary;

- (b) to register a plan of subdivision of the Land including the creation of a lot in a strata, neighbourhood, precinct or community scheme under the Strata Schemes Development Act 2015 or the Community Land Management Act, 1989 PROVIDED THAT such a plan of subdivision does not derogate from the rights of the Lessee under this Lease.

CLAUSE 7: ASSIGNMENT AND SUB-LETTING

7.01 No Assignment, Transfer of Sub-Letting: The Lessee will not:

- (a) assign, transfer, demise, sub-let or part with or share the possession of the Demised Premises or any part of them;
- (b) grant any licence affecting, or mortgage, charge or otherwise deal with or dispose of the Demised Premises or any part of them;
- (c) by any act or deed procure the Demised Premises or any part of them to be assigned, transferred, demised, sublet, shared or put into possession of any person or persons;

without the consent in writing of the Lessor which consent will not be unreasonably withheld where:

- (d) the Lessee is not in default of the covenants to be performed by the Lessee under this Lease;
- (e) the proposed assignee or sub-lessee is proven to the reasonable satisfaction of the Lessor to be a respectable, responsible and solvent person or corporation capable of adequately carrying on the business permitted under this Lease;
- (f) that person enters into an agreement with the Lessor in the form required by the Lessor to comply with the covenants and conditions to be performed by the lessee under this Lease; and
- (g) the assignee or sub-lessee pays to the Lessor its costs and disbursements of and incidental to the giving of its consent and (in the case of a corporation) furnishes such guarantees for payment and performance of this Lease as a reasonably required by the Lessor.

7.02 Lessee not to Issue Additional Shares: If the Lessee is a corporation other than a corporation listed on an Australian Stock Exchange then any change in the shareholding of the Lessee which alters the effective control of the Lessee is, for the purposes of this Lease, deemed a proposed assignment of this Lease and the Lessee will not register, record or enter into its books any transfer of any shares in the capital of the Lessee or deal with any beneficial interest in any such shares or take any action having the effect of altering the effective control of the Lessee or having the effect of altering the shareholders of the Lessee at the date of this Lease together beneficially

holding or controlling less than 51% of the voting rights of the capital in the Lessee unless the Lessee complies with the conditions of the preceding sub clause.

CLAUSE 8: LIGHT, POWER, AIR-CONDITIONING, WATER AND TELEPHONE

- 8.01 Source of Light and Power:** The Lessee will not use any form of light, power of heat other than that generated by electrical current or gas supplied through meters except in the case of failure in the supply.
- 8.02 No Alterations to Electrical Installations:** The Lessee will not without the consent in writing of the Lessor (which consent will not be unreasonably withheld) make any substantial alterations or additions to the Lessor's electrical installations or wiring of the Demised Premises nor install any electrical equipment of the Demised Premises which overloads the cable, switch-boards or sub-boards through which electricity is conveyed to the Demised Premises and if consent is given to such work being carried out then the Lessee will ensure that it is carried out in a proper and workmanlike manner by a qualified electrician.
- 8.03 Charges for Electricity, Gas, Water and Telephone:** The Lessee will promptly pay for all charges for electricity, gas, water, oil, sewerage, drainage, garbage removal and other services which may from time to time be imposed or charged in respect of the Demised Premises to the supplying authority on or before the due date for payment and the Lessee will also pay all charges in respect of any telephone or other communication service connected to the Demised Premises and all other charges and impositions imposed by any public utility or authority for the supply of any service supplied to the Demised Premises.
- 8.04 Air Conditioning:** The Lessee must effect and maintain a maintenance contract for the operation, maintenance and repair of the air conditioning plant and equipment.

CLAUSE 9: MAINTENANCE AND REPAIR

- 9.01 Repair of Premises During Lease:** The Lessee will during the whole of the Term and otherwise so long as the Lessee remains in possession or occupation when, where and so often as need be, maintain, replace, repair and keep the whole of the Demised Premises in good and substantial repair, working order and condition (having regard to their condition at the commencement of the Lease) and particularly all plate glass, machinery, plant, equipment, fixtures and things belonging or which at any time during the term or possession or occupation as aforesaid will be erected therein or thereon or be part of the Demised Premises, damage by fire, flood, lightning, storm, tempest, act of god, war damage, earthquake any other event or happening beyond the control of the Lessee and reasonable wear and tear only excepted, provided however that nothing contained in this Clause will impose any obligation upon the Lessee to do any work of a structural or capital nature including but not limited to the electrical and mechanical plant of the Lessor except such as may be occasioned by the act, neglect or default of the Lessee or by its use or occupancy of the Demised Premises.
- 9.02 Repair on Termination of Lease:** The Lessee will at the expiration or sooner determination of this Lease peaceably surrender and yield up to the Lessor the whole of the Demised Premises in good and substantial repair, order and condition in all respects (having regard to their condition at the commencement of this Lease) and clean and free from rubbish, damage by fire, flood, lightning, storm tempest, act of

god, war damage, reasonable wear and tear and structural defects not caused by the Lessee only excepted.

9.03 The Lessee will, without affecting the generality of the preceding Clauses 9.01 and 9.02 of this Clause, at the Lessee's expense:

(a) Not used.

(b) **Cleaning:**

(1) cause the Demised Premises to be regularly cleaned in a proper and workmanlike manner; and

(2) keep during the whole of the Term the whole of the Demised Premises free from dirt and rubbish and in particular store and keep all trade waste and garbage in proper receptacles installed by the Lessee and arrange for the regular removal of them from the Demised Premises.

(c) **Replacement of Breakages Etc.:** from time to time immediately repair and replace all broken glass with glass of the same or similar quality and repair and replace all damaged broken window frames, heating, lighting and electrical equipment and plumbing installed upon the Demised Premises provided that such repair and replacement will be the responsibility of the Lessor if it arises as a result of an act or omission of the Lessor, its employees or agents provided that reasonable wear and tear is excepted.

9.04 Drains and Waste Pipes: The Lessee will at all times and at its own expense keep clean and free of blockages all gutters, drains, waste pipes and grease traps in or leading from the Demised Premises. Any blockages to gutters, drains, waste pipes and grease traps not caused or contributed to by the Lessee will be cleaned and repaired at the expenses of the Lessor.

9.05 Premises to be Kept Free of Pests: The Lessee will take all reasonable precautions to keep the Demised Premises free of rodents, vermin, insects, pests, birds and animals and in the event of failing so to do will if and when so required by the Lessor but at the cost of the Lessee employ pest exterminators approved by the Lessor.

CLAUSE 10: ALTERATIONS

10.01 No Alteration to Demised Premises: The Lessee will not without the previous consent in writing of the Lessor, which consent will not be unreasonably withheld, make any structural alterations or additions in or to be Demised Premises or any part of them.

10.02 Installation of Fixtures: The Lessee will not without the previous consent in writing of the Lessor, which consent will not be unreasonably withheld, install any fixtures other than minor fixtures including water, gas or electrical equipment or appliances or any apparatus for illuminating, air-conditioning, heating, cooling or ventilating the Demised Premises nor will the Lessee, without like consent substantially mark, paint or drill or in any way deface or damage any walls, ceilings, partitions, floors or other part of them. Any work carried out pursuant to this clause will be carried out in a proper and workmanlike manner by suitably qualified tradesmen.

- 10.03 Partitioning:** The Lessee will not without the previous consent in writing of the Lessor, which consent will not be unreasonably withheld, install or alter any partitioning equipment (other than unfixed furnishings or unfixed business equipment) or other installation in or on the Demised Premises.
- 10.04 Removal and Ownership of Fixtures and Partitioning:** Unless otherwise agreed in writing between the parties, all partitioning and other fixtures and installations installed by the Lessee will remain the property of the Lessee who will be responsible for their maintenance and repair and will be removed by the Lessee immediately prior to the expiration or sooner determination of this Lease. In default the Lessor may at the expense of the Lessee remove and dispose of the same or elect that they will become the property of the Lessor and in either case the Lessor will incur no obligation or liability to the Lessee by doing so. The Lessee will make good all damage occasioned by such removal whether by the Lessee or the Lessor and will re-instate that part of the premises affected by such removal to the condition existing prior to their installation or alternation, fair wear and tear excepted, and if the Lessee fails to make good or re-instate them by the date of the expiration or sooner determination of this Lease, the lessor do so and the Lessee will pay the cost of doing so to the Lessor upon demand.
- 10.05 Lessor's Right to Inspect and Repair:** The Lessor and its agents may at all reasonable times upon giving to the Lessee reasonable notice (except in the case of emergency when no notice will be required) enter upon the Demised Premises and view the state of repair of them and may serve upon the Lessee a notice in writing of any defect (the repair of which is the Lessee's obligation under this Lease) requiring the Lessee to repair them and in default of the Lessee so doing to the satisfaction of the Lessor or its architect, it will be lawful for the Lessor from time to time to enter and execute the required repairs as if it were the Lessee and any expense and the costs of and incidental to carrying out such work including all sums paid or payable for any insurances, consultant's reasonable fees or otherwise howsoever with respect to such repairs, will be payable by the Lessee to the Lessor immediately.
- 10.06 Lessor May Enter to Repair:** The Lessee will permit the Lessor at all times on reasonable notice to carry out repairs, renovations, maintenance, modifications, extensions or alterations to the Demised Premises or to any part of them deemed necessary or desirable by the Lessor and which are not the responsibility of the Lessee provided that in so doing the Lessor will cause as little disturbance to the Lessee as is practicable.
- 10.07 Requirements of Public Authorities:** The right is reserved to the Lessor by itself and/or those authorised by it to comply with the terms of any present or future legislation affecting the Demised Premises or the Building with any notice served upon the Lessor or Lessee by any state, municipal or other competent authority involving the destruction of noxious animals, rodents or other pests or the carrying out of any repairs alterations or works (including the provisions of lighting power and telephone services to the lessee for the purpose of which the Lessor may from time to time require access to false ceilings in the premises) which the Lessee may not be bound or may neglect to do an also for the purpose of exercising the powers and authorities of the Lessor herein provided however that nothing contained in this Clause will be deemed to oblige the Lessor to exercise any of the powers contained in this Lease nor, relieve the Lessee of any obligation elsewhere contained in this Lease.

10.08 Powers and Conduct of Lessor: For the purpose of exercising any of the powers conferred in the Clause the Lessor, its architects, contractors, workmen and agents will be entitled to enter upon the Demised Premises and there remain as long as is reasonably necessary for the purpose provided that in so doing the Lessor will cause as little inconvenience to the Lessee as is practicable.

10.09 Notice of Accident or Defect in Services: The Lessee will give to the Lessor prompt notice in writing of any accident to, defect or want of repair in any services to, or fittings in, the Demised Premises and of any circumstances likely to be or cause any danger, risk or hazard to the Demised Premises or any person in them of which it is aware.

CLAUSE 11: INSURANCES

11.01 The Lessee not to Void Insurances: The Lessee will not at any time during the Term do permit or suffer to be done any act, matter or thing upon the Demised Premises or the Land whereby any insurances may be vitiated or rendered void or voidable or (except with the approval in writing of the Lessor) whereby the rate of premium on any such insurances will be liable to be increased.

11.02 No Inflammable Substances: Without prejudice to the generality of any other provision of this Lease, the Lessee will not (other than as and to the extent expressly approved in writing by the Lessor) store chemicals, inflammable liquids, acetylene, gas or alcohol, volatile or explosive oils, compounds or substances upon the Demised Premises and will not use any of such substances or liquids in the Demised Premises for any purpose.

11.03 Compliance with Fire Regulations: The Lessee will comply with insurance sprinkler and/or fire alarm regulations in respect to any partitions which may be erected by the Lessee upon the Demised Premises and the Lessee will pay to the Lessor the cost of any alterations to the sprinklers and/or fire alarm installations which may become necessary by reason of the non-compliance by the Lessee with those regulations or the requirements of The Insurance Council of Australia or the Lessor's insurer.

11.04 Insurance to be Taken out by the Lessee: The Lessee will effect on or before the Commencing Date and will keep current during the Term with an insurer of the Lessee's choice:

- (a) a replacement and reinstatement policy covering the Lessee's improvements and fittings, fixtures, stock in trade, exterior signs in or associated with the Demised Premises against fire, explosion, storm and tempest, damage by aircraft and by impact, earthquake and against such other risks as the Lessee may from time to time reasonably deem appropriate;
- (b) adequate public risk insurance (to a minimum of \$20,000,000.00); and
- (c) a replacement and reinstatement Policy covering all plate glass in the Demised Premises against breakages.

11.05 Evidence of Insurance: Whenever reasonably required by the Lessor (but not more than once in any year) the Lessee must provide the Lessor with evidence of the insurances affected by the Lessee.

11.06 Lessee to Pay Additional Insurance Premiums: The Lessee will pay all extra premiums of insurance on the Demised Premises and its contents if any are required on account of the extra risk caused by the use to which the Demised Premises are put by the Lessee even if such use has been approved by the Lessor.

11.07 Insurance: The Lessee will ensure that all policies referred to in Clause 11.04 are taken out in the name of the Lessee with the interests of the Lessor noted on the policies.

CLAUSE 12: RELEASES AND INDEMNITIES

12.01 Accidents: The Lessee agrees to occupy, use and keep the Demised Premises at the risk of the Lessee and releases to the full extent permitted by law the Lessor and its agents, servants, contractors and employees, in the absence of any act, omission, negligence or wilful default on their part, from all Claims of every kind resulting from any accident, damage or injury occurring in the Demised Premises and the Lessee EXPRESSLY AGREES that in the absence of any such negligence or wilful default, the Lessor will have no responsibility or liability for any loss of or damage to fixtures and/or personal property of the Lessee.

12.02 Lessee's Indemnities: The Lessee indemnifies the lessor and will keep the Lessor indemnified from and against all Claims for which the Lessor will or may be or become liable in respect of or arising from (except to the extent that any such Claim results from, or is contributed to because of any act, omission or negligence by the Lessor or any of its servants, agents or contractors to the extent of that contribution):

- (a) the negligent use, misuse, waste or abuse by the Lessee or any servant, invitee, agent, sub-tenant or any other person claiming through or under the Lessee of the water, gas, electricity, oil, lighting and other services and facilities of the Demised Premises;
- (b) overflow or leakage of water in or from the Demised Premises but having origin with the Demised Premises and caused by any act or omission on the part of the Lessee or any servant, invitee, agent, sub-tenant or other person;
- (c) loss, damage or injury from any cause whatsoever to any property or person caused by the use or occupation of the Demised Premises by the Lessee or any servant, invitee, agent, sub-tenant or other person; and
- (d) loss, damage or injury from any cause whatsoever to any property or person within or without the Demised Premises occasioned by any act, omission, neglect, breach or default of the Lessee or any servant, invitee, agent, contractor or sub-contractor, sub-tenant or other person.

CLAUSE 13: LESSOR'S COVENANTS

13.01 The Lessor agrees with the Lessee that:

(a) Quiet Enjoyment:

- (i)** if the Lessee pays the Yearly Rent and Outgoings; and
- (ii)** duly and punctually observes and performs the provisions of this Lease on the part on the Lessee to be observed and performed;

then the Lessee may peaceably possess and enjoy the Demised Premises for the Term without any interruption or disturbance from the Lessor or any other person lawfully claiming by from or under the Lessor;

- (b) Holding-Over:** If the Lessee holds over after the expiration or sooner determination of the Term with the consent of the Lessor then the Lessee will become a monthly tenant only of the Lessor and such tenancy may be determined by not less than one month's notice expiring at any time and will be at a monthly rental equivalent to a monthly proportion of the total Yearly Rent and Outgoings payable by the Lessee under this Lease at the expiration or sooner determination of the Term and will otherwise be on the said terms and conditions, *mutatis mutandis*, as those contained in this Lease, so far as applicable;
- (c) Good Order and Repair:** The Lessor agrees with the Lessee that the Lessor will keep the Building and the Demised Premises in good order and repair and structurally sound and watertight except to the extent of the Lessee's obligations to do so as contained in this lease; and
- (d) Rates and Taxes:** The Lessor will ensure that all rates and taxes levied on the Land are paid promptly.

CLAUSE 14: DEFAULT BY LESSEE AND TERMINATION OF LEASE

14.01 Default by the Lessee: If:

- (a)** the Yearly Rent, Outgoings or any other moneys payable by the Lessee to the Lessor remain unpaid for fourteen (14) days after written demand has been made for payment by the Lessor;
- (b)** the Lessee commits permits or suffers to occur any breach or default in the due and punctual observance and performance of this Lease which breach has not been remedied within fourteen (14) days of notice by the Lessor to the Lessee;
- (c)** the Lessee is a company and an order is made or a resolution is effectively passed for the winding up of the Lessee (except for the purpose of reconstruction or amalgamation with the written consent of the Lessor which consent will not be unreasonably withheld;
- (d)** the Lessee goes into liquidation or makes an assignment for the benefit of or enters into an arrangement or composition with its creditors;
- (e)** the Lessee stops payment of any cheque or is unable to pay its debts as and when they fall due;

- (f) execution is levied against the Lessee and not discharged within thirty (30) days; or
- (g) the Lessee (being an individual) becomes a bankrupt or commits an act of bankruptcy or brings his estate within the operation of any law relating to bankruptcy;

then, in any one or more of such events, the Lessor has the right to re-enter into and upon the Demised Premises or any part of them and to have again, repossess and enjoy them in their former state notwithstanding but without prejudice to any antecedent rights under this Lease of either the Lessor or the Lessee which the Lessor has or might or otherwise could have fore arrears of Yearly Rent or breach of covenant or for damages as a result of any such event and the Lessor will be freed and discharged from any claim made by or obligation to the Lessee under or by virtue of this Lease.

14.02 Right of Lessor to Remedy Lessee's Default: On each and every occasion on which the Lessee omits or neglects to pay any more or to do or effect anything which the Lessee has covenanted to do or effect then it will be lawful for but not obligatory upon the Lessor (and without prejudice to any rights and powers arising from such default) to pay such money or to do or effect such thing by itself its architects, agents, contractors and workmen as if it were the Lessee and for that purpose the Lessor its architects, contractors, workmen and agents may enter upon the whole or any part of the Demised Premises and there remain for the purpose of doing or effecting any such thing and the Lessor may recover from the Lessee the amount of expenses and costs of such payment doing or effecting immediately.

14.03 Interest on Overdue Money: Without prejudice to the rights powers and remedies of the Lessor otherwise under this Lease the Lessee will pay to the Lessor interest at the Prescribed Rate on any moneys due to the Lessor from the Lessee but unpaid for fourteen (14) days after becoming due on any account whatsoever pursuant to this Lease, such interest to be computed from the due date for the payment of the moneys in respect of which the interest is chargeable until payment of such moneys in full in respect of which the interest is chargeable until payment of such moneys in full and to be recoverable in the same manner as arrears of Yearly Rent.

CLAUSE 15: GENERAL PROVISIONS

15.01 Lessor's Non-Liability for Loss or Damage: Notwithstanding any implications or rule of law to the contrary, the Lessor will not be liable for any damage or loss the Lessee may suffer arising from or as a result of the use or occupation of the Demised Premises by the Lessee except to the extent that such damage or loss results from the act, omission or negligence of the Lessor or any of its servants, agents or contractors.

15.02 Notice: Any notice, demand direction or request to be given to the lessee may be served upon the Lessee (whether the Lessee is a corporation or otherwise) at the Demised Premises by either personal delivery or by prepaid post, will be deemed to have been properly served whether actually received or not and may be signed on behalf of the Lessor by its managing agent or solicitor or by a director, associate director, manager or secretary of the Lessor and any notice so signed will be conclusive evidence as to its execution and of the authority for the person whose name appears therein to sign the same.

15.03 Costs of Lease: The Lessee will pay:

- (a) the reasonable legal costs and expenses of the Lessor of and incidental to the Lease and of any related agreement including the obtaining of any necessary consents and all stamp duty and registration fees payable in connection with this Lease; and
- (b) the reasonable legal costs and expenses of the Lessor incurred in or on about any breach or default by the lessee in respect of any covenant or obligation on the part of the Lessee contained in this Lease.

15.04 Inspection by Purchaser or Lessee: The Lessee will at all reasonable times permit the Lessor to exhibit the Demised Premises to prospective tenants or purchasers and will at all times allow the Lessor to affix and exhibit where the Lessors things fit the usual "For Sale" notice and will at all times within three (3) months immediately preceding the termination of this Lease, provided the Lessee has not exercised any option for a renewed term, allow the Lessor to affix and exhibit where the Lessor thinks fit the usual "To Be Let" notice and in each case with the name and address of the Lessor and/or its agents and the Lessee will not remove any such notice without the written consent of the Lessor.

CLAUSE 16: CERTAIN PROVISIONS ARE ESSENTIAL TERMS

16.01 Certain Covenants Deemed to be Essential Terms: Notwithstanding any other provision of this Lease, the Lessee agrees with the Lessor that each of the covenants specified in this Clause are essential terms of this Lease:

- (a) The Lessee's covenants to pay Yearly Rent throughout the Term within fourteen (14) days of the date on which each monthly instalment of Yearly Rent is due (Clause 2).
- (b) The Lessee's covenants to pay Outgoings within the time and instalments thereof upon the dates specified under this Lease (Clause 3).
- (c) The Lessee's covenants not to assign, transfer, demise, sub-let or part with or share possession of or grant any licence affecting or mortgage, charge or otherwise deal with the Demised Premises (Clause 7).
- (d) The Lessee's covenants to repair the Demised Premises (Clause 9.01).

16.02 Lessor's Rights in Respect of Breach of Essential Term: If the Lessee at any times fails in the due observance and performance of all or any of the essential terms of this Lease for a period of fourteen (14) days and such breach has not been remedied within fourteen (14) days of notice by the Lessor to the Lessee then the Lessor is entitled immediately or at any time after that event at the discretion of the Lessor to treat such breach as a repudiation of this Lease and in addition to any other entitlement of the Lessor to terminate this Lease and to re-enter the Demised Premises and to recover damages from the lessee in respect of such breaches including but without limiting the generality of the foregoing, damages for the loss by the Lessor of the Yearly Rent and all other monies payable under this Lease from the date of such breach or the repudiation the Lessee of due performance of this Lease until the expiration of the Term which would otherwise have been conferred upon the Lessor.

The Lessor will use reasonable endeavours to re-let the Demised Premises and mitigate the damages of the Lessee.

16.03 Exercise of Right of Re-Entry not to Discharge Lessee from its Obligations: The exercise by the Lessor of the right of re-entry or termination given to it under this Lease will in no way be capable of conferring upon the Lessee a discharge of its obligations under this Clause.

16.04 Lessor's right to Grant Indulgences: In respect of the Lessee's obligations to pay Yearly Rent and Outgoings the Lessor may at any time and from time to time (but without obligation on the Lessor to do so) without prejudice to any rights or powers conferred upon the Lessor under this Lease or otherwise:

- (a) grant to the Lessee any time or indulgence as to the payment of Yearly Rent and Outgoings;
- (b) compound or compromise with or release the Lessee from payment of Yearly Rent and Outgoings;
- (c) agree to the substitution of a different rent either for the unexpired Term or during any part of the Term;
- (d) extend the time for payment of any monies due on account of Yearly Rent and Outgoings;
- (e) postpone any right, power or remedy conferred upon the Lessor following upon default by the Lessee under this Lease and exercises the same at any time and in any manner;
- (f) forbear to enforce the covenants in this Lease on the part of the Lessee to be performed or any one or more of them;
- (g) grant any other concession to the Lessee regarding the payment of Yearly Rent and Outgoings or in otherwise complying with the covenants on the part of the Lessee contained in this Lease; and
- (h) accept payment of Yearly Rent and Outgoings by the Lessor in whole or in part after default by the Lessee pursuant to the terms of this Lease.

CLAUSE 17: BANK GUARANTEE

17.01 In this Lease the term "Bank Guarantee" means an unconditional undertaking (or any replacement or addition to it under this clause 17) by an Australian bank on terms acceptable to the Lessor, acting reasonably, to pay on demand the amount in Item 9 of the Reference Schedule.

17.02 On or before the Commencing Date, the Lessee must deliver the Bank Guarantee to the Lessor.

17.03 If the Lessee does not comply with any of its obligations under this Lease, whether this Lease is registered or not, then the Lessor may call on the Bank Guarantee without notice to the Lessee.

17.04 If the Lessor calls on the Bank Guarantee, then no later than seven (7) days after the Lessor gives the Lessee a notice asking for it, the Lessee must deliver to the Lessor a replacement or additional Bank Guarantee so that the amount guaranteed is the amount in Item 9 of the Reference Schedule. The Lessor will return any uncalled Bank Guarantee to the Lessee within 28 days of the expiration of this Lease.

17.05 If, following a rent review in accordance with Clause 2.04, the Lessor requires that the amount of the Bank Guarantee be increased to reflect the new Yearly Rent, the Lessee must deliver to the Lessor a replacement or additional Bank Guarantee so that the amount guaranteed is the amount in Item 9 of the Reference Schedule, taking into account the new Yearly Rent.

CLAUSE 18: OPTION TO PURCHASE

18.01 Definitions

In this clause 18, the following words have these meanings unless the contrary intention appears:

"Contract" means the contract for sale of the Land which comes into existence on the exercise of the Option on the terms set out in the Form of Contract.

"Form of Contract" means the form of the contract for the sale and purchase of land 2016 edition as drafted by the Law Society of New South Wales and the Real Estate Institute of New South Wales with such amendments, completions and alterations as are required in the reasonable opinion of the Lessor to reflect the rights of the parties pursuant to this clause 18 and including terms containing the following:

- (a) the Purchase Price will be exclusive of GST and GST will be added to the price unless the sale is exempt as a going concern or for some other reason;
- (b) the Contract will provide that the Lessor (as vendor) will provide the Lessee (as purchaser) with a tax invoice for any Purchase Price payable;
- (c) the Contract will provide for completion within 42 days after exercise of the Option; and
- (d) the Contract will provide for the adjustment of any outgoings which have not been recovered from the Lessee under this Lease and which are payable by the Lessor as vendor as well as the repayment of any outgoings which have been pre-paid by the Lessee.

"Option" means the right to purchase the Land at the Purchase Price and on the terms contained in this Lease and the Form of Contract.

"Option Period" means the period commencing on the date that is 9 months from the Terminating Date and expiring on the date that is 6 months from the Terminating Date.

"Purchase Price" is calculated by using the following formula:

$$P = R \times 14.28$$

where:

"P" means the Purchase Price.

"R" means the Yearly Rent payable during the final year of the Term of this Lease.

18.02 Consideration

In consideration of the Lessor and the Lessee entering into this Lease, the Lessor grants to the Lessee the Option.

18.03 Method of Exercise

The Lessee may only exercise the Option by delivering to the Lessor within the Option Period (in respect of which time is the essence) a notice executed by the Lessee stating that the Option is exercised together with a cheque for 10% of the Purchase Price.

18.04 Irrevocable Offer

The Option constitutes an irrevocable offer by the Lessor to enter into a binding agreement of the sale of the Land and will lapse if not exercised strictly in accordance with clause 18.03.

18.05 On Exercise

On exercise of the Option in accordance with clause 18.03 the Lessor and the Lessee will be deemed to have entered into the Contract and will complete the Contract in accordance with its terms.

18.06 Further Assurances

The Lessor and the Lessee will do all acts and execute all documents necessary to give effect to the preceding subclause.

18.07 Delete from Renewal Lease

This clause 18 will be deleted from any renewal Lease between the Lessor and the Lessee.

CLAUSE 19: EXISTING FITOUT

19.01 The Building contains existing fitout which was left when the previous tenant vacated the Building.

19.02 The Lessor and Lessee agree that the existing fitout (excluding for the avoidance of doubt any improvements on the Land, or any permanent fixtures in the Building) will become the property of the Lessee and form part of the Lessee's Property on and from the Commencing Date and the Lessee:

- (a) takes the existing fitout free from any encumbrance; and
- (b) may, at its sole discretion, sell or otherwise dispose of the existing fitout.

19.03 The Lessor:

- (a) warrants to the Lessee that it has the right to transfer the existing fitout to the Lessee;
- (b) indemnifies the Lessee against any claim whatsoever made by the previous tenant

with respect to the transfer of the existing fitout to the Lessee.

19.04 The Lessor may, after providing reasonable notice to the Lessee, require the Lessee to remove all or part of the Lessee's Property from the Building on or before the Terminating Date.

19.05 In this clause 19, the following words have these meanings unless the contrary intention appears:

"Lessee's Property" means any fixtures, fittings or fitout installed by the Lessee pursuant to clauses 10.02 and 10.03 of this Lease, together with all property owned or leased by the Lessee in the Building.

Certified correct for the purposes of the Real Property Act 1990
 And executed on behalf of the corporation named below by the
 Authorised person (s) whose signature(s) appear(s) below
 Pursuant to the authority specified.

Corporation: Maynew Pty Limited ACN 000 677 725
 Authority: Section 127 of the Corporations Act 2001

Signature of Authorised Person:

Stan McLean

Signature of Authorised Person:

Margaret McLean

Name of Authorised Person:

STAN MCLEAN

Name of Authorised Person:

MARGARET MCLEAN

Office Held:

DIRECTOR

Office Held:

DIRECTOR

170
[Signature]

Certified correct for the purposes of the Real Property Act 1990
And executed on behalf of the corporation named below by the
Authorised person (s) whose signature(s) appear(s) below
Pursuant to the authority specified.

Corporation: Hunter Primary Care Limited ACN 061 783 015
Authority: Section 127 of the Corporations Act 2001

Signature of Authorised Person:

..... *Peter J. Hoffman*

Name of Authorised Person:

..... *Peter J. Hoffman*

Office Held:

..... *Director*

Signature of Authorised Person:

..... *[Signature]*

Name of Authorised Person:

..... *Philip Hansen*

Office Held:

..... *Company Secretary*

*St. Wler
ab ab lead*

[Handwritten marks]



24 September 2018

To Whom It May Concern,

**RE: RENTAL APPRAISAL
UNIT 2, 226 UNION STREET, MEREWETHER**

We would like to thank you for the opportunity to provide our advice regarding a rental appraisal for the above mentioned property.

The property comprises a 125sqm commercial suite featuring new carpet floor coverings and air-conditioning, and currently occupied by ST & MM McLean.

With consideration given to current market conditions, together with the property's features, we have calculated our assessment of the property on an improved rate of the building area. The calculations are detailed in the table below:

AREA	IMPROVED RATE	ESTIMATED RENTAL RETURN
125sqm	\$300 / sqm	\$37,500

Based on the above calculations, we believe that the likely rental realisation as at 1 July 2017 would be in the vicinity of \$37,500 net plus GST per annum.

We note that annual CPI rent increases will be implemented, and that the Lessee will be responsible for 33.3% of the outgoings relating to the building.

Please do not hesitate to contact us should you require any further information.

Yours sincerely,

ADAM LEACY
National Director | Commercial Sales & Leasing

Disclaimer: The opinions, estimates and information given herein or otherwise in relation hereto are made by Colliers International and affiliated companies in their best judgement, in good faith and as far as possible based on data or sources which are believed to be reliable. The material contained herein is not intended to substitute for obtaining individual advice from Colliers International or another advisor able to provide the services of a qualified professional person. Colliers International, its officers, employees and agents expressly disclaim any liability and responsibility to any person whether a reader of this publication or not in respect of anything and of the consequences of anything done or omitted to be done by any such person in reliance whether wholly or partially upon the whole or any part of the contents of this publication. This analysis is in no way a Valuation, merely an appraisal of the market potential of the subject property, given current market conditions.

LEASE
New South Wales
Real Property Act 1900

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

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

STAMP DUTY

Office of State Revenue use only

(A) TORRENS TITLE

Property leased

PART FOLIO IDENTIFIER 6/SP48635 BEING PREMISES KNOWN AS UNIT 2, 226 UNION STREET, MEREWETHER

(B) LODGED BY

Document
Collection
Box

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

CODE

Reference:

L

(C) LESSOR

MAYNEW NOMINEES PTY LIMITED (ACN 125 521 422)

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

(D)

Encumbrances (if applicable):

(E) LESSEE

STANLEY THOMAS McLEAN AND MARGARET MARY McLEAN

(F)

TENANCY: Joint Tenants

- (G) 1. TERM THREE (3) YEARS**
- 2. COMMENCING DATE 1 JULY 2017**
- 3. TERMINATING DATE 30 JUNE 2020**
- 4. With an OPTION TO RENEW for a period of THREE (3) YEARS**
set out in clause 4 of ANNEXURE "B"
- 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" AND CLAUSE 5 OF ANNEXURE "B"**

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: MAYNEW NOMINEES PTY LIMITED (ACN 125 521 422)

Authority: section 127 of the Corporations Act 2001

Signature of authorised person:

Staw Mchea
STAWMCHEA
DIRECTOR

Signature of authorised person:

ob. ob'chean
Margaret McLean
DIRECTOR

Name of authorised person:

Office held:

Name of authorised person:

Office held:

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

Certified correct for the purposes of the Real Property Act 1900 by the lessee.

Signature of witness:

C. Dwyer

Signature of lessee:

Staw Mchea
ob. ob'chean

Name of witness:

CHRISTINE DWYER

Address of witness:

76 NATIONAL PARK ST,
HAMILTON EAST NSW 2303

(I) STATUTORY DECLARATION*

I _____
solemnly and sincerely declare that—

1. The time for the exercise of option to _____ in expired lease No. _____ 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 _____ in the State of New South Wales on _____

in the presence of _____ of _____

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

ANNEXURE A

Lessor: MAYNEW NOMINEES PTY LIMITED (ACN 125 521 422)
Lessee: STANLEY THOMAS McLEAN AND MARGARET MARY McLEAN

SEE A SOLICITOR ABOUT THIS LEASE

This annexure consists of 3 pages.

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

SCHEDULE OF ITEMS (continued)

Item 10
(cl 2.3, 13.1)
(cl 13.7)

- A. **The guarantor:** Not applicable
- B. **Limit of guarantor's liability:** Not applicable

Item 11
(cl 3)

Additional leased property: Not applicable

Item 12
(cl 4)

Option to Renew:

- A. Further period of three (3) years from 1 July 2020 to 30 June 2023.
- B. Further period of – Not applicable.
- C. Maximum period of tenancy under this lease and permitted renewals: Six (6) years.
- D. First day option for renewal can be exercised: 31 December 2019
- E. Last day option for renewal can be exercised: 31 March 2020

Item 13
(cl 5)

A. Rent

For the Lease period:

From the commencement date
to the first rent review date:

\$36,400.00 plus GST a year payable by monthly instalments in advance of \$3,033.33 plus GST.

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 12A:

From the commencement date
to the first rent review date:
(for example: Current market rent)

Current Market Rent

Afterwards:

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

Stanley Thomas McLean Director
Margaret Mary McLean Director

Stanley Thomas McLean
Margaret Mary McLean

WITNESS *Christine Dwyer*
CHRISTINE DWYER

For the further period in Item 12B:
 From the commencement date
 to the first rent review date:
 (for example: Current market rent) Not applicable

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: 33.3%
- B. Outgoings -
 - (a) local council rates and charges;
 - (b) water sewerage and drainage charges;
 - (c) land tax;
 - (d) insurance
 - (e) all levies and contributions of whatsoever nature determined and/or levied by the owners corporation with the exception of any contribution to a sinking 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 party, fairly apportioned to the period of this lease.

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

Item 16 **Rent Review:**
 (cl 5.4)

Rent Review Date	Method of rent review	If Method 1 applies, increase by (the increase should show a percentage or amount)
1 July 2018	Method 2	
1 July 2019	Method 2	
1 July 2020	Method 3	
1 July 2021	Method 2	
1 July 2022	Method 2	

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

Method 2 applies unless another method is stated.

..... *[Signature]* Director *[Signature]*
 *[Signature]* Director *[Signature]*

WITNESS *[Signature]*
 CHRISTINE DWYER

Item 17 Permitted use: Office
(cl 6.1)

Item 18 Amount of required public liability insurance: \$20,000,000.00
(cl 8.1.1)

Item 19 Bank Guarantee
(cl 16)
Not applicable

Item 20 Security Deposit
(cl 17)
Not applicable

Item 21 Details of strata manager/secretary of the owners corporation (if applicable)
Not applicable

 Director

 Bob Heath Director



 Bob Heath

ANNEXURE B

SEE A SOLICITOR ABOUT THIS LEASE

Lessor: MAYNEW NOMINEES PTY LIMITED (ACN 125 521 422)

Lessee: STANLEY THOMAS McLEAN AND MARGARET MARY McLEAN

This annexure consists of 13 pages.

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

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RETAIL LEASE CERTIFICATE

If section 16 of the *Retail Leases Act 1994* applies to this lease, and the term plus any further terms are less than 5 years (subject to section 16(4)), the term will be extended unless a section 16(3) certificate is given. Sections 16(1) and (2) provide –

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

I certify that:

- I am a solicitor not acting for the lessor;
- Before (or within 6 months after) the lessee entered into this lease –
 - the lessee requested me to give this certificate; and
 - I explained to the lessee the effect of sections 16(1) and (2), and that the giving of this certificate would result in section 16 not applying to this lease.

.....
Date 2.10.18

.....
Signature 

.....
WITNESS C. Dwyer
CHRISTINE DWYER

.....
Signature  Director

.....
NAME (BLOCK LETTERS) STANLEY McLEAN

.....
MARGARET McLEAN

CLAUSE 1 FORM OF THIS LEASE

What are the parts to this lease?

- 1.1 There are three parts to this lease – a lease form, Annexure A and this annexure.
- 1.2 This lease is a deed even if it is not registered.
- 1.3 A reference in this deed to the schedule is to the schedule of items commencing at item 1 on the lease form and ending with item 20 in Annexure A.

CLAUSE 2 PARTIES

Who are the parties to this lease?

- 2.1 The lessor is named on page 1 of this lease.
- 2.2 The lessee is named on page 1 of this lease.
- 2.3 The guarantor is named in item 10 in the schedule, if there is a guarantor.
- 2.4 If a party consists of two or more persons, obligations of that party can be enforced against any one or more of them.

CLAUSE 3 THE PROPERTY

What property is leased?

- 3.1 The property leased is described on page 1 of this lease.
- 3.2 The lessor's fixtures are included in the property leased.
- 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 other lessees of the lessor. 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 1 in the schedule, commences on the date stated in item 2 in the schedule and ends on the date stated in item 3 in the schedule.
- 4.2 If a further period, commencing when this lease ends, is stated in item 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.

If this lease is extended by legislation, items 12D and 12E in the schedule are adjusted accordingly.

- 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;
 - 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 of dealing with any application by the lessee for the lessor'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 Land and Property Information NSW (payable on delivery to the lessor's solicitor of the executed lease);
 - 5.1.7 stamp duty on this lease (payable on delivery to the lessor's solicitor of the executed lease) if not previously paid by the lessee to the Office of State Revenue;
 - 5.1.8 if the lessee defaults, the lessor's reasonable legal costs relating to the default;
 - 5.1.9 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 *Retail Leases Act, 1994*; and
 - 5.1.10 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.
- If item 14B in the schedule refers to land tax –
- if the property is a strata lot, the relevant land tax is land tax on that lot;
 - if the property is not a strata lot but is part of a building, the relevant land tax is land tax on the land on which the building is situated, plus any land of the 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; and
 - in either case, the land tax must be calculated as if the land was the only land owned by the lessor and there was no special trust or non-concessional company involved.

When and how is the rent to be reviewed?

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

- 5.5 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.

- 5.6 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.

- 5.7 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.

- 5.8 In this case –

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

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

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

- 5.9 The lessor must calculate the new rent after each review date and give the lessee written notice of the new rent.
- 5.10 If the Australian Bureau of Statistics makes a change in the reference base of the index and there is a published co-relation between the old and new base then the published co-relation is to be applied to convert the CPI 1 figure to the new reference base. If there is none then the lessor and the lessee agree to accept the calculations of the lessor's solicitor who must be retained to determine a fair co-relation between the old and the new series of numbers.
- 5.11 If the index used to calculate the new rent is discontinued the 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.

- 5.12 In this case the rent is to be the current market rent. This can be higher or lower than the rent payable at the rent review date and is the rent that would reasonably be expected to be paid for the property, determined on an effective rent basis, having regard to the following matters –
- 5.12.1 the provisions of this lease;
 - 5.12.2 the rent that would reasonably be expected to be paid for the property if it were unoccupied and offered for renting for the same or a substantially similar use to which the property may be put under this lease;
 - 5.12.3 the gross rent, less the lessor's outgoings payable by the lessee;
 - 5.12.4 where the property is a retail shop, rent concessions and other benefits that are frequently or generally offered to prospective lessees of unoccupied retail shops; and
 - 5.12.5 the value of goodwill created by the lessee's occupation and the value of lessee's fixtures and fittings are to be ignored.

- 5.13 The lessor or the lessee can 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.
- 5.14 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.
- 5.15 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 5.16.
- 5.16
- 5.16.1 Unless 5.16.2 applies the lessor and the lessee can either agree upon a valuer or can ask the President of the Law Society of New South Wales to nominate a person who is a licensed valuer to decide the current market rent.
- 5.16.2 Where the property is a retail shop, the valuer appointed must be a specialist retail valuer appointed by agreement of the parties or, failing agreement, by the Administrative Decisions Tribunal.
- 5.17 The valuer will act as an expert not an arbitrator. The lessor and the lessee can each make submissions in writing to the valuer within 14 days after they receive notice of the valuer's appointment but not later unless the valuer agrees.
- 5.18 The valuer's decision is final and binding. The valuer must state how the decision was reached.
- 5.19 If the valuer
- 5.19.1 does not accept the nomination to act; or
- 5.19.2 does not decide the current market rent within 1 month after accepting the nomination; or
- 5.19.3 becomes incapacitated or dies; or
- 5.19.4 resigns,
- then another valuer is to be appointed in the same way.
- 5.20 The lessor and lessee must each pay half the valuer's costs.
- 5.21 If the lessor and lessee do not agree upon a valuer and neither asks for a valuer to be nominated before –
- 5.21.1 the next rent review date passes; or
- 5.21.2 this lease ends without the lessee renewing it; or
- 5.21.3 this lease is transferred after the rent review date with the lessor's consent; or
- 5.21.4 the property is transferred after the rent review date
- then the rent will not change on that rent review date.

CLAUSE 6 USE

How must the property be used?

- 6.1 The 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; and
- 6.1.4 comply with all laws relating to strata schemes and all other 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.
- 6.1.5 where the property is a lot in a strata scheme:
- 6.1.5.1 use the lessor's common property only in connection with the use of the property;
- 6.1.5.2 co-operate with all other permitted users of the common property;
- 6.1.5.3 comply with so many of the provisions of the *Strata Schemes Management Act 1996* and the *Strata Schemes (Freehold Development) Act 1973* and the by-laws and all lawful orders, motions and directives under these Acts as may be applicable to the exercise of the lessee's rights and obligations under this lease.

- 6.2 The lessor can consent to a change of use and cannot withhold consent unreasonably.
- 6.3 The lessee must not –
- 6.3.1 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; or
 - 6.3.2 use the property as a residence or for any activity that is dangerous, offensive, noxious, illegal or immoral or that is or may become a nuisance or annoyance to the lessor or to the owner or occupier of any neighbouring property; or
 - 6.3.3 hold any auction, bankrupt or fire sale in the property; or
 - 6.3.4 display signs or advertisements on the outside of the property, or that can be seen from the outside, unless the lessor consents (but the lessor cannot withhold consent unreasonably);
 - 6.3.5 overload the floors or walls of the property; or
 - 6.3.6 without the prior written consent of the lessor and/or the owners corporation, use the common property for any purpose other than for access to and egress from the property.

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; or
 - 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;
 - 7.3.4 where the property is a lot in a strata scheme:
 - 7.3.4.1 meet the cost of all damage to the common property occasioned by the lessee or any invitee or licensee of the lessee; and
 - 7.3.4.2 permit the owners corporation, temporarily, to close any part of the common property for the purpose of making and effecting repairs to it.
- 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. But 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 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; or
 - 9.1.2 doing anything that the lessor can or must do under this lease or must do by law; or
 - 9.1.3 viewing the property as a valuer, prospective buyer or mortgagee; or
 - 9.1.4 fixing a notice in a reasonable position on the outside of the property saying that it is for sale; or
 - 9.1.5 viewing the property as a prospective lessee not earlier than 6 months before the lease period ends; or
 - 9.1.6 fixing a notice not earlier than 6 months before the lease period ends in a reasonable position on the outside of the property saying that it is to let; or
 - 9.1.7 inspecting, cleaning or repairing another property or any services to another property.
- 9.2 The 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 AND SUB-LEASE

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

- 10.1 The lessee must not transfer this lease without 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; or
 - 10.2.2 where the property is a retail shop, the proposed transferee has financial resources or retailing skills inferior to those of the proposed transferor and otherwise the proposed transferee has financial resources or business experience inferior to those of the proposed transferor; or
 - 10.2.3 the lessee has not complied with clause 10.3 and, where the property is a retail shop, clause 10.4.
- 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 standing and business experience of the proposed transferee.
- 10.4 Where the property is a retail shop, 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 a copy of the disclosure statement concerned and, if the lessor is unable or unwilling to comply with such a request within 14 days after it is made, this clause 10.4 does not apply.
- 10.5 Where the lessee has complied with clause 10.3 and where required to do so clause 10.4, and the lessor has not within 42 days or where the *Retail Leases Act 1994* applies 28 days after the request was made or the lessee has complied with paragraphs 41(a) and 41(b) of that 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 reasonable costs of obtaining any mortgagee's consent, the stamp duty and the registration fee for the transfer.
- 10.7 Where the property is a retail shop, the 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. Otherwise, the lessee cannot do any of these things.

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 Where registration is necessary for the validity of this lease, the lessor must ensure that this lease is registered.
- 11.5 If a consent is needed for this lease, from someone such as a mortgagee or head 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; or
 - 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; or
 - 12.2.2 rent or any other money due under this lease is 14 days overdue for payment; or
 - 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; and
 - 12.3.2 have removed any goods 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;
 - clauses 5.4 to 5.21 inclusive; and
 - clause 6.2 unless consent has previously been given;
 - 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 (dealing with outgoing);
 - 12.5.3 the obligations of the lessee in clause 6.1 (dealing with use);
 - 12.5.4 the obligations of the lessee in clause 7 (dealing with repairs);
 - 12.5.5 the obligations of the lessee in clause 10 (dealing with transfer and sub-lease); and
 - 12.5.6 the obligations of the lessee in clause 15 (dealing with GST).

- 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; or
 - 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; or
 - 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 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, NOTICES AND SPECIAL CLAUSES

- 14.1 No covenant or power is implied in this lease by section 84 or 85 of the *Conveyancing Act 1919*.
- 14.2 A document under or relating to this lease is –
- 14.2.1 served if it is served in any manner provided in section 170 of the *Conveyancing Act 1919*; and
 - 14.2.2 served on the lessee if it is left at the property.
- 14.3 This lease is subject to any legislation that cannot be excluded (for example, the *Retail Leases Act 1994*).
- 14.4 In this lease, 'retail shop' means premises to which the *Retail Leases Act 1994* applies.
- 14.5 In this lease 'Director General' has the same meaning as in the *Retail Leases Act 1994*.

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 a number of months appears in item 19 in the schedule, clauses 16.2 to 16.5 apply.
- 16.2 On or before the commencement date of this lease the lessee will deliver to the lessor a guarantee by a bank 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 and for an amount equivalent to the number of months 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.
- 16.4 The lessee agrees to vary the amount of the guarantee immediately upon each rent review so that the amount at all times represents the equivalent of the number of months referred to in the schedule.
- 16.5 The lessor will deliver the guarantee (or so much of it as is then held by the lessor) to the lessee on the last of:
 - 16.5.1 the terminating date of this lease;
 - 16.5.2 the expiry date of any holding over under this lease; and
 - 16.5.3 the date that the lessee has no further obligations under this lease or at law.

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 17.6 apply.
- 17.2 On or before the commencement date of this lease the lessee will deliver the security deposit to the lessor.
- 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.
- 17.4 Where the property is a retail shop, the security deposit will be held in accordance with Section 16C of the *Retail Leases Act 1994*. The lessee will not make an application to the Director General seeking the return of the security deposit (or so much of it as is then held by the Director General) until the later of:
 - 17.4.1 the terminating date of this lease;
 - 17.4.2 the expiry date of any holding over under this lease; and
 - 17.4.3 the date that the lessee has no further obligations under this lease or at law.
- 17.5 Where the property is other than a retail shop the security deposit (or so much of it as is then held by the lessor) will be returned to the lessee on the later of the dates as specified in clause 17.4.
- 17.6 The lessee agrees to vary the amount of the security deposit immediately upon each rent review so that it represents the equivalent of the number of months referred to in the schedule.

CLAUSE 18 STRATA CONVERSION

- 18.1 "Owners corporation", "owner", "strata scheme", "lot" and "parcel" where used in this lease have the meanings given under the *Strata Schemes Management Act 1996* and the *Strata Schemes (Freehold Development) Act 1973*.

- 18.2 "Strata Acts" means the *Strata Schemes Management Act 1996* and the *Strata Schemes (Freehold Development) Act 1973*, and includes any amending Acts, rules, regulations, ordinances, by-laws, statutory instruments, orders or notices now or hereafter made under those Acts.
- 18.3 "Strata conversion" means a subdivision of the property under the *Strata Schemes (Freehold Development) Act 1973* or the *Community Land Development Act 1989* or the *Community Land Management Act 1989* or other legislation permitting such subdivision.
- 18.4 Strata Titles
- 18.4.1 Lessee consents to registration of strata plan
- 18.4.1.1 By its entry into this lease the lessee acknowledges that the lessor can register a strata plan, a strata schemes 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 will not be unreasonably withheld.
- 18.4.1.2 Provided the lessee consents to the strata conversion as per clause 18.4.1.1 then within 7 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.
- 18.4.2 Compliance with the Strata Acts and by-laws:
- 18.4.2.1 **(Covenant):** The lessee and any and all persons acting by, through or under it or with its authority express or implied shall comply with so many of 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 the provisions elsewhere contained in this lease.
- 18.4.2.2 **Not to prejudice interests of owners corporation.** Without the prior written consent of the owners corporation, the lessee shall 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 shall or may:
- increase the rate of premium payable by the owners corporation under any policy of insurance taken out by the owners corporation; or
 - invalidate, avoid or suspend the operation of any such policy of insurance or otherwise prejudice the owners corporation rights under any such policy.
- 18.4.2.3 Upon the occurrence of any of the matters previously referred to the lessee shall:
- 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;
 - 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 18.4.2.2; and
 - 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.
- 18.4.2.4 **(Indemnity):** The lessee shall indemnify 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.
- 18.4.3 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 sinking 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.

IMPORTANT NOTES

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

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

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

1. This document creates legal rights and legal obligations.
2. Failure to register a lease can have serious consequences.
3. If an option for renewal is not exercised at the right time it will be lost.
4. The 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.
5. The Law Society of New South Wales is not to be responsible for any loss resulting from the use of this lease as printed whether authorised or not.

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

.....
Solicitor for the lessor

Form: 07L
Release: 4-4

LEASE
New South Wales
Real Property Act 1900



AM715722V

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 98B RP Act requires that the Register is made available to any person for search upon payment of a fee, if any.

STAMP DUTY

Office of State Revenue use only

(A) TORRENS TITLE

Property leased
PART FOLIO IDENTIFIER 6/SP48635 BEING PREMISES KNOWN AS UNIT 1, 226 UNION STREET, MEREWETHER

(B) LODGED BY

Document Collection Box	Name, Address or DX, Telephone, and Customer Account Number if any SYDNEY LEGAL AGENTS - INFOTRACK 268D LLP: 132579W	CODE L
	Reference: <u>Morag 379589</u>	

(C) LESSOR

MAYNEW NOMINEES PTY LIMITED (ACN 125 521 422)

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

(D)

Encumbrances (if applicable):

(E) LESSEE

HEALTH CARE LINGARD PTY LTD (ACN 117 484 438)

TENANCY:

- (G) 1. TERM THREE (3) YEARS AND TWENTY-FIVE (25) DAYS
- 2. COMMENCING DATE 7 AUGUST 2017
- 3. TERMINATING DATE 31 AUGUST 2020
- 4. With an **OPTION TO RENEW** for a period of THREE (3) YEARS
set out in clause 4 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" hereto.
- 8. Incorporates the provisions set out in N.A.
No. N.A.
- 9. The **RENT** is set out in item No. 1 of REFERENCE SCHEDULE

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: MAYNEW NOMINEES PTY LIMITED (ACN 125 521 422)
Authority: section 127 of the Corporations Act 2001

Signature of authorised person: *[Signature]*
Name of authorised person: STAN. MCLEAN
Office held: DIRECTOR
STANLEY THOMAS MCLEAN

Signature of authorised person: *[Signature]*
Name of authorised person: MARGARET MCLEAN
Office held: DIRECTOR
MARGARET MARY MCLEAN

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: HEALTH CARE LINGARD PTY LTD (ACN 117 484 438)
Authority: section 127 of the Corporations Act 2001

Signature of authorised person: *[Signature]*
Name of authorised person: Conal Henderson
Office held: DIRECTOR

Signature of authorised person: *[Signature]*
Name of authorised person: Anthony Marshall
Office held: COMPANY SECRETARY

(I) STATUTORY DECLARATION *

I solemnly and sincerely declare that—

- 1. The time for the exercise of option to in expired lease No. 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 in the State of New South Wales on in the presence of of

- 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.

**THIS IS THE REFERENCE SCHEDULE REFERRED TO IN THE LEASE
BETWEEN MAYNEW NOMINEES PTY LIMITED (ACN 125 521 422) AS LESSOR
AND HEALTH CARE LINGARD PTY LTD (ACN 117 484 438) AS LESSEE**

THE REFERENCE SCHEDULE

ITEM 1 YEARLY RENT (Clause 2.01)

From the Rent Commencing Date to the first anniversary of the Commencing Date - \$65,000.00 per annum plus GST

ITEM 2 RENT REVIEW DATES

(a) Consumer Price Index Review Date (Clause 2.04(a))

On each anniversary of the Rent Commencing Date during the Term.

(b) (i) Fixed Percentage Review Date (Clause 2.04 (b))

Not applicable.

(ii) Fixed Percentage Review Rate (Clause 2.04 (b))

Not applicable.

(c) Market Rent Review Date (Clause 2.04 (c))

On the commencing date of any further term granted following the exercise of any option for renewal contained in this Lease.

ITEM 3 OPTION FOR RENEWAL LEASE PERIOD (Clause 4.01)

Three (3) years commencing on 1 September 2020

ITEM 4 PERMITTED USE (Clause 6.01)

CH

Medical consulting rooms and administration office

ITEM 5 DEMISED PREMISES (Clause 1.1)

The land and improvements comprised in Part Folio Identifier 6/SP48635 being the premises known as Unit 1, 226 Union Street, Merewether

ITEM 6 FREQUENCY OF OUTGOING INTALMENTS (Clause 3.03)

Monthly in advance

ITEM 7 PROPORTION OF OUTGOINGS (Clause 3.01)

66.66%

ITEM 8 LAND (Clause 1.1)

Part Folio Identifier 6/SP48635 being the premises known as Unit 1, 226 Union Street, Merewether

ITEM 9 BANK GUARANTEE (Clause 17)

Not applicable

*John Holmes
John Holmes*

[Signature]
[Signature]

**THIS AND THE FOLLOWING 22 PAGES COMPRISE THE ANNEXURE "A"
REFERRED TO IN THE LEASE BETWEEN MAYNEW NOMINEES PTY LIMITED
(ACN 125 521 422) AS LESSOR AND HEALTH CARE LINGARD PTY LTD (ACN
117 484 438) AS LESSEE**

CLAUSE 1: DEFINITIONS AND INTERPRETATIONS

1.1 Definitions:

In this Lease, unless the context otherwise requires:

"Building" means the building situated on the Land together with the fixtures and fittings and other improvements and conveniences, amenities and appurtenances (including air conditions and machinery) attaching to the Building and owned by the Lessor.

"Claims" includes actions, suits, and causes of action, arbitrations, debts, dues, costs, claims, demands, verdicts and judgments either at law or in equity or arising under a Statute.

"Commencing Date" means the date described as the commencing date on the front page of this Lease.

"Demised Premises" means the premises described in Item 5 of the Reference Schedule and all fixtures, fittings, furnishings, plant, machinery and equipment (if any) now or later installed in those premises by the Lessor.

"Holding Over Period" means the period described in Clause 13.01(b) of this Lease.

"Land" means the land described in Item 8 of the Reference Schedule.

"Lessee" means:

- (i) in the case of a corporation, its successors in title and permitted assigns; and
- (ii) in the case of a natural person, his heirs, executors, administrators and permitted assigns.

"Lessor" means:

- (i) in the case of a corporation, its successors in title and assigns; and
- (ii) in the case of a natural person, his heirs, executors, administrators and assigns.

"Outgoings" means the costs and expenses of the Lessor now or later properly and reasonably assessed or assessable, charged or chargeable, paid or payable or otherwise incurred upon or in respect of the Land, the Building or the Demised Premises or any one or part of them or upon the Lessor in connection with them or the collection of rent including:

- (a) all rates, charges, assessments, duties, impositions and fees payable to any government, local government, semi-government, public or other competent body department institution or authority;

Sh. M. Lee
26.06.2017

[Signature]
[Signature]

- (b) all land tax (on a single holding basis);
- (c) all fire and other comprehensive insurance premiums to the extent of the full reinstatement value from time to time;
- (d) all premiums in respect of loss of rents and of a public liability policy and premiums in respect of such other policies as the Lessor may reasonably deem proper and desirable from time to time, all policies to be upon such terms and conditions and to have such cover as the Lessor acting reasonably will from time to time deem prudent provided that any extra premium payable pursuant to Clause 11.06 will be borne wholly by the Lessee;
- (e) all costs of repairs, general maintenance, painting, fire safety maintenance, gardening and landscaping costs, incurred in keeping the Demised Premises, the Building or the Land in good and substantial repair, order and condition;
- (f) all management costs; and
- (g) all regular period instalments levied and payable pursuant to section 76(a) of the Strata Schemes Management Act, 2015 or the Community Land Management Act, 1989 if the Demised Premises are a lot or become a lot in a relevant plan of subdivision.

“Person” includes a corporation.

“Prescribed Rate” means two per centum (2%) per annum above the standard overdraft rate of interest charged at the relevant date by Westpac Banking Corporation or its successors or assigns for an overdraft accommodation to the Lessor for an amount of One Hundred Thousand Dollars (\$100,000.00).

“Proposed Land” means such part of the Land as may be created if the Land is subdivided pursuant to the right of the Lessor to do so in Clause 6.09 of this Lease.

“Reference Schedule” means the Reference Schedule annexed to this Lease.

“Rent Commencing Date” means 1 September 2017.

“Term” means the term described as the term on the front page of this Lease and includes, where applicable, the Holding Over Period.

“Yearly Rent” means the yearly rent payable pursuant to Clause 2 from time to time.

Interpretation:

- 1.2 Readings and Index:** Headings and sub-headings are included for the sake of ease of reference and none of the terms of this Lease are to be construed or interpreted by reference to such headings or sub-headings.
- 1.3 Joint and Several Liability:** Where two or more persons are Lessees or Guarantors or where any obligation in this Lease is to be undertaken by two or more persons, the covenants and obligations to be performed by them bind them jointly and each of them severally.

- 1.4 Plurals and Genders:** Words importing the singular or plural number include the plural and singular numbers respectively and words of each gender include any other gender.
- 1.5 Severability:** If any term of this Lease becomes invalid or unenforceable the remaining terms of this Lease will not be affected and will be valid and enforceable to the fullest extent permitted by law.
- 1.6 Statutes and Regulations:** References to statutes, regulations, ordinances or by-laws are deemed to extend to all statutes, regulations, ordinances or by-laws amending consolidating or replacing the same.
- 1.7 Independent Obligations:** The respective obligations of the parties to this Lease whether positive or negative are construed upon the basis that each obligation is a separate and independent obligation made by one party in favour of the other party.
- 1.8 Implied Covenants:**
- (a) None of the covenants and powers implied in a lease by virtue of Sections 84 and 85 of the Conveyancing Act, 1919 apply to this Lease except so far as they are embodied in the terms of this Lease.
 - (b) Section 84A of the Conveyancing Act, 1919 does not apply to this Lease.
 - (c) The use in this Lease of any words in any of the forms of words contained in the first column of Part II of the Fourth Schedule to the Conveyancing Act, 1919 does not imply any covenant under Section 86 of that Act.
- 1.9 Exclusion of Implied Terms:** This Lease embodies the entire understanding and the whole agreement between the parties relative to the subject matter contained in this Lease and all previous negotiations representations warranties arrangements and statements (if any) whether expressed or implied (including any collateral agreement or warranty) with reference to the subject matter or the intentions of either of the parties are merged and otherwise are excluded and cancelled.

CLAUSE 2: RENTAL

- 2.01 Yearly Rent:** The Lessee will, on and from the Commencing Date and for the Term, pay to the Lessor, without demand from the Lessor, free of exchange and without any deduction whatsoever, the Yearly Rent indicated in Item 1 of the Reference Schedule until the first review date specified in this Clause and then as determined in accordance with this Lease.
- 2.02 Manner of Payment:** Subject to the provisions of Clauses 2.01 and 2.03 the Yearly Rent is payable monthly in advance by equal instalments equivalent to one twelfth of the Yearly Rent for the time being on the first day of each month during the Term.
- 2.03 Apportionment for Broken Periods:** If the Term commences on a day other than the first day of a month, the Lessee will pay to the Lessor, in respect of the broken periods prior to the first complete month of the Term and subsequent to the last complete month of the Term on the first day of each such broken period, a proportionate part of the appropriate monthly payment payable on account of the

Yearly Rent to the first day of the following calendar month or to the expiration of the Term, as the case may be.

2.04 Rental Reviews:

- (a) **Consumer Price Index Reviews:** On each date indicated in Item 2(a) of the Reference Schedule the Yearly Rent will be increased but not decreased by the movements in the Consumer Price Index (capped at 4%) by using the following formula:

$$R = A \times \frac{B}{C}$$

Where:

“R” means the Yearly Rent payable on and from the date indicated in Item 2(a) of the Reference Schedule.

“A” means the Yearly Rent payable during the year of the term of this Lease immediately prior to the relevant date indicated in Item 2(a) of the Reference Schedule.

“B” means the Index Number applicable for the quarter ending immediately prior to the relevant date indicated in Item 2(a) of the Reference Schedule.

“C” means the Index Number applicable for the quarter ending immediately prior to the last to occur of the Commencing Date and the last date on which the Yearly Rent was reviewed.

In this Clause 2.04(a) the expression “Index Number” means the Consumer Price Index All Groups Number (Sydney) published from time to time by the Australian Bureau of Statistics. If there is any suspension or discontinuance of the Consumer Price Index then Index Number will mean the New South Wales male basic wage applicable in the city of Sydney. If the system of practice of the determination of the New South Wales male basic wage ceases, then Index Number means the index published at the date hereof and at the time of variation of the rental by the Australian Bureau of Statistics which reflects fluctuations of the costs of living in Sydney and which the parties may mutually agree upon and if they are unable to agree then such variation of rental will be by reference to such index as may be determined by the President for the time being of the Australian Property Institute (NSW) or some person nominated by him whose decision will be conclusive and binding.

- (b) **Percentage Rate Reviews:** On each date indicated in Item 2(b)(i) of the Reference Schedule the Yearly Rent will be increased by the percentage rate indicated in Item 2(b)(ii) of the Reference Schedule.
- (c) **Market Rental Reviews:** On each date indicated in Item 2(c) of the Reference Schedule the Yearly Rent will be reviewed to the current annual market rental as agreed between the Lessor and the Lessee prior to such date and in default of agreement prior to such date then the following procedure will apply:

- (1) either the Lessor or the Lessee may request the President of the New South Wales Division of the Australian Property Institute to nominate a valuer who is a full member of not less than five (5) years standing of the said Institute and is the holder of a licence to practice as a valuer of the kind of premises demised by this Lease who will make a final determination of the current annual market rental as at the relevant date;
- (2) the valuer referred to in the preceding sub-clause will undertake his valuation of the current annual market rental on the following basis and take into consideration the following matters:
 - (i) be deemed to be acting as an expert and not as an arbitrator;
 - (ii) exclude the value of any goodwill attributable to the Lessee's business and the value of the Lessee's fixtures and fittings in the premises and will also exclude any deleterious condition of the premises if such condition results from any breach of any term of this lease by the Lessee;
 - (iii) have regard to the terms and condition of this Lease in particular to any liability on the part of the Lessee to pay a contribution to the Outgoings of the Land pursuant to Clause 3 and to the period of time until the next Review Date;
 - (iv) have regard to the rental value of comparable premises (including but not limited to location, lease period, use and building size) to the Demised Premises; and
 - (v) have regard to fixtures and fittings and other improvements and machinery owned by the Lessor and included in the Demised Premises.
- (3) The reasonable costs incurred in the determination of such current annual market rental will be borne by the parties equally.

General Matters for Rental Reviews:

- 2.05** If the same date is indicated in more than one sub-item of Item 2 in the Reference Schedule then the greater of the Yearly Rent determined by using each method will apply on and from that date.
- 2.06** If the Yearly Rent determined pursuant to this Clause 2 is less than the Yearly Rent payable prior to such determination then the Yearly Rent payable during the term of this Lease immediately prior to such determination will apply.
- 2.07** Any variation in the Yearly Rent provided for in this Lease will apply from the relevant date indicated in item 2 of the Reference Schedule notwithstanding that such rental may be determined after that date.
- 2.08** **Rent Free Period:** Provided the Lessee is not otherwise in default under this Lease, no Yearly Rent or Outgoings will be payable from the Commencing Date to the day

prior to the Rent Commencing Date (inclusive). If at any time during the rent free period the Lessee is in default, all Yearly Rent and Outgoings which would otherwise have been payable under this Lease will become due and payable.

CLAUSE 3: OUTGOINGS

- 3.01 Payment by Lessee:** The Lessee must pay to the Lessor the proportion of Outgoings attributable to the Demised Premises for the term.
- 3.02 Estimate:** The Lessor will as soon as practicable after the Commencement Date and then as soon as practicable after 1 July in each year of the Term advise the Lessee of the likely Outgoings and give an estimate of the amount payable by the Lessee for Outgoings for the period stipulated by the Lessor.
- 3.03 Payment:** The Lessee must pay the amount advised as estimated Outgoings by equal instalments in advance at the intervals indicated in Item 6 of the Reference Schedule commencing from the Commencing Date and ending on the expiration of the Term.
- 3.04 Updated Estimates:** The Lessee will continue to pay the estimated amount advised by the Lessor pursuant to the preceding sub-clause unless and until the Lessor gives the Lessee updated details of the likely Outgoings and gives an estimate of the new amount payable by the Lessee for future periods.
- 3.05 Determination:** The Lessor must as soon as practicable after 30 June in each year of this Lease or at the expiration of the Term advise the Lessee of the actual proportion of Outgoings payable by the Lessee under this Lease.
- 3.06 Adjustments:** If the amount paid by the Lessee on account of estimated Outgoings for any period is less than the amount of actual Outgoings for that period then the Lessee will as soon as practicable after notification pay the difference to the Lessor.
- 3.07 Adjustments:** If the amount paid by the Lessee on account of estimated Outgoings is greater than the proportion of Outgoings payable by the Lessee then the Lessor will either:
- (a) if this Lease has been validly terminated or has expired, refund such difference to the Lessee; or
 - (b) in all other cases, allow such difference to the Lessee against the instalment payments on account of estimated Outgoings next due.
- 3.08 Broken Periods:** The proportion of Outgoings attributable to the Demised Premises and payable by the Lessee will be determined in the case of the first broken period from the Commencing Date to the 30th day of June next following, in the case of the last broken period from the 30th day of June last preceding the date of expiration of this Lease to the actual date of expiration and in all other cases for each period of twelve (12) months expiring on 30 June, in each year of the Term.
- 3.09 Lessee's Proportion of Outgoings:** The proportion of Outgoings payable by the Lessee pursuant to this Clause 3 will be:
- (a) where the Outgoings are levied for the Demised Premises only, the Lessee is liable for all such Outgoings;

(b) where the Outgoings are levied for the Land only, the Lessee is liable for that percentage indicated in Item 7 of the Reference Schedule.

(c) where the Land is subdivided by the Lessor so as to create the Proposed Land then:

(i) Clause 3.09(b) will not apply; and

the Lessee will be liable for that proportion of Outgoings calculated in accordance with the following formula:

$$LP = O \times \frac{\text{Area of PL}}{\text{Area of L}} \times \frac{\text{Area of DP}}{\text{Area of all premises on PL}}$$

Where:

“LP” = The proportion of Outgoings payable by the Lessee;

“O” = All Outgoings other than Outgoings levied for the Demised Premises only;

“PL” = Proposed Land;

“L” = Land;

“DP” = Demised Premises.

3.10 GST Provision

(a) All Yearly Rent, Outgoings and any other moneys payable by the Lessee under this Lease are calculated without regard to GST.

(b) The Lessee will pay to the Lessor an amount equal to the GST determined to be payable under the GST Law (“the GST Amount”) in respect of any Taxable Supply made by the Lessor under this Lease; and at least 5 days before the date on which the Lessor is required to remit the GST Amount to the relevant Authority under the GST Law.

For the purposes of this clause 3.10, the following definitions apply:

“GST” means any value added, consumption, turnover or similar tax, impost or duty on goods and/or services introduced by the Commonwealth or the State of New South Wales after the Commencing Date, including any goods and services tax under the GST Law.

“GST Law” has the meaning given to it in the New Tax (Goods and Services Tax) Act 1999 (as amended from time to time) or any re-enactment of or substitution for it and includes any regulation or statutory instrument issued under it.

“Taxable Supply” means any supply of goods or services by or on behalf of the Lessor:

- (a) to the Lessee under this Lease; and
- (b) otherwise to the Lessee in respect of the Demised Premises.

CLAUSE 4: OPTION FOR RENEWAL OF LEASE

4.01 Option: If the Lessee:

- (a) desires to take a renewed lease of the Demised Premises for the further term indicated in Item 3 of the Reference Schedule from the expiration of the Term; and
- (b) gives to the Lessor not less than three (3) months' and not more than six (6) months' notice in writing of that desire (in respect of which time is of the essence);

then the Lessor and the Lessee will determine the Yearly Rent for the first year of the renewed Lease in accordance with Clause 2.04 (c) as if the first date of the renewed Lease were a Market Rent Review date under this Lease.

4.02 Each party will pay their own legal costs in relation to the new Lease except that the Lessee will pay all registration fees.

4.03 The Lessee can exercise the option only if:

- (a) the Lessee serves on the Lessor a notice of exercise of option in accordance with Clause 4.01;
- (b) there is at the time of service no Yearly Rent or Outgoings overdue for payment; and
- (c) 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.

4.04 After exercising the option the Lessee must continue to pay all Yearly Rent 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.

4.05 A new Lease will be the same as this Lease except for:

- (a) the new Yearly Rent;
- (b) the Commencing Date and Terminating Date;
- (c) the omission of the definition of "Rent Commencing Date" and Clause 2.08; and
- (d) the omission of Clause 4 and Clause 18.

4.06 Lapse of Option: The right to take a renewed Lease for a further term will lapse if the Lessee fails to give the notice required by Clause 4.01(b).

CLAUSE 5: RESUMPTION OR DAMAGE TO PREMISES

5.01 Termination: If the whole or any substantial part of the Demised Premises:

- (a) is resumed or taken for any public purpose by any competent authority;
- (b) is destroyed or damaged by fire, flood, lightning, storm, tempest, earthquake or by other disabling cause or inevitable accident during the Term;
- (c) is rendered inaccessible to the Lessee having regard to its normal means of access; or
- (d) is rendered substantially unfit for the use and occupation of the Lessee so as to deprive the Lessee of the substantial use of the same or so as to render, in the reasonable opinion of the Lessor, the rebuilding or reconstruction of the Demised Premises in its previous form impracticable or undesirable;

then notwithstanding anything contained or implied in this Lease, this Lease may be terminated without right or claim for compensation by either the Lessor or the Lessee by not less than one (1) months' notice in writing to the other.

5.02 Antecedent Rights: Any termination in accordance with the provisions of Clause 5.01 will be without prejudice to the rights of either the Lessor or the Lessee in respect of any antecedent breach or non-observance of this Lease.

5.03 Abatement: Upon the occurrence of any of the events referred to in Clause 5.01, the Yearly Rent and Outgoings hereby reserved or a fair and just proportion of them according to the nature and extent of the damage or destruction sustained will abate and all or any remedies for the recovery of such Yearly Rent or Outgoings or a fair and just proportion or will be suspended until either:

- (a) the Demised Premises are rebuilt or reconstructed or made fit for the occupation and use of the Lessee; or
- (b) the Lease is terminated pursuant to the provision of Clause 5.01.

5.04 No Obligation to Rebuild or Re-Instate: Nothing contained or implied in this Lease imposes any obligation upon the Lessor to rebuild or re-instate the Demised Premises or make it fit for occupation and use BUT NEVERTHELESS the Lessor will have the right at all reasonable times with workmen and others and all necessary materials and appliances to enter upon the Demised Premises for the purpose of re-building or re-instating the Demised Premises or making them fit for occupation and use by the Lessee.

CLAUSE 6: USE OF THE DEMISED PREMIES BY THE LESSEE

6.01 Business Use: The Lessee will not use or permit to be used the Demised Premises or any part of them for any purpose other than as premises for carrying on the business specified in Item 4 of the Reference Schedule and the Lessee will not permit or suffer

the Demised Premises or any part of them to be used for any other purpose or for any residential purpose whether temporary or permanent.

6.02 No Noxious Use of Premises: The Lessee will not at any time during the Lease:

- (a) use, exercise or carry on or permit or suffer to be used exercised or carried on in or upon the Demised Premises or any part of them any noxious, noisome or offensive act, trade, business, occupation or calling;
- (b) do or omit or permit or suffer to be done or omitted any act matter or thing whatsoever in upon or about the Demised Premises or any part of them which is or will or may be or grow to the annoyance, nuisance, grievance, damage or disturbance of occupiers or owners of any adjacent premises;
- (c) use or permit or suffer to be used the Demised Premises or part of them for any illegal purpose or activity; or
- (d) permit any hazardous substances or contaminants to be disposed of in the Demised Premises or on the Land.

6.03 Exterior Signs: The Lessee will not, without the written consent of the Lessor, which consent will not be unreasonably withheld, erect, paint or place upon the exterior of the Demised Premises signs, lights, embellishments, advertisements, names or notices and upon the expiration or sooner determination of the term hereby created, the Lessee will at its own expense remove any signs, lights, embellishments, advertisements, names or notices put by the Lessee upon the exterior to the Demised Premises and the Lessee will make good any damage or disfigurement cause by reason of such removal.

6.04 Heavy Installations: The Lessee will not bring upon the Demised Premises any heavy machinery or other plant or equipment other than that used in the ordinary conduct of the Lessee's business and which does not otherwise breach this clause without the consent of the Lessor which consent will not be unreasonably withheld and in no event will any such machinery, plant or equipment be of such nature, weight or size as to cause or, in the reasonable opinion of the Lessor, be likely to cause any structural or other damage to the floors or walls of the Demised Premises. Before bringing any such equipment, plant or machinery upon the Demised Premises the Lessee will inform the Lessor of the Lessee's intention so to do and the Lessor may direct the routing, installation and location of all such machinery, plant and equipment and the Lessee will observe and comply with all such reasonable directions.

6.05 Lessee's Compliance with Regulations Ordinances and By-Laws:

- (a) The Lessee will at its cost duly observe and perform and in all respects comply with the provisions and requirements of every statute, regulation, ordinance, by-law and every notice or order of any competent authority relating to or resulting from the use or occupation of the Demised Premises by the Lessee and the Lessee will indemnify the Lessor and keep the Lessor indemnified against all claims in respect of such. The Lessee is under no liability in respect of any structural alterations not caused or occasioned by the Lessee's use or occupation of the Demised Premises.

- (b) The Lessee will not do or omit or suffer to be done or omitted on or about the Demised Premises any act or thing by reason of which the Lessor may under any statute, regulation, ordinance, by-law, notice or order, incur or have imposed upon it or become liable to perform any work or to pay any penalty, damages, compensation, fees, costs charges or expenses.

6.06 General Provisions re Use: The Lessee agrees with the Lessor that:

- (a) The Lessee will give to the Lessor prompt notice of any breakages to or defect in the water pipes, air-conditioning ducts, electric light or other fittings;
- (b) the Lessee will advise the Lessor and the managing agent of the Demised Premises for the time being of the private address and telephone number of the Lessee's manager. The Lessor and the said managing agent will be promptly informed of any change in such address or telephone number.
- (c) all electric light globes and tubes which may become damaged or worn out, or fail to light, and light which may become damaged or fail to operate will be replaced by the Lessee at the cost of the Lessee; and
- (d) all keys belonging to the Demised Premises held by the Lessee during its occupancy, whether the same have been provided by the Lessor or made or procured by such Lessee for its own use, will be surrendered to the Lessor on the termination of its tenancy.

6.07 Lessor does not Warrant Use of Premises: The Lessor does not expressly or impliedly warrant that the proposed use of the Demised Premises by the lessee is an approved use by the Local Council, that the Demised Premises or any part of them are or will remain suitable or adequate for all or any of the purposes of the Lessee and all warranties (if any) as to suitability and adequacy of the Demised Premises implied by law are expressly negatived.

6.08 Common Areas, Carparking and Accessways: The Lessee has the right for the Lessee and its invitees to use in common with other persons entitled to use the same for a proper purpose all common areas not otherwise exclusively used by any person and for the Lessee to use those car spaces in those areas of the car park on the Land and those parts of the common areas designated from time to time by the Lessor and also to use in common with other persons entitled thereto but for the purpose only of ingress and egress to and from the Demised Premises the entrance, vestibules, corridors, passages, stairways, driveways and landings in the Building and on the Land.

6.09 Subdivision and Joint Services: The Lessor reserves the right and liberty to the Lessor and persons claiming through or authorised by the Lessor:

- (a) to install, maintain, use, repair, alter and replace pipes, ducts, conduits, cables and wires leading through the Demised Premises and to pass and run water, air, electricity, sewerage, drainage and other utility services through such pipes, ducts, conduits and wires and to enter upon the Demised Premises for such purposes PROVIDED THAT in exercising such rights the Lessor will not interfere with the Lessee in the Lessee's use and occupation of the Demised Premises to any greater extent than may be reasonably necessary;

- (b) to register a plan of subdivision of the Land including the creation of a lot in a strata, neighbourhood, precinct or community scheme under the Strata Schemes Development Act 2015 or the Community Land Management Act, 1989 PROVIDED THAT such a plan of subdivision does not derogate from the rights of the Lessee under this Lease.

CLAUSE 7: ASSIGNMENT AND SUB-LETTING

7.01 No Assignment, Transfer or Sub-Letting: The Lessee will not:

- (a) assign, transfer, demise, sub-let or part with or share the possession of the Demised Premises or any part of them;
- (b) grant any licence affecting, or mortgage, charge or otherwise deal with or dispose of the Demised Premises or any part of them;
- (c) by any act or deed procure the Demised Premises or any part of them to be assigned, transferred, demised, sublet, shared or put into possession of any person or persons;

without the consent in writing of the Lessor which consent will not be unreasonably withheld where:

- (d) the Lessee is not in default of the covenants to be performed by the Lessee under this Lease;
- (e) the proposed assignee or sub-lessee is proven to the reasonable satisfaction of the Lessor to be a respectable, responsible and solvent person or corporation capable of adequately carrying on the business permitted under this Lease;
- (f) that person enters into an agreement with the Lessor in the form required by the Lessor to comply with the covenants and conditions to be performed by the lessee under this Lease; and
- (g) the assignee or sub-lessee pays to the Lessor its costs and disbursements of and incidental to the giving of its consent and (in the case of a corporation) furnishes such guarantees for payment and performance of this Lease as a reasonably required by the Lessor.

7.02 Lessee not to Issue Additional Shares: If the Lessee is a corporation other than a corporation listed on an Australian Stock Exchange then any change in the shareholding of the Lessee which alters the effective control of the Lessee is, for the purposes of this Lease, deemed a proposed assignment of this Lease and the Lessee will not register, record or enter into its books any transfer of any shares in the capital of the Lessee or deal with any beneficial interest in any such shares or take any action having the effect of altering the effective control of the Lessee or having the effect of altering the shareholders of the Lessee at the date of this Lease together beneficially holding or controlling less than 51% of the voting rights of the capital in the Lessee unless the Lessee complies with the conditions of the preceding sub clause.

CLAUSE 8: LIGHT, POWER, AIR-CONDITIONING, WATER AND TELEPHONE

- 8.01 Source of Light and Power:** The Lessee will not use any form of light, power or heat other than that generated by electrical current or gas supplied through meters except in the case of failure in the supply.
- 8.02 No Alterations to Electrical Installations:** The Lessee will not without the consent in writing of the Lessor (which consent will not be unreasonably withheld) make any substantial alterations or additions to the Lessor's electrical installations or wiring of the Demised Premises nor install any electrical equipment of the Demised Premises which overloads the cable, switch-boards or sub-boards through which electricity is conveyed to the Demised Premises and if consent is given to such work being carried out then the Lessee will ensure that it is carried out in a proper and workmanlike manner by a qualified electrician.
- 8.03 Charges for Gas, Water and Telephone:** The Lessee will promptly pay for all charges for gas, water, oil, sewerage, drainage, garbage removal and other services which may from time to time be imposed or charged in respect of the Demised Premises to the supplying authority on or before the due date for payment and the Lessee will also pay all charges in respect of any telephone or other communication service connected to the Demised Premises and all other charges and impositions imposed by any public utility or authority for the supply of any service supplied to the Demised Premises.
- 8.04 Air Conditioning:** The Lessee must effect and maintain a maintenance contract for the operation, maintenance and repair of the air conditioning plant and equipment.
- 8.05 Electricity:** The Lessee acknowledges that there is one electricity meter which services both the Demised Premises and the premises known as Unit 2, 226 Union Street, Merewether ("Neighbouring Premises") including a sub meter which records the electricity usage of the Demised Premises. The account for the electricity is in the name of the tenant of the Neighbouring Premises. The Lessee will allow the tenant of the Neighbouring Premises access to the Demised Premises each month for the purpose of reading the electricity meter and will pay the tenant of the Neighbouring Premises for the electricity for the Demised Premises within 14 days of being requested to do so.

CLAUSE 9: MAINTENANCE AND REPAIR

- 9.01 Repair of Premises During Lease:** The Lessee will during the whole of the Term and otherwise so long as the Lessee remains in possession or occupation when, where and so often as need be, maintain, replace, repair and keep the whole of the Demised Premises in good and substantial repair, working order and condition (having regard to their condition at the commencement of the Lease) and particularly all plate glass, machinery, plant, equipment, fixtures and things belonging or which at any time during the term or possession or occupation as aforesaid will be erected therein or thereon or be part of the Demised Premises, damage by fire, flood, lightning, storm, tempest, act of god, war damage, earthquake any other event or happening beyond the control of the Lessee and reasonable wear and tear only excepted, provided however that nothing contained in this Clause will impose any obligation upon the Lessee to do any work of a structural or capital nature including but not limited to the electrical and

mechanical plant of the Lessor except such as may be occasioned by the act, neglect or default of the Lessee or by its use or occupancy of the Demised Premises.

9.02 Repair on Termination of Lease: The Lessee will at the expiration or sooner determination of this Lease peaceably surrender and yield up to the Lessor the whole of the Demised Premises in good and substantial repair, order and condition in all respects (having regard to their condition at the commencement of this Lease) and clean and free from rubbish, damage by fire, flood, lightning, storm tempest, act of god, war damage, reasonable wear and tear and structural defects not caused by the Lessee only excepted.

9.03 The Lessee will, without affecting the generality of the preceding Clauses 9.01 and 9.02 of this Clause, at the Lessee's expense:

(a) **Cleaning:**

(1) cause the Demised Premises to be regularly cleaned in a proper and workmanlike manner; and

(2) keep during the whole of the Term the whole of the Demised Premises free from dirt and rubbish and in particular store and keep all trade waste and garbage in proper receptacles installed by the Lessee and arrange for the regular removal of them from the Demised Premises.

(b) **Replacement of Breakages Etc.:** from time to time immediately repair and replace all broken glass with glass of the same or similar quality and repair and replace all damaged broken window frames, heating, lighting and electrical equipment and plumbing installed upon the Demised Premises provided that such repair and replacement will be the responsibility of the Lessor if it arises as a result of an act or omission of the Lessor, its employees or agents provided that reasonable wear and tear is excepted.

9.04 Drains and Waste Pipes: The Lessee will at all times and at its own expense keep clean and free of blockages all gutters, drains, waste pipes and grease traps in or leading from the Demised Premises. Any blockages to gutters, drains, waste pipes and grease traps not caused or contributed to by the Lessee will be cleaned and repaired at the expenses of the Lessor.

9.05 Premises to be Kept Free of Pests: The Lessee will take all reasonable precautions to keep the Demised Premises free of rodents, vermin, insects, pests, birds and animals and in the event of failing so to do will if and when so required by the Lessor but at the cost of the Lessee employ pest exterminators approved by the Lessor.

CLAUSE 10: ALTERATIONS

10.01 No Alteration to Demised Premises: The Lessee will not without the previous consent in writing of the Lessor, which consent will not be unreasonably withheld, make any structural alterations or additions in or to the Demised Premises or any part of them.

10.02 Installation of Fixtures: The Lessee will not without the previous consent in writing of the Lessor, which consent will not be unreasonably withheld, install any fixtures other than minor fixtures including water, gas or electrical equipment or appliances or

any apparatus for illuminating, air-conditioning, heating, cooling or ventilating the Demised Premises nor will the Lessee, without like consent substantially mark, paint or drill or in any way deface or damage any walls, ceilings, partitions, floors or other part of them. Any work carried out pursuant to this clause will be carried out in a proper and workmanlike manner by suitably qualified tradesmen.

- 10.03 Partitioning:** The Lessee will not without the previous consent in writing of the Lessor, which consent will not be unreasonably withheld, install or alter any partitioning equipment (other than unfixed furnishings or unfixed business equipment) or other installation in or on the Demised Premises.
- 10.04 Removal and Ownership of Fixtures and Partitioning:** Unless otherwise agreed in writing between the parties, all partitioning and other fixtures and installations installed by the Lessee will remain the property of the Lessee who will be responsible for their maintenance and repair and will be removed by the Lessee immediately prior to the expiration or sooner determination of this Lease. In default the Lessor may at the expense of the Lessee remove and dispose of the same or elect that they will become the property of the Lessor and in either case the Lessor will incur no obligation or liability to the Lessee by doing so. The Lessee will make good all damage occasioned by such removal whether by the Lessee or the Lessor and will re-instate that part of the premises affected by such removal to the condition existing prior to their installation or alternation, fair wear and tear excepted, and if the Lessee fails to make good or re-instate them by the date of the expiration or sooner determination of this Lease, the lessor do so and the Lessee will pay the cost of doing so to the Lessor upon demand.
- 10.05 Lessor's Right to Inspect and Repair:** The Lessor and its agents may at all reasonable times upon giving to the Lessee reasonable notice (except in the case of emergency when no notice will be required) enter upon the Demised Premises and view the state of repair of them and may serve upon the Lessee a notice in writing of any defect (the repair of which is the Lessee's obligation under this Lease) requiring the Lessee to repair them and in default of the Lessee so doing to the satisfaction of the Lessor or its architect, it will be lawful for the Lessor from time to time to enter and execute the required repairs as if it were the Lessee and any expense and the costs of and incidental to carrying out such work including all sums paid or payable for any insurances, consultant's reasonable fees or otherwise howsoever with respect to such repairs, will be payable by the Lessee to the Lessor immediately.
- 10.06 Lessor May Enter to Repair:** The Lessee will permit the Lessor at all times on reasonable notice to carry out repairs, renovations, maintenance, modifications, extensions or alterations to the Demised Premises or to any part of them deemed necessary or desirable by the Lessor and which are not the responsibility of the Lessee provided that in so doing the Lessor will cause as little disturbance to the Lessee as is practicable.
- 10.07 Requirements of Public Authorities:** The right is reserved to the Lessor by itself and/or those authorised by it to comply with the terms of any present or future legislation affecting the Demised Premises or the Building with any notice served upon the Lessor or Lessee by any state, municipal or other competent authority involving the destruction of noxious animals, rodents or other pests or the carrying out of any repairs alterations or works (including the provisions of lighting power and telephone services to the lessee for the purpose of which the Lessor may from time to

time require access to false ceilings in the premises) which the Lessee may not be bound or may neglect to do an also for the purpose of exercising the powers and authorities of the Lessor herein provided however that nothing contained in this Clause will be deemed to oblige the Lessor to exercise any of the powers contained in this Lease nor, relieve the Lessee of any obligation elsewhere contained in this Lease.

- 10.08 Powers and Conduct of Lessor:** For the purpose of exercising any of the powers conferred in the Clause the Lessor, its architects, contractors, workmen and agents will be entitled to enter upon the Demised Premises and there remain as long as is reasonably necessary for the purpose provided that in so doing the Lessor will cause as little inconvenience to the Lessee as is practicable.
- 10.09 Notice of Accident or Defect in Services:** The Lessee will give to the Lessor prompt notice in writing of any accident to, defect or want of repair in any services to, or fittings in, the Demised Premises and of any circumstances likely to be or cause any danger, risk or hazard to the Demised Premises or any person in them of which it is aware.

CLAUSE 11: INSURANCES

- 11.01 The Lessee not to Void Insurances:** The Lessee will not at any time during the Term do permit or suffer to be done any act, matter or thing upon the Demised Premises or the Land whereby any insurances may be vitiated or rendered void or voidable or (except with the approval in writing of the Lessor) whereby the rate of premium on any such insurances will be liable to be increased.
- 11.02 No Inflammable Substances:** Without prejudice to the generality of any other provision of this Lease, the Lessee will not (other than as and to the extent expressly approved in writing by the Lessor) store chemicals, inflammable liquids, acetylene, gas or alcohol, volatile or explosive oils, compounds or substances upon the Demised Premises and will not use any of such substances or liquids in the Demised Premises for any purpose.
- 11.03 Compliance with Fire Regulations:** The Lessee will comply with insurance sprinkler and/or fire alarm regulations in respect to any partitions which may be erected by the Lessee upon the Demised Premises and the Lessee will pay to the Lessor the cost of any alterations to the sprinklers and/or fire alarm installations which may become necessary by reason of the non-compliance by the Lessee with those regulations or the requirements of The Insurance Council of Australia or the Lessor's insurer.
- 11.04 Insurance to be Taken out by the Lessee:** The Lessee will effect on or before the Commencing Date and will keep current during the Term with an insurer of the Lessee's choice:
- (a) a replacement and reinstatement policy covering the Lessee's improvements and fittings, fixtures, stock in trade, exterior signs in or associated with the Demised Premises against fire, explosion, storm and tempest, damage by aircraft and by impact, earthquake and against such other risks as the Lessee may from time to time reasonably deem appropriate;
 - (b) adequate public risk insurance (to a minimum of \$20,000,000.00); and

- (c) a replacement and reinstatement Policy covering all plate glass in the Demised Premises against breakages.

11.05 Evidence of Insurance: Whenever reasonably required by the Lessor (but not more than once in any year) the Lessee must provide the Lessor with evidence of the insurances affected by the Lessee.

11.06 Lessee to Pay Additional Insurance Premiums: The Lessee will pay all extra premiums of insurance on the Demised Premises and its contents if any are required on account of the extra risk caused by the use to which the Demised Premises are put by the Lessee even if such use has been approved by the Lessor.

11.07 Insurance: The Lessee will ensure that all policies referred to in Clause 11.04 are taken out in the name of the Lessee with the interests of the Lessor noted on the policies.

CLAUSE 12: RELEASES AND INDEMNITIES

12.01 Accidents: The Lessee agrees to occupy, use and keep the Demised Premises at the risk of the Lessee and releases to the full extent permitted by law the Lessor and its agents, servants, contractors and employees, in the absence of any act, omission, negligence or wilful default on their part, from all Claims of every kind resulting from any accident, damage or injury occurring in the Demised Premises and the Lessee EXPRESSLY AGREES that in the absence of any such negligence or wilful default, the Lessor will have no responsibility or liability for any loss of or damage to fixtures and/or personal property of the Lessee.

12.02 Lessee's Indemnities: The Lessee indemnifies the lessor and will keep the Lessor indemnified from and against all Claims for which the Lessor will or may be or become liable in respect of or arising from (except to the extent that any such Claim results from, or is contributed to because of any act, omission or negligence by the Lessor or any of its servants, agents or contractors to the extent of that contribution):

- (a) the negligent use, misuse, waste or abuse by the Lessee or any servant, invitee, agent, sub-tenant of or any other person claiming through or under the Lessee of the water, gas, electricity, oil, lighting and other services and facilities of the Demised Premises;
- (b) overflow or leakage of water in or from the Demised Premises but having origin with the Demised Premises and caused by any act or omission on the part of the Lessee or any servant, invitee, agent, sub-tenant or other person;
- (c) loss, damage or injury from any cause whatsoever to any property or person caused by the use or occupation of the Demised Premises by the Lessee or any servant, invitee, agent, sub-tenant or other person; and
- (d) loss, damage or injury from any cause whatsoever to any property or person within or without the Demised Premises occasioned by any act, omission, neglect, breach or default of the Lessee or any servant, invitee, agent, contractor or sub-contractor, sub-tenant or other person.

CLAUSE 13: LESSOR'S COVENANTS

13.01 The Lessor agrees with the Lessee that:

- (a) **Quiet Enjoyment:**
 - (i) if the Lessee pays the Yearly Rent and Outgoings; and
 - (ii) duly and punctually observes and performs the provisions of this Lease on the part on the Lessee to be observed and performed;

then the Lessee may peaceably possess and enjoy the Demised Premises for the Term without any interruption or disturbance from the Lessor or any other person lawfully claiming by from or under the Lessor;
- (b) **Holding-Over:** If the Lessee holds over after the expiration or sooner determination of the Term with the consent of the Lessor then the Lessee will become a monthly tenant only of the Lessor and such tenancy may be determined by not less than one month's notice expiring at any time and will be at a monthly rental equivalent to a monthly proportion of the total Yearly Rent and Outgoings payable by the Lessee under this Lease at the expiration or sooner determination of the Term and will otherwise be on the said terms and conditions, mutatis mutandis, as those contained in this Lease, so far as applicable;
- (c) **Good Order and Repair:** The Lessor agrees with the Lessee that the Lessor will keep the Building and the Demised Premises in good order and repair and structurally sound and watertight except to the extent of the Lessee's obligations to do so as contained in this lease; and
- (d) **Rates and Taxes:** The Lessor will ensure that all rates and taxes levied on the Land are paid promptly.

CLAUSE 14: DEFAULT BY LESSEE AND TERMINATION OF LEASE

14.01 Default by the Lessee: If:

- (a) the Yearly Rent, Outgoings or any other moneys payable by the Lessee to the Lessor remain unpaid for fourteen (14) days after written demand has been made for payment by the Lessor;
- (b) the Lessee commits permits or suffers to occur any breach or default in the due and punctual observance and performance of this Lease which breach has not been remedied within fourteen (14) days of notice by the Lessor to the Lessee;
- (c) the Lessee is a company and an order is made or a resolution is effectively passed for the winding up of the Lessee (except for the purpose of reconstruction or amalgamation with the written consent of the Lessor which consent will not be unreasonably withheld;
- (d) the Lessee goes into liquidation or makes an assignment for the benefit of or enters into an arrangement or composition with its creditors;

- (e) the Lessee stops payment of any cheque or is unable to pay its debts as and when they fall due;
- (f) execution is levied against the Lessee and not discharged within thirty (30) days; or
- (g) the Lessee (being an individual) becomes a bankrupt or commits an act of bankruptcy or brings his estate within the operation of any law relating to bankruptcy;

then, in any one or more of such events, the Lessor has the right to re-enter into and upon the Demised Premises or any part of them and to have again, repossess and enjoy them in their former state notwithstanding but without prejudice to any antecedent rights under this Lease of either the Lessor or the Lessee which the Lessor has or might or otherwise could have fore arrears of Yearly Rent or breach of covenant or for damages as a result of any such event and the Lessor will be freed and discharged from any claim made by or obligation to the Lessee under or by virtue of this Lease.

14.02 Right of Lessor to Remedy Lessee's Default: On each and every occasion on which the Lessee omits or neglects to pay any more or to do or effect anything which the Lessee has covenanted to do or effect then it will be lawful for but not obligatory upon the Lessor (and without prejudice to any rights and powers arising from such default) to pay such money or to do or effect such thing by itself its architects, agents, contractors and workmen as if it were the Lessee and for that purpose the Lessor its architects, contractors, workmen and agents may enter upon the whole or any part of the Demised Premises and there remain for the purpose of doing or effecting any such thing and the Lessor may recover from the Lessee the amount of expenses and costs of such payment doing or effecting immediately.

14.03 Interest on Overdue Money: Without prejudice to the rights powers and remedies of the Lessor otherwise under this Lease the Lessee will pay to the Lessor interest at the Prescribed Rate on any moneys due to the Lessor from the Lessee but unpaid for fourteen (14) days after becoming due on any account whatsoever pursuant to this Lease, such interest to be computed from the due date for the payment of the moneys in respect of which the interest is chargeable until payment of such moneys in full in respect of which the interest is chargeable until payment of such moneys in full and to be recoverable in the same manner as arrears of Yearly Rent.

CLAUSE 15: GENERAL PROVISIONS

15.01 Lessor's Non-Liability for Loss or Damage: Notwithstanding any implications or rule of law to the contrary, the Lessor will not be liable for any damage or loss the Lessee may suffer arising from or as a result of the use or occupation of the Demised Premises by the Lessee except to the extent that such damage or loss results from the act, omission or negligence of the Lessor or any of its servants, agents or contractors.

15.02 Notice: Any notice, demand direction or request to be given to the lessee may be served upon the Lessee (whether the Lessee is a corporation or otherwise) at the Demised Premises by either personal delivery or by prepaid post, will be deemed to have been properly served whether actually received or not and may be signed on

behalf of the Lessor by its managing agent or solicitor or by a director, associate director, manager or secretary of the Lessor and any notice so signed will be conclusive evidence as to its execution and of the authority for the person whose name appears therein to sign the same.

15.03 Costs of Lease: The Lessee will pay:

- (a) the reasonable legal costs and expenses of the Lessor of and incidental to the Lease and of any related agreement including the obtaining of any necessary consents and all stamp duty and registration fees payable in connection with this Lease; and
- (b) the reasonable legal costs and expenses of the Lessor incurred in or on about any breach or default by the lessee in respect of any covenant or obligation on the part of the Lessee contained in this Lease.

15.04 Inspection by Purchaser or Lessee: The Lessee will at all reasonable times permit the Lessor to exhibit the Demised Premises to prospective tenants or purchasers and will at all times allow the Lessor to affix and exhibit where the Lessors things fit the usual "For Sale" notice and will at all times within three (3) months immediately preceding the termination of this Lease, provided the Lessee has not exercised any option for a renewed term, allow the Lessor to affix and exhibit where the Lessor thinks fit the usual "To Be Let" notice and in each case with the name and address of the Lessor and/or its agents and the Lessee will not remove any such notice without the written consent of the Lessor.

CLAUSE 16: CERTAIN PROVISIONS ARE ESSENTIAL TERMS

16.01 Certain Covenants Deemed to be Essential Terms: Notwithstanding any other provision of this Lease, the Lessee agrees with the Lessor that each of the covenants specified in this Clause are essential terms of this Lease:

- (a) The Lessee's covenants to pay Yearly Rent throughout the Term within fourteen (14) days of the date on which each monthly instalment of Yearly Rent is due (Clause 2).
- (b) The Lessee's covenants to pay Outgoings within the time and instalments thereof upon the dates specified under this Lease (Clause 3).
- (c) The Lessee's covenants not to assign, transfer, demise, sub-let or part with or share possession of or grant any licence affecting or mortgage, charge or otherwise deal with the Demised Premises (Clause 7).
- (d) The Lessee's covenants to repair the Demised Premises (Clause 9.01).

16.02 Lessor's Rights in Respect of Breach of Essential Term: If the Lessee at any times fails in the due observance and performance of all or any of the essential terms of this Lease for a period of fourteen (14) days and such breach has not been remedied within fourteen (14) days of notice by the Lessor to the Lessee then the Lessor is entitled immediately or at any time after that event at the discretion of the Lessor to treat such breach as a repudiation of this Lease and in addition to any other entitlement of the Lessor to terminate this Lease and to re-enter the Demised Premises and to recover damages from the lessee in respect of such breaches including but

without limiting the generality of the foregoing, damages for the loss by the Lessor of the Yearly Rent and all other monies payable under this Lease from the date of such breach or the repudiation the Lessee of due performance of this Lease until the expiration of the Term which would otherwise have been conferred upon the Lessor. The Lessor will use reasonable endeavours to re-let the Demised Premises and mitigate the damages of the Lessee.

16.03 Exercise of Right of Re-Entry not to Discharge Lessee from its Obligations: The exercise by the Lessor of the right of re-entry or termination given to it under this Lease will in no way be capable of conferring upon the Lessee a discharge of its obligations under this Clause.

16.04 Lessor's right to Grant Indulgences: In respect of the Lessee's obligations to pay Yearly Rent and Outgoings the Lessor may at any time and from time to time (but without obligation on the Lessor to do so) without prejudice to any rights or powers conferred upon the Lessor under this Lease or otherwise:

- (a) grant to the Lessee any time or indulgence as to the payment of Yearly Rent and Outgoings;
- (b) compound or compromise with or release the Lessee from payment of Yearly Rent and Outgoings;
- (c) agree to the substitution of a different rent either for the unexpired Term or during any part of the Term;
- (d) extend the time for payment of any monies due on account of Yearly Rent and Outgoings;
- (e) postpone any right, power or remedy conferred upon the Lessor following upon default by the Lessee under this Lease and exercises the same at any time and in any manner;
- (f) forbear to enforce the covenants in this Lease on the part of the Lessee to be performed or any one or more of them;
- (g) grant any other concession to the Lessee regarding the payment of Yearly Rent and Outgoings or in otherwise complying with the covenants on the part of the Lessee contained in this Lease; and
- (h) accept payment of Yearly Rent and Outgoings by the Lessor in whole or in part after default by the Lessee pursuant to the terms of this Lease.

CLAUSE 17: BANK GUARANTEE

17.01 In this Lease the term "Bank Guarantee" means an unconditional undertaking (or any replacement or addition to it under this clause 17) by an Australian bank on terms acceptable to the Lessor, acting reasonably, to pay on demand the amount in Item 9 of the Reference Schedule.

17.02 On or before the Commencing Date, the Lessee must deliver the Bank Guarantee to the Lessor.

- 17.03** If the Lessee does not comply with any of its obligations under this Lease, whether this Lease is registered or not, then the Lessor may call on the Bank Guarantee without notice to the Lessee.
- 17.04** If the Lessor calls on the Bank Guarantee, then no later than seven (7) days after the Lessor gives the Lessee a notice asking for it, the Lessee must deliver to the Lessor a replacement or additional Bank Guarantee so that the amount guaranteed is the amount in Item 9 of the Reference Schedule. The Lessor will return any uncalled Bank Guarantee to the Lessee within 28 days of the expiration of this Lease.
- 17.05** If, following a rent review in accordance with Clause 2.04, the Lessor requires that the amount of the Bank Guarantee be increased to reflect the new Yearly Rent, the Lessee must deliver to the Lessor a replacement or additional Bank Guarantee so that the amount guaranteed is the amount in Item 9 of the Reference Schedule, taking into account the new Yearly Rent.

CLAUSE 18: LESSEE WORKS AND LESSOR CONTRIBUTION

18.01 In this Clause 18, "Lessee Works" means:

- (a) construction of 5 private offices and 2 small administration areas;
- (b) installation of 26 data points and 30 power points in positions to be advised by the Lessee;
- (c) installation of hand wash basins in each private office with pump out system; and
- (d) reconfiguration of air conditioning and lighting,

in accordance with plans agreed between the Lessor and the Lessee.

18.02 The Lessee will engage a contractor to undertake the Lessee Works.

18.03 The Lessee must ensure that the Lessee Works are carried out:

- (a) in a proper and workmanlike manner in accordance with all approvals; and
- (b) with all reasonable expedition; and
- (c) in accordance with all laws.

18.04 The Lessee must ensure that the Lessee's employees, agents and contractors observe all reasonable directions of the Lessor in connection with provision of access to the Demised Premises and the carrying out of the Lessee's Works.

18.05 The Lessee is fully responsible for the conduct and safety of the Lessee's employees, agents and contractors in connection with carrying out the Lessee's Works.

18.06 The Lessee must ensure that all rubbish, debris and residual material resulting from the Lessee's Works is removed.

18.07 The Lessee is liable for and indemnifies the Lessor against all Claims in connection with:

- (a) damage to or destruction of the Building or the Land including loss of use;
- (b) damage to or destruction of any works in or about the Building;
- (c) damage to or destruction of any works in or about the Building;
- (d) loss, injury or death to any person or property; and
- (e) any costs incurred by the Lessor in having to rectify any of the Lessee's Works or the effect of the Lessee's Works on the Land,

which the Lessor may suffer or incur in connection with the carrying out of the Lessee's Works.

18.08 The Lessee must immediately make good any damage caused to the Building or Land caused by the Lessee (or its employees, agents or contractors) in undertaking the Lessee's Works. If the Lessee fails to make good within a reasonable timeframe then the Lessor may do so and the Lessee must pay the cost of doing so to the Lessor on demand.

18.09 The Lessor and the Lessee acknowledge that the cost of the Lessee's Works is \$65,800.00 plus GST which will be paid by the Lessor. The Lessor will contribute the sum of \$25,000.00 plus GST towards the Lessee's Works. The balance of the cost of the Lessee's Works, being \$40,800.00 plus GST will be paid by the Lessee to the Lessor in addition to the Yearly Rent by equal monthly instalments throughout the Term of \$1,133.33 plus GST.

18.10 If this Lease is terminated for any reason during the Term, the balance of the amount payable by the Lessee in respect of the Lessor Fitout will become a debt due and immediately payable by the Lessee to the Lessor.

Certified correct for the purposes of the Real Property Act 1990
And executed on behalf of the corporation named below by the
Authorised person (s) whose signature(s) appear(s) below
Pursuant to the authority specified.

Corporation: Maynew Nominees Pty Limited ACN 125 521 422
Authority: Section 127 of the Corporations Act 2001

Signature of Authorised Person:



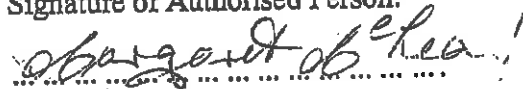
Name of Authorised Person:

STANLEY THOMAS MCLEAN

Office Held:

DIRECTOR

Signature of Authorised Person:



Name of Authorised Person:

MARGARET MARY MCLEAN

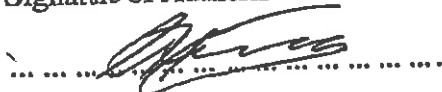
Office Held:

DIRECTOR

Certified correct for the purposes of the Real Property Act 1990
And executed on behalf of the corporation named below by the
Authorised person (s) whose signature(s) appear(s) below
Pursuant to the authority specified.

Corporation: Healthe Care Lingard Pty Ltd ACN 117 484 438
Authority: Section 127 of the Corporations Act 2001

Signature of Authorised Person:



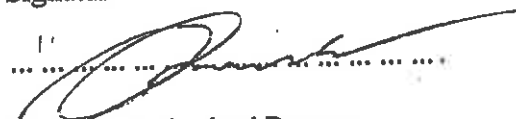
Name of Authorised Person:

Conal Henderson

Office Held:

DIRECTOR

Signature of Authorised Person:



Name of Authorised Person:

Anthony Marshall

Office Held:

COMPANY SECRETARY