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Legal Documents

Commercial Lease Agreement

Between

Flexile Holdings Pty Ltd (009250515) and
Wayne Andrew Ottey and Sandra Kay Ottey
("Landlord")

and

Taxaction and Accounting Services Pty Ltd (087397493)
("Tenant")

This **COMMERCIAL LEASE** is made

BETWEEN

Flexile Holdings Pty Ltd (009250515) as Trustee for The Robyn Ottey Superannuation Fund of 7 Fawcett Way, Warwick WA 6024 Australia and Wayne Andrew Ottey and Sandra Kay Ottey as Trustee for The Sayne Superannuation Fund of 20 Addington Way, Marangaroo, WA 6064 Australia ("**Landlord**")

AND

Taxaction and Accounting Services Pty Ltd (087397493) of 1A - 152 Balcatta Road, Balcatta, WA 6021 Australia ("**Tenant**")

IT IS AGREED as follows

In consideration of:

- a. the Rent; and
- b. the covenants on the part of the Tenant; and
- c. the agreements, conditions and provisions in this Commercial Lease

the Landlord, being registered or entitled to be registered as the proprietor of an estate in fee simple in the Land LEASES to the Tenant:

- a. The premises including all of the Landlord's fixtures, fittings and appurtenances on the premises and the chattels as seen at inspection ("**Leased Premises**");
- b. Together with the right of the Tenant, its agents, servants, employees and customers in common with the Landlord's other tenants to use the Common Areas

TO BE HELD by the Tenant at the Rent and for the Term and subject to the following terms, covenants and conditions:

PART A - DEFINITIONS AND INTERPRETATION

1. Definitions

These definitions apply unless they are inconsistent with the context:

"**Allocation Table**" the table of Rates and Taxes, Outgoings and Operating Expenses.

"**Building**" being the premises within which the Leased Premises are located. It includes any land and improvements used with them or added to them.

"**Common Areas**" the entrances, exits, car parks, pathways, foyers, malls, corridors, toilets, lifts,

escalators and stairways of the Building and any areas of the Building which the Landlord may designate from time to time.

“Consumer Price Index” the Consumer Price Index All Groups for all the capital cities as published by the Australian Bureau of Statistics or its successor and includes any index published in substitution for the Consumer Price Index.

“Commercial Lease” or **“Lease”** means, depending on the context:

- a) this document; or
- b) the Commercial Leasehold estate arising on the execution or registration of this document; or
- c) any other legal or equitable interest such as an agreement for a Commercial Lease, an equitable Commercial Lease, a periodical tenancy, a tenancy at will or other tenancy, arising from entry into possession of the Leased Premises and/or the payment or acceptance of money for the right to occupy and use the Commercial Leased premises under, resulting from or relating to this document, the Commercial Leasehold estate or any agreement, arrangement or negotiations relating to this document or the Commercial Leasehold estate.

If the Tenant holds over under Clause 7 below at the end of the term of the Commercial Leasehold estate, the term will be extended for as long as the Tenant holds over. The expression Commercial Lease will include the Commercial Leasehold estate during the holding-over period.

“Jurisdiction” the law of the State or Territory where the Premises are located.

“Land” all the land on which the Building is situated.

“Landlord” the Landlord described above and its successors and assigns and includes the reversioner for the time being immediately expectant at the end of the Term.

“Leased Premises” or **“Premises”** means the Premises Unit 7, 152 Balcatta Road, Balcatta, WA 6021 Australia comprising an area of approximately 175 square metres

and includes, with reference to those Premises:

- (i) the internal surfaces of external walls and of internal structural walls of the Building;
- (ii) the internal surfaces of the ceiling and of concrete or other floors;
- (iii) the central line of partitions separating the Leased Premises from other adjoining premises;
- (iv) the external surfaces of partitions and doors separating the Leased Premises from Common Areas of the Building or from other premises not intended to be leased;
- (v) the internal surfaces of glass contained in external windows;

(vi) all internal partitions, divisions, windows and window frames, doors and door frames, which are fully within the Leased Premises;

(vii) the external surfaces and finishes on walls, floors, ceilings, partitions, doors and windows included in the Leased Premises, including paint, wallpaper and other materials or substances;

(viii) the Landlord's Fixtures and any chattels provided by the Landlord for the Tenant within the Leased Premises at any time during the lease term;

(ix) pipes and connections to water, sewerage, electricity, gas, telecommunications, air conditioning and other services and supplies, situated within above or under the Leased Premises which connect those services to the Leased Premises.

"Notify" serve a written notice.

"Operating expenses" means the costs to the Landlord of:

- (a) management of the Building;
- (b) repairs to and maintenance of the Building, including any gardening or landscaping, but excluding structural work and work that is the responsibility of any Tenant or occupant of the Building;
- (c) providing air conditioning to the Building, including the costs of repairs and maintenance;
- (d) providing lifts, escalators, fire detection and extinguishing equipment and security equipment to the Building, including the costs of repairs and maintenance;
- (e) cleaning the Building, except premises that are the subject of a Commercial Lease from the Landlord, and garbage removal; and
- (f) pest control.

Expenses properly chargeable to a capital account, interest on loans raised for the purpose of capital expenses and rent paid by the Landlord for any land comprising any part of the Building do not form part of operating expenses.

"Outgoings" means:

- (a) charges for utilities and services supplied to the Building; and
- (b) insurance premiums and other costs of any insurance directly or indirectly related to the Building which the Landlord reasonably thinks should be taken out.

"Rates and Taxes" rates, taxes, charges, duties and fees of any government or of any governmental, municipal, semi-governmental, statutory or other public authority, corporation or department, assessed, charged or imposed on the Leased Premises or on the Building or on the Landlord in respect of the Leased Premises or the Building. It includes any land tax calculated on a single holding basis, but excludes any income tax payable by the Landlord on income derived from

the Leased Premises or the Building and any capital gains tax payable in respect of the Building.

Allocation Table of Rates and Taxes; Outgoings and Operating Expenses

Rates, Taxes, Outgoings and Operating Expenses	Paid by	
	Tenant	Landlord
Water Drainage and Sewerage Rates	✓	
Local Authority Rates	✓	
Land Tax	✓	
Interest Charges on Outstanding Rates and Taxes	✓	
Water Consumed Beyond Allowance	✓	
Fire Services	✓	
Cleaning, Including Window and Rubbish Removal	✓	
Ground Repairs and Maintenance	✓	
Building Repairs and Maintenance of a Non-Structural Nature	✓	
Building Insurance	✓	
Plate Glass Insurance and Public Liability Insurance (minimum \$10,000,000)	✓	
Property Management Fees	✓	
Common Area Lighting and Power	✓	
Security	✓	
Toilet Requisites	✓	
Hot Water Systems Running and Repairs and Maintenance	✓	
Electricity and Gas and Telephone Services Consumed in the Premises	✓	
Air-conditioning Running and Repairs and Maintenance	✓	
Lift Running and Repairs and Maintenance	✓	
Strata Company Levy	✓	

“**Rent**” does include GST but does not include the Tenant’s Proportion of rates and taxes and outgoings, as allocated according to the Allocation Table of Rates and Taxes; Outgoings and Operating Expenses.

“**Statute**” includes regulations, ordinances, by-laws and any other delegated legislation.

“**Tenant**” the person or persons described above and (where more than one) each of them jointly and severally and their and each of their respective personal representatives and permitted transferees and assigns (if natural persons) or successors (if corporations) and their permitted assigns.

“**Tenant’s Proportion**” the ratio of the floor area of the Leased Premises to the total lettable floor area of the Building, from time to time. The floor area of the Leased Premises at the beginning of the Commercial Lease will be deemed to be the area of 175 square metres.

“**Term**” the period agreed between the parties and includes any extension or renewal.

2. Interpretation

These rules apply unless they are inconsistent with the context.

- (a) For ease of reference, paragraph headings have been included, but the Commercial Lease is not to be construed or interpreted by reference to them.
- (b) References to the Leased Premises or the Building include references to part of them.
- (c) References to corporations include natural persons and vice versa.
- (d) References in the singular number include the plural number and vice versa.
- (e) References to any gender include any other gender.
- (f) If the Landlord and the Tenant comprises more than one person, their liabilities under the Commercial Lease are joint and several.
- (g) References to statutes in general or to any particular statute, shall include:
 - i) amendments, consolidations or replacements of them or it; and
 - ii) proclamations, rules, regulations, orders and notices issued under them or it.

3. Notification and Service

- (a) Where the Commercial Lease provides that one party is to notify the other, any notice may be served by any of the following methods:
 - i) by personal delivery to the person to be served;
 - ii) by prepaid post to the person to be served:
 - a) addressed to the Premises, in the case of the Tenant;
addressed to the person's last known place of business, in any case;
 - b) addressed to the registered office or principal place of business or in the care of the managing director, the general manager, the principal administrative officer or at least two directors, in the case of a corporation; or
 - iii) addressed to the person's last known place of residence, in the case of a natural person;
 - iv) by being left with any employee of the person to be served who is apparently over the age of 16;
 - v) by being left with any member of the family of the person to be served who is apparently over the age of 16; or
 - vi) by any other method authorised by law.
- (b) Anything sent by post will be deemed to have been received in the ordinary course of post,

whether or not it is in fact received by the person to be served.

(c) Where persons having the same interest in respect of the subject matter of the Commercial Lease are to notify any other party or are to be notified, notification to or by any one of them is sufficient notification to or by all of them.

4. Exclusion of statutory provisions

No statutory provisions apply to the Commercial Lease, unless the relevant statute provides that certain provisions apply and cannot be excluded by agreement.

PART B - THE SUBJECT MATTER AND TERM OF THIS LEASE

5. Lease Date Details

The Term of the Commercial Lease shall be for the period stated below:

(a) Start Date: 01-March-2015

(b) Finish Date: 01-March-2020

(c) Option for renewal: The Landlord offers a renewal of this Lease to the Tenants on the terms and conditions specified in this clause.

(i) Conditions for exercise the option

The Tenant may only accept this offer and exercise the option if:

- there are no breaches of any lease covenants by the Tenant at the date of serving notice of exercise of this option and also at the date of expiry of the Lease; and

-the Tenant shall have served on the Landlord notice of exercise of this option no later than 3 months before the date of expiry of the terms of this Lease.

(ii) Conditions of renewal

The renewal which the Tenant may accept under this clause is for the renewal of the Commercial Lease for two term(s) of 5 Years each, from the day after the 01-March-2020, containing identical covenants to the covenants of this Lease (except this clause)

- at a rent increase, if at all, which shall be determined in accordance with market rent & inflation adjustment which ever is higher but which is not less than the rent payable under this Lease immediately before the expiration of the term of this Lease.

6. Grant of Commercial Lease and term

Flexile Holdings Pty Ltd (009250515) and Wayne Andrew Ottey and Sandra Kay Ottey grant to Taxation and Accounting Services Pty Ltd (087397493) the rights:

- i) to possess and use the Leased Premises;
- ii) to use the Common Areas in common with the Landlord and all persons authorised by them;
and
- iii) to possess and use all fittings and accessories, but only in conjunction with the use of the Leased Premises,

for the period from 01-March-2015 until termination by either party or expiration in accordance with the provisions of this Commercial Lease.

7. Holding over

If the Tenant remains in occupation of the Leased Premises after the end of the Commercial Lease with the consent of the Landlord, they do so as a Tenant from month to month. The terms of the Commercial Lease will apply to the tenancy as far as they may be applicable. Either the Landlord or the Tenant may terminate the tenancy by 31 days notification to the other, expiring at any time.

8. Lease binds successors

The Commercial Lease will apply to the Landlord's and the Tenant's executors, administrators and assigns or, in the case of a corporation, to its successors and assigns, as if they were parties to it.

PART C - TENANT'S FINANCIAL OBLIGATIONS

9. Rent Details

(a) In return for the right to possess and use the Leased Premises and the fittings and accessories, the Tenant is to pay to the Landlord the Rent:

- i) Monthly: the amount of \$3,359.05. The amount is inclusive of GST.
- ii) This Rent to be paid in advance beginning 01-March-2015.
- iii) The other amounts referred to in the Allocation Table in the Definition Section under Rates and Taxes.

(b) The Tenant is to pay those amounts whether demanded or not, free of exchange and without any deductions whatsoever.

10. Indexation and Review of Rent

The Rent shall be reviewed and increased on the yearly anniversary of the Start Date by the inflation rate ("Formula Method").

(a) The 'Formula Method' is according to the formula:

$$SA/B \times C = \text{Reviewed Rent}$$

Where

- A. equals the Rent payable by the Tenant immediately before the relevant Rent Review Date;
- B. equals the Consumer Price Index published for the quarter immediately preceding the commencement date of the Lease or for the quarter immediately preceding the previous Rent Review Date (whichever is the most recent); and
- C. equals the Consumer Price Index published for the quarter immediately preceding the relevant Rent Review Date.

"Consumer Price Index" is the consumer price index compiled by the Australian Bureau of Statistics for all Capital Cities. (All Groups) or any substitute index accepted by the Government of the Commonwealth of Australia. If the index number base adopted by the Commonwealth Statistician for the index number is updated the index number shall be appropriately adjusted from the same date. If the Consumer Price Index or the index number is discontinued or suspended or (in the opinion of the Landlord) substantially altered, an alternative method of computing changes in the costs of living shall be substituted. This will be the method agreed in writing between the Landlord and the Tenant within fourteen (14) days after written notice by the Landlord to the Tenant.

- (b) The Landlord and the Tenant agree that the Reviewed Rent shall not be less than the Rent payable immediately before the Rent Review Date,
- (c) All costs incurred in the determination of the Reviewed Rent shall be borne in equal shares by the Landlord and the Tenant.
- (d) The Reviewed Rent shall be payable from the Rent Review Date. The amount of any difference in Rent for the period from the Rent Review Date to the date upon which the next instalment of Rent is payable shall be paid by the Tenant with that instalment.

11. Abatement of rent on damage to Leased Premises

If, at any time during the Commercial Lease:

- i) some natural disaster or other serious event occurs which is beyond the reasonable control of the Tenant;
- ii) as a result, the Leased Premises are destroyed or damaged, wholly or in part, or the usual access to them is obstructed wholly or in part; and
- iii) as a result of the destruction or damage or obstruction of access, the Tenant is not able to conduct its business on the Premises in a reasonable manner;

the Tenant's obligations to pay Rent and to pay the Rates and Taxes according to the Allocation Table will abate to the extent proportional to the effect on the Tenant's business until the Premises or access to the Premises are reconstructed or restored to a condition in which the Tenant is able to conduct its business on the Premises in a reasonable manner.

RATES, TAXES AND OUTGOINGS

12. Payment of Utilities

(a) The Tenant shall promptly pay directly to the supplier concerned (or, if the Landlord so directs, to the Landlord):

- i) all charges for electric light, power or gas used or consumed and rent of electricity and gas meters on the Leased Premises; and
- ii) for all excess water and rent of water meters relating to the Leased Premises and;
- iii) for sewerage, garbage, waste, disposal, telephone and all other utilities and services used in or charged against or in respect of the Leased Premises during the Term including all meter installation costs telephone connection charges and rents.

(b) In default of any such payments the same may be paid by the Landlord at its option and be recoverable from the Tenant as overdue Rent.

13. Payment of Rates and Taxes

(a) The Taxation and Accounting Services Pty Ltd (087397493) shall duly and punctually pay all rates, taxes, charges, duties and impositions according to Allocation Table including:

- i) municipal, local and other rates and charges payable to a local authority
- ii) rates and charges for the supply, reticulation or discharge of water (including excess water), sewerage, drainage and removal of waste;
- iii) land tax or any similar tax, at the rate payable if the land on which the Leased Premises is situated was the only land owned by the Landlord,

levied, assessed or imposed by any competent federal state or local authority separately upon:

- i) the Leased Premises; or
- ii) any part of the Leased Premises; or
- iii) the Land; or
- iv) any business carried on upon the Leased Premises; or
- v) upon the owner or occupier thereof.

(b) If the Leased Premises are not separately rated, taxed, charged or assessed for any such rates

and taxes, the Tenant shall pay to the Landlord on demand for such period as the Leased Premises are not for the time being separately rated, taxed, charged or assessed the same proportion of them as the area of the Leased Premises bears to the total lettable area (as certified by the Landlord) of all the premises comprising the area charged or assessed.

14. Costs of the Lease

The Taxation and Accounting Services Pty Ltd (087397493) shall pay the reasonable costs of the Landlord's solicitors (if any) of and incidental to the instructions of and the preparation, execution and stamping of the Lease in triplicate and all stamp duties.

15. Increase in Insurance Premiums

If by reason of:

- (a) carrying on the trade or business of the Tenant on the Leased Premises; or
- (b) any alteration or addition to the Leased Premises by or at the request of the Tenant;

any premium rate on insurances effected by the Landlord is increased, the Tenant shall pay to the Landlord the amount of the increase.

16. Landlord's Cost of Default Notices

The Tenant shall pay to the Landlord all reasonable costs, charges and expenses (including solicitors' costs and surveyors' fees) for the purpose of, or incidental to, the preparation and service of any notice required to be served under the law of the appropriate Jurisdiction.

17. Interest

If payment of Rent or Variable Outgoings or any other sum due to the Landlord is not made on the due date, the Tenant shall pay interest on the sum due at the rate of Commonwealth Bank of Australia cheque bank rate. This interest shall be computed from the date that the amount due became due and payable and will accrue from day to day and be payable on demand.

18. Tenant to pay costs of preparation of Commercial Lease

The Tenant is to pay the Landlord's reasonable legal and other costs of preparing, stamping and registering the Commercial Lease, including stamp duty and all registration fees.

19. Bond

- (a) On executing the Commercial Lease, the Taxation and Accounting Services Pty Ltd (087397493) must provide \$0.00 being the bond amount ("**Bond Amount**").
- (b) The Landlord is to maintain the Bond Amount in a separate interest-bearing account with a respectable financial institution. Interest earned on the account will become part of the Bond Amount.
- (c) If the Tenant fails to pay rent or other moneys payable under the Commercial Lease or if the Landlord suffers loss or damage because of any other breach of the Commercial Lease by the Tenant, the Landlord

may apply the Bond Amount towards the arrears of rent or other moneys or towards the loss or damage. In doing so, the Landlord will not waive the Tenant's breach and will not waive any other right or remedy arising from the breach.

(d) If the Landlord does apply the Bond Amount it may notify the Tenant that it has done so. Within 14 days of the date of notification, the Tenant must reinstate the Bond Amount by paying to the Landlord the amount applied.

(e) At the end of the Commercial Lease, if the Tenant is not indebted to or otherwise liable to the Landlord for breach of the Commercial Lease, the Landlord will refund to the Tenant the Bond Amount.

(f) If the Landlord transfers its interest in the Building or the Premises, it may assign to the transferee any Bond Amounts it then holds. After doing so and notifying the Tenant of the fact, it will be discharged from all further liability to the Tenant or any other person with respect to the Bond Amount.

PART D – REPAIRS, MAINTENANCE AND ALTERATIONS

CARE OF PREMISES BY THE TENANT

20. Repair and Maintenance by the Tenant

(a) The Tenant shall:

- i) at its own expense;
- ii) throughout the Term and for as long as the Tenant remains in occupation of the Leased Premises;
- iii) when, where and so often as is needed;

maintain, replace, repair and keep:

- i) the Leased Premises;
- ii) every part of them;
- iii) all additions to them;
- iv) all the Landlord's fixtures and the doors, windows, roof and guttering; and
- v) all furnishings, equipment, locks keys and fittings

in good clean and substantial repair and condition (fair wear and tear and damage by fire, storm, earthquake, tempest and Act of God excepted unless by some act or omission or default on the part of the Tenant the Tenant's servants, agents or lawful visitors).

(b) The Tenant shall not do or allow anything which may:

- i) choke or otherwise damage sewerage connections drains and fittings; or

ii) cause loss or damage to the same.

21. Replacement and Repair

The Tenant shall:

- (a) properly maintain any carpet in the Leased Premises during the Term to the reasonable satisfaction of the Landlord;
- (b) from time to time immediately repair and replace all broken glass including exterior windows with glass of the same or some similar quality and all damaged, defective or broken heating, lighting and electrical equipment including any fluorescent tubes installed upon the Leased Premises;
- (c) pay the costs of repairing and making good any damage to the Leased Premises or to any part of them caused by or through the act, neglect, default or omission of the Tenant or the employees, agents, clients, customers, invitees or licensees of the Tenant and indemnify the Landlord against all claims for damage so caused. All repairs will be carried out by the Landlord and (at the Landlord's discretion) under the supervision of an architect nominated by the Landlord.

22. Cleaning of the Premises

(a) The Tenant shall, at its own expense, keep at all times:

- i) the Leased Premises;
- ii) the immediate surroundings;
- iii) all common and service areas used and enjoyed by the Tenant;
- iv) any passageway, emergency exit or right of way immediately adjoining the Leased Premises;

properly cleaned and drained in a sanitary condition to the satisfaction of the Health Department (or other competent authority having control of the same) and free of all vermin and cleared and free of any rubbish obstacle or hazard.

(b) The Tenant shall store all garbage rubbish and refuse in a proper hygienic manner within the Leased Premises and attend to its expeditious disposal and observe any directions given by the Landlord.

(c) The Tenant shall take all reasonable precautions to keep the Leased Premises free of rodents, vermin, insects, pests, birds and animals. If the Tenant fails to do so it will at the request of the Landlord but at the cost of the Tenant employ pest exterminators approved by the Landlord.

23. Indemnity and Nuisance

(a) The Tenant shall:

- i) indemnify and save harmless the Landlord from all loss and damage to the Leased

Premises caused by the negligent use or misuse, waste or abuse of the water, gas or electricity supplied to the Leased Premises or to the Tenant in connection with the Leased Premises or by faulty sanitary, water, gas or electric light fittings or fixtures fixed or installed by or on behalf of the Tenant;

ii) give to the Landlord prompt written notice of any accident to or defects in or want of repair to the water pipes, electric light wiring or fittings or fixtures and of any circumstances likely to be or to cause any danger or risk or hazard to the Leased Premises or any person in them;

iii) (except in the case of the Landlord's own wilful or negligent acts or omissions) indemnify and hold harmless the Landlord from and against all losses, damages, costs, actions, claims, demands, writs, summonses, suits, proceedings, judgments, orders, decrees and expenses which the Landlord may suffer in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon or at the Leased Premises or the use by the Tenant of the Leased Premises or any part of them or to any person or the property of any person using or entering on or near the Leased Premises;

iv) not do or allow to be done on the Leased Premises anything which may be or become a nuisance, damage, annoyance or inconvenience to the Landlord or occupiers of any adjoining or neighbouring premises;

v) not do or leave undone or allow to be done or left undone any act matter or thing amounting to a nuisance (or that any local state federal or other public authority, body or person or within the meaning of any statute regulation or by-law for the time being in force may deem to be a nuisance) and immediately to abate any such nuisance;

(b) The provisions of the previous subclause 23(a) do not oblige the Tenant to indemnify the Landlord in respect of:

i) claims by an employee of the Landlord in respect of which the Landlord is covered under its policy issued pursuant to the Workers Compensation Act where the injury is not due to the negligence of the Tenant or its servants or agents;

ii) claims arising from loss or damage attributable to the defective condition of any property of the Landlord unless that defective condition was created by the Tenant or its servants or agents;

iii) any accident or injury to or death of any person or damage or injury to or loss of the property of any person resulting from any wilful or negligent act of the Landlord or its officers, servants or agents;

iv) claims arising under previous subclause 23(a) to the extent that they are covered by any insurance effected pursuant to Part E, Clause 27 or any other insurance which may be in force at the relevant time.

24. Further Covenants

The Tenant shall:

(a) not hold any auction, fire or bankruptcy sale in the Leased Premises without the previous

written consent of the Landlord;

(b) maintain in good condition and repair at all times any sign, awning, canopy, decoration, lettering, advertising material or other thing erected on or about the Leased Premises by the Tenant or permitted by the Landlord;

(c) not install any electrical equipment on the Leased Premises that would or might overload the cables, switchboards or sub-boards through which electricity is conveyed to the Leased Premises without obtaining the previous written consent of the Landlord;

(d) provide and maintain any additional drains and drainage equipment which in the opinion of the relevant authority is necessary for the Leased Premises having regard to the use for which the Leased Premises are put by the Tenant;

(e) at all times comply with and observe the reasonable requirements of the Landlord in regard to any air conditioning plant installed in the Leased Premises and not to do or allow to be done anything which might interfere with or impair the efficient operation of the air conditioning plant.

25. Compliance with Requisitions of Authorities

(a) Subject to the next subclause, the Tenant shall:

i) construct such works;

ii) make such amendments and alterations to the Leased Premises; and

iii) perform and do such acts and things as are at any time or times during the Term required by any order or requisition whether addressed to tenant, occupier or owner under or in pursuance of the required legislation in the Jurisdiction.

(b) The Tenant shall not be liable for structural alterations or additions unless required by reason of the nature of the business conducted by the Tenant on the Leased Premises. If a dispute arises whether any work is of a structural nature it shall be determined by an architect or structural engineer:

i) who shall be nominated by the Landlord;

ii) who shall act as an expert and not as an arbitrator; and

iii) whose fees shall be paid by the party against whom the decision is made.

(c) The Tenant shall not be liable to carry out any alteration, modification, coating, sealing or other treatment to the roof of the Leased Premises and/or such other areas of the Leased Premises that contain asbestos and/or asbestos fibres (if any).

26. Landlord's Power to View and Repair

(a) At all reasonable times, the Landlord or its agents may enter the Leased Premises and view the repair and cleanliness of the Leased Premises and of the Landlord's fittings and accessories and services. The Landlord may notify the Tenant of any defects and require it to remedy them in

accordance with the provisions of the Commercial Lease within a reasonable time. The Landlord or its agents will conduct an inspection if and when required.

(b) Further, the Tenant shall allow the Landlord and the agents of the Landlord (with or without workmen and equipment where necessary) to enter the Leased Premises at all reasonable times without previous notice and without any abatement of Rent or payment of compensation to the Tenant:

- i) to erect, make, excavate, lay or install in or over or under the Leased Premises any posts, drains, pipes, conduits, cables, wires or other things necessary for any existing or future service to the Leased Premises and to enter the Leased Premises for the purpose of inspecting, removing, maintaining, altering or adding to any such things relating to an existing service to the Leased Premises;
- ii) to examine the state of repair and condition of the Leased Premises and of any want or repair or other defect;
- iii) to give the Tenant or leave for the Tenant at the Leased Premises notice in writing to repair in accordance with the covenants of the Tenant in this Lease and the Tenant shall within one (1) month from the service of such notice (or sooner if requisite) repair and make good the same according to such notice;
- iv) if the Tenant fails to comply with any such notice, to enter the Leased Premises and make and effect repairs, amendments and other acts the subject of the notice;
- v) to execute on the Leased Premises any works which by law the Landlord is bound and has been required to execute or which the Landlord is authorised by this Lease to carry out or do;
- vi) to repair any part of the adjoining property (if any) belonging to the Landlord or any part of the Building;
- vii) to construct, erect, lay down, alter, repair, cleanse or maintain any drain, ventilator, shaft, water pipe, electric wires or gas pipes in connection with or for the accommodation of any adjoining property or any other part of the Building;
- viii) to underpin in connection with or for the accommodation of any adjoining property or any other part of the Building;
- ix) to carry out any repairs which in the reasonable opinion of the Landlord are of an emergency nature.

(c) In exercising its rights under this Clause, the Landlord shall cause as little inconvenience and damage to the Tenant as is practicable in the circumstances.

PART E – INSURANCE

27. Tenant to Ensure

(a) The Tenant shall at its own expense in all respects effect and keep in force such policies of

insurance as may be specified in the Allocation Table in the Definitions section:

- i) in the names of such of the Tenant and the Landlord and any Mortgagee of the Land as may be applicable for their respective rights and interests; but
- ii) not providing the same cover as insurance effected by the Landlord (as it in its absolute discretion may determine).

(b) The Tenant shall if required by the Landlord produce to the Landlord a copy of any policy of insurance so effected and a current certificate of renewal in respect thereof.

(c) Without prejudice to the covenants to repair in this Lease the Tenant shall immediately expend all moneys received by virtue of such insurance in repairing and reinstating damage to or destruction of any plate glass covered by such insurance and shall make up any deficiency out of its own money.

(d) The Tenant shall pay to the Landlord or as directed by the Landlord from time to time on demand the amount of all premiums paid by the Landlord in respect of any insurances effected by it for the purposes of this Commercial Lease.

28. Increase in Premiums

(a) The Tenant shall not without the written consent of the Landlord allow any act, matter or thing upon the Leased Premises that increases the rate of premium under any policy of insurance taken out by the Landlord. If the Tenant fails to comply with this obligation, it shall pay the amount of any increased premium to the Landlord upon demand.

(b) The Tenant shall not be:

- i) prejudiced;
- ii) affected in any way; or
- iii) suffer any increased liability pursuant to any provision of this Lease involving conditions of insurance taken out by the Landlord

unless the Tenant shall have received notice in writing before an act or default that it shall give rise to avoidance or invalidation of a policy of insurance taken out by the Landlord or to the withholding of any payment by the insurer or to the increase in premium payable, unless the Tenant shall have specifically covenanted not to perform such an act or make such a default.

29. Avoidance of Landlord's Policy

The Tenant shall at all times in its use of the Leased Premises comply with the requirements of the relevant authorities and all laws and regulations for the time being relating to fires and the provisions of any and every relevant statute regulation and ordinance. If the Tenant shall allow any act, matter or thing that invalidates any policy of insurance taken out by or effected for the benefit of the Landlord then the Tenant shall be responsible for any damage or loss which the Landlord may suffer or incur as a result.

30. Loss of Rent Insurance

The Tenant shall pay to the Landlord on demand the amount of all premiums and other charges payable by the Landlord to effect and maintain a policy of insurance for loss of rentals in respect of the Leased Premises. The Landlord may at its absolute discretion elect to effect and maintain such insurance for such amount of loss of rent cover as it shall reasonably consider appropriate.

31. Tenant's Risk

The Tenant shall occupy the Leased Premises and use the Leased Premises at the Tenant's own risk.

32. Payment of Premiums and Production of Policies

The Tenant will pay to the appropriate insurer not less than seven (7) days before the date specified by it for payment, all premiums as and when due on all insurance policies to be taken out by the Tenant pursuant to the provisions of this Lease. If the Tenant fails to make such payments then the Landlord may pay the same and recover all moneys so expended from the Tenant together with interest as provided in this Lease.

PART F - DEALINGS WITH THE TENANT'S INTEREST - ASSIGNMENT AND SUBLETTING

33. Assignment and Sub-letting

(a) The Tenant shall not without the previous consent in writing of the Landlord:

- i) assign, transfer, mortgage, charge or sublet the Leased Premises, or any part of them; or
- ii) by any act or deed procure, allow or permit (either voluntarily or involuntarily) the Leased Premises, or any part of them, to be assigned, transferred, mortgaged, charged or sublet, or the possession of them parted with for all or any part of the Term.

(b) Subject to the provisions of this Clause and any relevant commercial tenancy legislation in any relevant Jurisdiction, if the Tenant wishes to assign the whole of the Leased Premises and the benefit of this Lease or sublet part of the Leased Premises upon terms not inconsistent with any of the terms or conditions of this Lease, to a proposed assignee or sub-tenant who is solvent, responsible and respectable and of high financial standing (the onus of proof of this being on the Tenant) the Landlord shall not unreasonably withhold its consent to such assignment or subletting if:

- i) the Tenant procures the execution by such assignee of an assignment or transfer of these presents, or a sub-lease to which the Landlord is a party in such form and upon such terms as the Landlord shall require;
- ii) all Rent and other payments then due or payable by the Tenant pursuant to the Lease shall have been paid;
- iii) there shall not be any existing unremedied breach of the covenants conditions and

agreements in this Lease and breaches which have been waived by the Landlord shall not be deemed to have been unremedied breaches for the purpose of this sub-Clause;

iv) the Tenant at the Tenant's expense shall have withdrawn any subject to claim caveat lodged by the Tenant against the Land or any part thereof;

v) such assignment or transfer contains a covenant by the assignee with the Landlord that the assignee will at all times during the continuance of the Term duly pay the Rent and other moneys and perform and observe all the covenants conditions and agreements of the Lease on the part of the Tenant;

vi) such assignment or sub-lease is approved by the Solicitors of the Landlord at the reasonable cost and expense in all respects of the Tenant;

vii) the Tenant has paid to the Landlord all proper costs charges and expenses incurred by the Landlord of and incidental to any enquiries which may be made by or on behalf of the Landlord as to the responsibility, solvency, fitness and suitability of any proposed assignee or sub-tenant;

viii) the Tenant or the proposed assignee or sub-tenant has paid to the managing agent its fees for arranging the assignment or sub-letting as the case may be. The fees so payable to the Managing Agent shall not exceed those prescribed by the regulations of the legislation in the relevant Jurisdiction. as amended.

(c) The covenants and agreements on the part of any such assignee or sub-tenant shall be deemed to be supplementary to these presents and shall not in any way relieve or be deemed to relieve the Tenant from its liability.

(d) Where the proposed assignee or sub-tenant is a proprietary company the Landlord may as a condition of its consent to the assignment or sublease require that the covenants by the assignee or sub-tenant shall be guaranteed by the directors and/or principal shareholders of such company. This does not apply to a related company of the Tenant within the meaning of "related company" as defined in the *Corporations Act 2001*.

(e) Any change in the principal shareholding altering the effective control of the Tenant (if a proprietary company) shall be deemed an assignment of this Lease and will require the consent of the Landlord as aforesaid.

PART G – LANDLORD'S COVENANTS, OBLIGATIONS AND RIGHTS

LANDLORD'S COVENANTS

34. Landlord's Covenants

The Landlord (so as to bind the Leased Premises and their proprietor for the time being but not make itself personally liable except for its own acts and defaults or the acts of its servants or agents while it is the registered proprietor) agrees with the Tenant:

- (a) that the Tenant duly paying the Rent and performing and observing the terms, covenants and conditions of this Lease may peaceably and quietly hold and enjoy the Leased Premises during the Term without any interruption by the Landlord or by any person or persons rightfully claiming under or in trust for the Landlord;
- (b) that the Landlord shall pay all outgoings not payable by the Tenant pursuant to the terms of this Lease;
- (c) that the Landlord shall maintain the Leased Premises and Building of which the Leased Premises form part in a sound structural condition and shall repair all items of damage in respect of the Leased Premises which are not specifically the responsibility of the Tenant to repair under this Commercial Lease;
- (d) that the Landlord shall at all times during the Term keep the Common Areas in a good and suitable state of repair and shall use its best endeavours to maintain in proper working condition all mechanical installations and services provided by the Landlord or connected by the Landlord to the Leased Premises. The Landlord shall not be responsible or liable to the Tenant for any loss or damage suffered by the Tenant as a result of any breakdown of or defect in any matter or thing beyond the reasonable control of the Landlord;
- (e) that the Landlord shall at its own expense promptly comply with and observe all notices and requirements of any statutory public local or other competent authority with respect to the Land and/or the Leased Premises whether involving structural alterations or not except such as may be served on the Landlord arising out of or in the course of the Tenant's occupation and/or use of the Leased Premises.

LANDLORD'S RIGHTS

35. Remove Chattels

The Landlord may after re-entry remove from the Leased Premises any items belonging to the Tenant and store them at the cost of and for the account of the Tenant without being deemed liable in conversion or becoming liable for any loss or damage occasioned.

36. Negation of Warranty

The Landlord does not expressly or impliedly warrant that the Leased Premises are now or will remain suitable or adequate for all or any of the purposes of the Tenant. Any warranties as to suitability and adequateness of the Leased Premises implied by law are expressly negated.

37. Alterations or Additions

The Landlord reserves the right to add on or to alter the Leased Premises. The Tenant agrees that the Landlord shall be at liberty to do so provided that:

- (a) such alterations or additions are carried out with reasonable dispatch; and
- (b) the Leased Premises to be made available to the Tenant for the balance of the Term shall be of comparable size and situation to the Leased Premises.

38. Landlord not Liable for Damage to Stock

If merchandise goods or property of any kind which may be in the Leased Premises during the Term shall be injured destroyed or damaged by water, heat, fire, vermin or in any other way, no part of the loss or damage occasioned shall be borne by the Landlord.

39. Landlord not Liable for Interruption of Services

(a) Despite any implication or rule of law to the contrary, the Landlord shall not (except for any wilful or negligent acts of the Landlord or its officers servants or agents) be liable to the Tenant for any loss or damage suffered by the Tenant through:

i) any malfunction, failure to function or interruption of or to the water, gas or electricity services, the air-conditioning, equipment, fire equipment or any of the appurtenances contained in the Leased Premises; or

ii) the blockage of any sewers, water, drains, gutters, downpipes or storm water drains from any cause.

(b) The Tenant shall not be entitled to terminate this Lease for any such reason nor have any right of action or claim for compensation or damages against the Landlord in respect of such failure.

40. Landlord may make regulations for common areas

The Landlord may make reasonable rules and regulations for the control and management of the common areas and may alter them from time to time. The Tenant is to comply with any rules and regulations which are currently in force.

PART H – DEFAULT AND TERMINATION

41. Default

(a) Essential Terms

i) The following obligations of the Tenant are essential terms of this Lease

a) the obligations to pay Rent; and

b) the obligations under the Allocation Table of Rates and Taxes; Outgoings and Operating Expenses,

ii) This Clause does not prevent any other obligation under this Lease from being an essential term.

(b) Events of Default

An event of default occurs if:

i) the Tenant repudiates or commits a fundamental breach of this Lease;

- ii) the Rent is at any time unpaid for seven (7) days after becoming due, whether formally demanded or not;
- iii) the Tenant does not comply with any of its other obligations under this Lease, whether or not an essential term;
- iv) a judgment, order or an encumbrance is enforced, or becomes enforceable against the Tenant's interest in this Commercial Lease, the Tenant's Property or any other property used in connection with the Tenant's Business; or
- v) an insolvency event occurs in respect of the Tenant.

(c) Landlord's Right to Terminate After Default

The Landlord may terminate this Commercial Lease, after a default by the Tenant in accordance with the previous subclause (b) and continuance of the default, after the Landlord shall have served a legally effective notice of breach of covenant (if required) by:

- i) re-entering and taking possession of the Leased Premises, using reasonable force to secure possession;
- ii) serving on the Tenant written notice terminating this Lease;
- iii) instituting proceedings for possession against the Tenant;
- iv) taking the actions in both (a) and (b) or in (b) and (c).

(d) Indemnities

The Tenant indemnifies the Landlord against any loss, liability, costs or expense incurred or suffered by the Landlord arising from or in connection with:

- i) the occurrence of an Event of Default; or
- ii) if this Lease is terminated by the Landlord for any reason or on any ground:
 - a) the Landlord re-entering the Premises;
 - b) the Landlord not receiving the benefit of the Tenant fully and duly performing its obligations under this Lease from the date of that termination until the expiration of the Term; and
 - c) anything else relating to that termination, including the Landlord attempting to mitigate its loss,

including in each case, legal costs and expenses relating to any of those matters.

(e) Calculation of Benefit of Tenant Performing Obligations

The benefit of the Tenant performing its obligations referred to in subclause (d) must be calculated

on the assumption that this Lease continues in force until the expiration of the Term and taking into account the provisions in this Lease relating to Rent and the payment of Rates and Taxes and other outgoings (or any variation of them).

(f) Certain Acts Not To Affect Indemnities

The indemnities under subclause (d) are not affected by:

- i) the Landlord re-entering the Premises or otherwise terminating this Lease;
- ii) the Landlord accepting a repudiation of this Lease by the Tenant;
- iii) the Tenant vacating or abandoning the Premises; or
- iv) the conduct of either party constituting a surrender by operation of law.

(g) Interest on Overdue Money

The Tenant must pay interest on any amount payable by it under this Lease from when the amount becomes due for payment until it is paid. The interest must be paid on demand or at times notified by the Landlord, and must be calculated on daily balances. Interest which is not paid when due for payment may be capitalised by the Landlord on the first day of each month. Interest is payable on capitalised interest at the rate and in the manner specified in this subclause (g) and clause 17.

(h) Acceptance of Rent or Mitigation

The acceptance of Rent or other money under this Lease or an attempt by the Landlord to mitigate its loss is not:

- i) a waiver of a preceding breach by the Tenant of its obligations under this Lease;
- ii) an acceptance of a repudiation of this Lease by the Tenant; or
- iii) a surrender by operation of law.

TENANT'S OBLIGATIONS ON TERMINATION

42. Tenant's Obligation on Termination

(a) Tenant to Vacate

The Tenant must vacate the Premises and remove the Tenant's Property on the termination of this Lease except that when the termination is prior to the expiration of the Term, the Tenant must remove the Tenant's Property within 3 days after the termination.

(b) Removal of Tenant's Property

- i) If the Tenant does not comply with the previous subclause (a), then the Landlord may remove the Tenant's Property from the Premises and either store it at the risk and cost of the Tenant or treat the Tenant's Property as abandoned and deal with it in any manner the

Landlord sees fit.

ii) The Tenant's Property remains at the Tenant's risk at all times before and after the expiration or earlier termination of this Lease.

iii) The Tenant indemnifies the Landlord against any loss, liability, cost or expense incurred or suffered by the Landlord, or any employee, officer or agent of the Landlord arising from or in connection with the Landlord acting under this Clause, or damage caused to the Premises by the removal of the Tenant's Property.

(c) Condition of the Premises

When the Tenant vacates the Premises:

i) the Tenant must leave the Premises in good repair and condition and in a good state of decoration taking into account the obligations of the Tenant under this Lease; and

ii) the Tenant must have made good any damage to the Premises caused or contributed to by the Tenant or any of the Tenant's Employees, Agents or Customers.

(d) Reinstatement

If the Tenant makes any alterations or additions to the Premises (whether or not the Landlord has consented to them) and the Landlord so requires, the Tenant must reinstate the Premises before the expiration or earlier termination of this Lease so that the Premises are returned to the condition they were in before the alteration or addition was made.

(e) Compensation

If the Tenant does not perform its obligations under this subclause (a), then the Tenant must pay to the Landlord on demand and the Landlord may recover from the Tenant by way of liquidated damages an amount equal to 1/365th of the Rent, Rates and Taxes and other outgoings payable by the Tenant for each day from the termination of this Lease to the date on which the Tenant's obligations under this Clause are performed. Any action by the Landlord under this Clause is without prejudice to any other remedy of the Landlord.

DAMAGE TO THE BUILDING OR PREMISES

43. Damage to the Building or Premises

(a) Procedure Following Damage

If:

i) the Building is damaged so that, in the reasonable opinion of the Landlord, it is necessary for the Building to be demolished; or

ii) the Building is so damaged that the whole or a substantial part becomes unfit for use by the Tenant,
then the Landlord must give a notice to the Tenant within 6 months after the damage occurs which either:

iii) if Clause 43(a)(i) or Clause 43(a)(ii) applies, terminates this Lease on a date that is not less than one month after the date the Tenant receives the notice but not more than 7 months after the damage occurred; or

iv) if Clause 43(a)(ii) applies, informs the Tenant of the Landlord's intention to make the Premises fit for use by the Tenant.

(b) Termination by Tenant

i) If the Landlord gives a notice under Clause 43(a)(iv) and does not make the Premises fit for use by the Tenant within 12 months of the date of the Landlord's notice then the Tenant may give a notice of intention to terminate this Lease if the Landlord does not make the Premises fit for use by the Tenant within one month after the date it receives the Tenant's notice. If the Landlord does not comply with the Tenant's notice under this Clause, the Tenant may terminate this Lease by notice to the Landlord.

ii) If the Landlord does not give either notice under Clause this Lease will terminate at the end of the 6 months referred to in Clause 43(a).

(c) Reduction of Rent

i) If the Building is damaged so that the whole or a substantial part is unfit for use by the Tenant, then from the date the damage occurs until the earlier of the termination of this Lease under any of the provisions of this Clause 43 or the Building is again made fit for use by the Tenant, the Tenant may reduce payments of Rent by a percentage equal to the percentage loss of amenity to the Premises caused by the damage. The extent of the loss of amenity must be agreed between the Landlord and the Tenant, or, if agreement is not reached within one month after the damage occurs, determined under Clause 43(b)(ii).

ii) A dispute arising under Clause 43(b)(i) as to the loss of amenity must be determined by a qualified person nominated by the President for the time being of the Insurance Council of Australia Limited. Either the Landlord or the Tenant may ask the President to nominate that person, who must act as an expert and not an arbitrator.

iii) If Clause 43(b)(ii) applies, then the Tenant must continue making payments of Rent by reference to the Rent payable immediately before the damage occurred until the amount of the reduction is agreed or determined under Clause 43(b)(ii). Immediately afterwards, an adjustment must be made for any amount overpaid.

(d) Tenant Voids Insurance

The Tenant's rights to terminate the Lease under Clause 43(b) or to a reduction of Rent under Clause 43(c) do not apply if, as a result of some act or omission of the Tenant or the Tenant's Employees, Agents and Customers, a policy of insurance in connection with the Premises is prejudiced or made void or payment of policy money is refused by the insurer, or for any other reason the Landlord does not receive the insurance proceeds.

(e) Generally

This Clause 43 does not:

i) affect any other rights the Landlord may have as a result of the events specified in this Clause 43; or

ii) impose an obligation on the Landlord to restore or reinstate the Building or the Premises.

(f) Insurance Proceeds

If this Lease is terminated under Clauses 43(a) or 43(b) and the Landlord does not elect to re-instate the Building under Clause 43(a), the available proceeds from all relevant insurances in connection with the Premises will be paid to the Landlord for its absolute use. If the Landlord elects to reinstate the Building under Clause 43(a), the insurance proceeds will be used by the Landlord on that reinstatement.

PART I – TRUST WARRANTIES

44. Tenant's Capacity

Where the Tenant acts as trustee of the Trust, the tenant enters into this Lease as trustee of the Trust, and it does so both for itself and as trustee of the Trust, and in this Lease each reference to the Tenant is a reference to it in each capacity.

45. Tenant's Warranties

The Tenant warrants to the Landlord that:

- (a) the Tenant is the only trustee of the Trust;
- (b) the Trust is lawfully and validly constituted and the copies of the trust documents and instruments relating to the Trust produced to the Landlord disclose all the terms of the Trust;
- (c) the Trust is and throughout this Lease will remain unrevoked and not varied;
- (d) the Tenant has power under the trust deed to enter into and observe its obligations under this Lease and the Tenant has entered into this Lease in its capacity as trustee of the Trust and for the benefit of the beneficiaries of the Trust;
- (e) it has a right to be fully indemnified out of the trust fund in respect of obligations incurred by it under this Lease;
- (f) the assets of the Trust will at all times be sufficient to satisfy that right of indemnity and all other obligations in respect of which the Tenant has a right to be indemnified out of the assets of the Trust;
- (g) the consents or approvals of all parties necessary to execute this Lease so as to bind the property of the Trust have been obtained and all necessary conditions precedent for that purpose have been met;

(h) that no one has taken or threatened, nor is the Tenant aware of any one who is likely, to take action to have the Trust wound-up or otherwise administered by action brought in any court of competent jurisdiction or to charge the Tenant or any other person at any time connected with the Tenant or acting on behalf of the Tenant with any breach of trust or misappropriation of trust moneys in connection with the Trust;

(i) the Landlord's rights under this Lease rank in priority to the interests of the beneficiaries of the Trust;

(j) the Tenant has complied with its obligations in connection with the Trust; and

(k) that no facts are known to the Tenant where the Trust might be wound-up voluntarily or otherwise or the trustee changed or the assets of the Trust vested in any other person or that the Trust may cease to operate or be deprived of funds prior to expiration of the Term.

PART J - MISCELLANEOUS

46. Miscellaneous

(a) Waiver and Variation

A provision of or a right created under this Lease may not be waived except in writing signed by the party to be bound, or varied except in writing signed by the Landlord and the Tenant.

(b) Approvals and Consents

The Landlord may, whenever its approval or consent is required under this Lease, give it conditionally or unconditionally or withhold it, unless this Lease specifies otherwise.

(c) Remedies Cumulative

The rights, powers and remedies provided in this Lease are cumulative with and not exclusive of the rights, powers or remedies provided by law independently of this Lease.

(d) Set-Off

At its sole discretion, the Landlord may apply, without notice, any funds held by the Landlord on account of the Tenant towards satisfaction of any amount then payable by the Tenant to the Landlord under this Lease.

(e) Further Assurances

If requested by the Landlord, the Tenant must execute and cause its successors to execute documents and do everything else necessary or appropriate to bind the Tenant and its successors under this Lease.

(f) Accrued Rights

The expiration or earlier termination of this Lease does not affect the rights of either the Landlord or the Tenant in relation to a breach of this Lease by the other before the expiration or termination.

(g) Severance

If any Clause in this Lease or its application to any person or circumstance is or becomes invalid or unenforceable, then the remaining Clauses of this Lease will not be affected and each remaining Clause will be valid and enforceable to the fullest extent permitted by law.

(h) Supervening Legislation

Any present or future legislation which operates to vary the obligations of the Tenant in connection with this Lease with the result that the Landlord's rights, powers or remedies are adversely affected (including by way of delay or postponement) is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

(i) Premises owned by a self-managed superannuation fund

If the Premises are owned by a self-managed superannuation fund then this Commercial Lease is to be read down and construed so that the Commercial Lease complies with the *Superannuation Industry (Supervision) Act 1993* and related legislation.

(j) Mandatory requirement

Subject to the preceding subclause, if there is a mandatory requirement set out in any legislation in relation to this Commercial Lease that must be complied with, then this Commercial Lease is construed in compliance with this requirement.

(k) Payments

With respect to payments to be made under this Lease:

- i) the Tenant must make payments without deduction, set off or counterclaim; and
- ii) the Landlord need not make demand for payment of any amount required to be paid by the Tenant unless a demand is expressly required.

(l) Counterparts

This Lease may consist of separate counterparts and the counterparts taken together constitute one and the same instrument.

(m) Tax Invoice

In respect of each payment by the Tenant under Clause 18, the Landlord agrees to deliver to the Tenant, as required under the *GST Act*, Tax Invoices in a form which complies with the *GST Act* and the regulations, to enable the Tenant to claim input tax credits in respect of the taxable supply.

(n) Governing Law / Jurisdiction

i) The Agreement is governed by and construed according to the law for the time being in force in WA. The Parties by agreeing to enter in this Agreement are deemed to have submitted to the non-exclusive jurisdiction of the courts of that State or Territory.

ii) The Landlord and the Tenant shall do all things necessary to comply with any legislation in force in the Jurisdiction that applies to the Land / Premises and do all things that may be required by any statutory authority in that Jurisdiction.

47. Reading down

(a) This Lease must be interpreted so that it complies with all laws applicable in the Jurisdiction.

(b) If any provision of this Commercial Lease does not comply with any law, then the provision must be read down so as to give it as much effect as possible. If it is not possible to give the provision any effect at all, then it must be severed from the rest of the Commercial Lease to the extent required to give the Lease legal effect.

(c) If any Clause or part of a Clause of this Commercial Lease is determined to be unenforceable, then it will not be considered part of the Commercial Lease but that severance will not affect the validity of the remainder of this Commercial Lease.

48. Goods and Services Tax

(a) In this Clause terms have the following meanings:

"GST" a goods and services tax or any similar tax, impost or duty introduced by the Commonwealth of Australia in the *"A New Tax System (Goods and Services Tax) Act 1999"* which is or may be levied or becomes payable in connection with the supply of the Leased Premises or any goods, services or other things acquired, provided or paid for by the Landlord in connection with this Lease;

"the Act" all acts, statutes or other laws implementing the GST including all amendments;

"Lease Payments" the Rent, Variable Outgoings and any other consideration (whether or not in money) to be paid or provided by the Tenant for any supply or use of goods and services provided by the Landlord under this Lease (other than tax payable under **this Clause**);

(b) If any of the expressions **"Goods"**, **"Services"**, **"Tax Invoice"** and **"Taxable Supply"** are defined in the Act, they will have the same meaning assigned to them by the Act.

(c) Unless otherwise expressly stated, all Rent Outgoings, prices and other sums payable or consideration to be provided under or in accordance with this Lease are inclusive of GST.

(d) Despite any other provision contained in this Lease to the contrary:

i) the Landlord can either require the Tenant to pay or may recover from the Tenant, in addition to the Lease Payments, the amount of any GST which is chargeable on any Lease Payments or Taxable Supply under or in connection with this Lease;

ii) unless the Landlord, in its absolute discretion otherwise directs (which direction the Tenant must promptly observe), the Tenant must pay the amount payable by it under **this Clause** on the date on which the Lease Payments or the relevant portion thereof is payable;

iii) if the Landlord defaults in payment on the due date of any amount payable under the preceding Clause, then, without prejudice to the Landlord's other rights and remedies, the Tenant must pay to the Landlord upon demand an amount equal to the amount of any additional tax, fine or penalty that has become chargeable or payable under the Act plus an amount sufficient to provide for any further GST chargeable on such payment;

iv) as between the Landlord and the Tenant, the Landlord is not obliged to pay for any GST or additional tax, fine or penalty or to take any other steps to minimise the same until the corresponding payment is received from the Tenant.

(e) If a GST inclusive price is charged, the Landlord must provide the Tenant a valid Tax Invoice at or before the time of payment:

(f) If:

i) this Lease may be zero rated under the Act for any period; and

ii) the Landlord so decides in its absolute discretion

the parties will do all things necessary (including the making of any elections required under the Act) to ensure that this Lease is zero rated for the maximum period allowed.

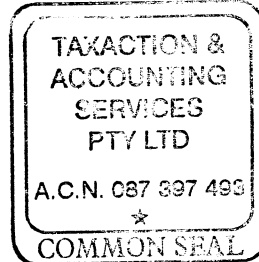
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Signed as an Agreement:

Dated on 26th day of February, 2015

Tenant

The Common Seal of Taxaction and Accounting Services Pty Ltd (087397493) was affixed by the authority of the Director(s) below or if no common seal signed by the Director(s) below:



Wally

1st Director's signature

Wally

2nd Director's or Company Secretary's signature (if applicable)

1st Director's Name
(please print)

2nd Director's or Company Secretary's name (please print)

Landlord(s)

The Common Seal of Flexile Holdings Pty Ltd (009250515) was affixed by the authority of the Director(s) below or if no common seal signed by the Director(s) below:



R Ottey

1st Director's signature

Neil W. Ottey

2nd Director's or Company Secretary's signature (if applicable)

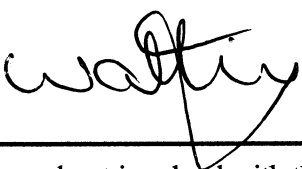
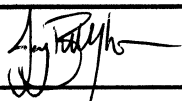
ROBYN E. E. OTTEY

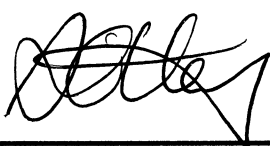

1st Director's Name
(please print)

NEIL W. OTTEY

2nd Director's or Company Secretary's name (please print)

Landlord(s)

SIGNED by Wayne Andrew Ottey (where the person is a company then signed by an authorised person of the company)	<input checked="" type="checkbox"/> 
in front of the person below being over 18 years of age and not involved with the contents of this document or related to any of the parties to this document	
Witness signature: (Australian citizen)	<input checked="" type="checkbox"/> 
Witness name: (please print)	<input checked="" type="checkbox"/> Jay Bullingham
Witness address:	<input checked="" type="checkbox"/> 30 Tranquility Crescent Aveley
Witness occupation:	<input checked="" type="checkbox"/> Civil Draftsperson

SIGNED by Sandra Kay Ottey (where the person is a company then signed by an authorised person of the company)	<input checked="" type="checkbox"/> 
in front of the person below being over 18 years of age and not involved with the contents of this document or related to any of the parties to this document	
Witness signature: (Australian citizen)	<input checked="" type="checkbox"/> 
Witness name: (please print)	<input checked="" type="checkbox"/> Jay Bullingham
Witness address:	<input checked="" type="checkbox"/> 30 Tranquility crescent Aveley
Witness occupation:	<input checked="" type="checkbox"/> Civil Draftsperson