Queensland Law Society

REIQ
REAL ESTATE INSTITUTE QUEENSLAND
Accredited Agency

Commercial Tenancy Agreement

Fourth Edition

This Tenancy Agreement is made between the Lessor and the Tenant. The Lessor leases to, and the Tenant accepts a lease of, the Premises for the rent payable by the Tenant, subject to the terms of this Agreement.

THIS AGREEMENT COMPRISES THE REFERENCE SCHEDULE AND COMMERCIAL TENANCY AGREEMENT CONDITIONS.

DO NOT USE THIS DOCUMENT:

- **FOR RESIDENTIAL TENANCIES.**
- **FOR PREMISES COVERED BY THE *RETAIL SHOP LEASES ACT 1994* (Qld).**
- **WHERE THE TERM OF THE LEASE (INCLUDING OPTIONS) EXCEEDS THREE (3) YEARS.**
- **WHERE REGISTRATION UNDER THE *LAND TITLE ACT 1994* (Qld) IS REQUESTED BY THE TENANT.**
- **WHERE A HIGH VALUE LEASE IS TO BE ENTERED INTO AS YOU MAY NOT OBTAIN THE PROTECTION OF A LEASE PREPARED BY A SOLICITOR.**

INSTRUCTIONS TO COMPLETE

1. The parties should be advised to seek legal advice about the Tenancy Agreement. Reference should be made to Sections 24(3A) to (7) of the *Legal Profession Act 2007* (Qld) when preparing and completing this Agreement.

2. This Agreement provides for rent to be reviewed by either an index review or by fixed increases. It is not suitable for use where rent is to be reviewed to market except if the Agreement provides for an option (refer clause 15.1).

3. Only certain outgoings are recoverable in all circumstances (see the definitions of 'outgoings' in clause 1.2). Additional outgoings may be recovered by ticking the boxes at item 10(b).

4. Ensure that all items are completed in the Reference Schedule.

Item 1: Full name/s of the owner/s of the property and their address. If the Lessor is a company, include ABN. DO NOT use a business name.

Item 2: Full name/s of the Tenant. If the Tenant is a company, include its ABN. DO NOT use a business name.

Item 4: The Premises must be clearly identified e.g. "Suite 3, 45 John Street, Spring Hill" etc. If not able to be identified by name, a sketch plan must be attached to the Agreement and the address must be included at Item 4.

Item 6: Insert the period of the further Tenancy, e.g. "6 months" or "1 year" or "not applicable". **The total term of the lease including any options is not to exceed three years. Plus insert the notice period to exercise the option.**

Item 8: Insert the date/s on which the rent is to be reviewed and the method of the rent review or "not applicable".

Item 9: The Permitted Use should be stated clearly.

Item 10(a): Insert the percentage of outgoings the Tenant is to pay, e.g. "25%" or "100%" or "Not applicable".

Item 10(b): Tick any additional outgoings the Tenant is to pay.

REFERENCE SCHEDULE

1. LESSOR:

NAME: LINDY MAE HEGARTY & ROBERT WILLIAM HEGARTY AS TRUSTEE FOR R & L HEGARTY SUPERANNUATION FUND J.T E.D

ABN: 99 658 184 178
ACN:

ADDRESS: PO BOX 4018

SUBURB: FOREST LAKE STATE: QLD POSTCODE: 4078

PHONE: MOBILE: 0435 914 372 FAX: EMAIL: superfund@tigfs.com.au

2. TENANT:

NAME: NEXT ELECTRICAL AIR PTY LTD

ABN: 70 645 407 281
ACN:

ADDRESS:

SUBURB: STATE: POSTCODE:

PHONE: MOBILE: FAX: EMAIL: admin@next-electrical.com.au

3. GUARANTOR:

NAME: JAYE THOMPSON AND ELIJAH DUFFY

ABN:
ACN:

ADDRESS: 10/9 SPRINGFIELD COLLEGE DRIVE
ELIJAH - 6 GOSSAN CIRCUIT, YARRABILBA, QLD, 4207

SUBURB: SPRINGFIELD STATE: QLD POSTCODE: 4300

PHONE: MOBILE: 0481 178 529 FAX: EMAIL: jaye@next-electrical.com.au

4. PREMISES:

← *Annex a plan if available*

Level or Tenancy No. 30

ADDRESS: 8 ST JUDES COURT

SUBURB: BROWNS PLAINS STATE: QLD POSTCODE: 4118

Description: Lot: 30 RP/SP: SP204852

5. TERM:

The Term of the Agreement is: ONE (1) ☐ Months ☑ Years

Commencing on: 22/02/2021 DATE (dd/mm/yyyy): and ending on: 21/02/2022 DATE (dd/mm/yyyy):

6. OPTION OF RENEWAL (IF ANY):

Note: The term of the lease (including options) should not exceed three (3) years.

Period of further term: ~~TWO (2) YEARS~~ J.T E.D

Final date for exercise of option: ~~21/12/2021~~ DATE (dd/mm/yyyy):

7. RENT:

$ 21,320 PLUS GST per: ☐ month ☑ year ← *Select applicable box*

INITIALS INITIAL 000017222553

8. RENT REVIEW: Refer to clause 3.3

Note: Failure to review on these dates does not waive the Lessor's right to review.

Review Date	Type of Review
22/02/2022	☐ Index review ☑ Fixed increase - amount of increase: 3 %
	☐ Index review ☐ Fixed increase - amount of increase: %

9. PERMITTED USE:

ELECTRICAL AND AIR CONDITIONING SERVICES

10. OUTGOINGS: Refer to clause 1.2(9)

10(a) Percentage of Outgoings:

0%

10(b) Additional Outgoings including the costs of (tick if applicable):

- Managing and operating the Building ☐
- Repair and maintenance of the Building ☐
- Gardening and Landscaping ☐
- Provision and servicing of Air-conditioning to the Building ☐
- Cleaning the Building ☐
- Pest Control ☐
- Security services ☐
- Provision and servicing of Fire Detection and extinguishing equipment ☑
- Provision and servicing of lifts and escalators ☐
- Common Area Electricity ☐
- Trade waste ☐

Other (insert details):

REFER TO SPECIAL CONDTIONS

11. DEPOSIT:

$ 1,954.33

12. LESSOR'S AGENT:

NAME: L J Hooker Commercial Brisbane

ADDRESS: 6/3370 Pacific Highway

SUBURB: SPRINGWOOD STATE: QLD POSTCODE: 4127

PHONE: 07 3115 7128 MOBILE: FAX: 07 3115 7188 EMAIL: mpatel@ljhbrisbane.com.au

ABN: 38081902212 ACN: 081902212 LICENCE NUMBER: 3268616

INITIALS J.T E.D INITIAL 000017196423

SPECIAL CONDITIONS

The parties should seek legal advice about any special conditions required. Please note sections 24(3A) to (7) of the *Legal Profession Act 2007* (Qld) when preparing and completing this Agreement.

1. Bond & Deposit: To support the performance of the Lease, the Tenant will provide an unconditional Cash Bond and or Bank Guarantee equivalent to $3 908.66 (equivalent to two (2) months rent) including GST upon execution of the Lease, prior to taking occupation of the premises.The Tenant must also provide a deposit of $1 954.33 (equivalent to one (1) months rent) including GST

2. Services: The Tenant will meet all costs associated with the consumption of services to the premises including charges by the suppliers or providers of telephone, internet, electricity and water, trade waste removal and internal cleansing services only.

3. Goods & Services Tax: Tenant will be responsible for all necessary GST payments in respect of rental payments. Lessor will provide the necessary tax invoices to allow the Tenant to claim the appropriate input tax credits.

4. Tenants Works: Any reasonable modifications or fit-out to the premises is required to be consented to by the Lessor.

5. Cleaning: Tenant will be responsible for the costs associated with the internal cleaning of the premises during the term of the Lease.

6. Insurance: Tenant to take out appropriate insurances, including Public Liability insurance for the premises for an amount not less than $20,000,000, business interruption (loss of rent) insurance, together with insurance for glass replacement for their replacement value, and provide evidence of same to the Lessor prior to taking occupation (policy also to note as the Lessor as the interested party).

7. Approvals: Tenant will be responsible for obtaining any Statutory,Council,or other approvals required for its occupation of the premises.

8. Make good: Tenant will leave the premises clean and tidy at the completion of its occupation, subject to fair wear and tear.The premises are to be restored by the Lessee to its original state and this is subject to Lessors option to waive it.

9. Internet: The tenant must connect their own internet and any other services required and are liable for the cost of their connections.

10. Facsimile or Email - If this Agreement is sent by facsimile transmission or electronic transmission to one or both parties for signature, or their respective agents or solicitors, and is subsequently duly signed and returned, then this Contract shall be binding on the parties as if an original and duplicate of the Contract were signed by the parties.

11. No Original Necessary - This Agreement is not conditional upon the subsequent execution of an original and duplicate by the parties, although either party may request the other to execute an original and duplicate Contract.

12. Electronic Transaction (Queensland) Act - To form and complete this contract, the parties consent to all electronic communications as defined under the Electronic Transaction (Queensland) Act.

13. Access: The Tenant will be permitted access to the property for fitout once deposit, bond have been paid and Lease documentation executed and insurance certificate of currency has been provided.

14. The Lessor provides permission for the Lessee to place signage to the premises, on the provision all signage meets council approval and any other statutory requirements. The Lessee must at the expiry of their tenancy remove all signage at the Lessees expense and repair any damage the signs may have caused to the property at the Lessees expense.Lessors approval is required

15. Air Con: The Lessee must engage a professional air conditioning contractor for the servicing of the air con systems every six months and carry out any general maintenance. The Lessors are liable for capital replacement as long as the Lessee carries out their requirements.

16. Fire Services: TheLessee shall maintain the fire extinguishers as per the requirements of the Lessors insurance company and must service the equipment in the premises every six months as required by law.

17. Upon the signing of this Offer to Lease the Lessee shall provide a deposit equivalent to one months rent being the total sum of $1 954.33 plus (2) months bond being the total sum of
$3 908.66 to LJ HOOKER COMMERCIAL Brisbane Sales Trust Account.
BANK: WESTPAC BSB: 034 -076 Account Number: 509642
TOTAL RENT: $5 862.99

18.Outside gate remote lost , tenant to replace at $75 plus gst and replace all others if lost

INITIALS J.T E.D INITIAL 000017196423

AGREEMENT MADE

DATE: 18.2.2021 EXECUTED as an Agreement.
(dd/mm/yyyy):

EXECUTION BY LESSOR

LESSOR 1

Executed by: R & L HEGARTY SUPERANNUATION FUND
in accordance with Section 127 of the *Corporations Act 2001* (Cth).

Director/Secretary LINDY HEGARTY
Name of Director/Secretary (BLOCK LETTERS)

Director ROBERT HEGARTY
Name of Director (BLOCK LETTERS)

OR (only complete this part if signing as attorney for the Lessor)

SIGNED by

Signature of Witness

the duly constituted **attorney** of the LESSOR (who states s/he has received no notice of revocation) under power of attorney dated _____ registered no _____ in the presence of:

Name of Witness (BLOCK LETTERS)

OR

SIGNED by ✗

✗
Signature of Witness

AS LESSOR in the presence of:

SIGN HERE SIGN HERE

Name of Witness (BLOCK LETTERS)

ADDRESS OF WITNESS:

SUBURB: STATE: POSTCODE:

LESSOR 2

Executed by:
in accordance with Section 127 of the *Corporations Act 2001* (Cth).

Director/Secretary

Name of Director/Secretary (BLOCK LETTERS)

Director

Name of Director (BLOCK LETTERS)

OR (only complete this part if signing as attorney for the Lessor)

SIGNED by

Signature of Witness

the duly constituted **attorney** of the LESSOR (who states s/he has received no notice of revocation) under power of attorney dated _____ registered no _____ in the presence of:

Name of Witness (BLOCK LETTERS)

OR

SIGNED by

Signature of Witness

AS LESSOR in the presence of:

Name of Witness (BLOCK LETTERS)

ADDRESS OF WITNESS:

SUBURB: STATE: POSTCODE:

INITIALS J.T E.D INITIAL 000017196423

EXECUTION BY TENANT

TENANT 1

Executed by: _____
in accordance with Section 127 of the *Corporations Act 2001* (Cth).

Director/Secretary Jaye Thompson _____ Director × _____ SIGN HERE

Name of Director/Secretary (BLOCK LETTERS) _____ Name of Director (BLOCK LETTERS) _____

OR (only complete this part if signing as attorney for the Tenant)

SIGNED by _____ the duly constituted **attorney** of the TENANT (who states s/he has received no notice of revocation) under power of attorney dated _____ registered no _____ in the presence of:

Signature of Witness _____ Name of Witness (BLOCK LETTERS) _____

OR

SIGNED by _____ AS TENANT in the presence of:

Signature of Witness _____ Name of Witness (BLOCK LETTERS) _____

ADDRESS OF WITNESS: _____

SUBURB: _____ STATE: _____ POSTCODE: _____

TENANT 2

Executed by: _____
in accordance with Section 127 of the *Corporations Act 2001* (Cth).

Director/Secretary Elijah Duffy _____ Director × _____ SIGN HERE

Name of Director/Secretary (BLOCK LETTERS) _____ Name of Director (BLOCK LETTERS) _____

OR (only complete this part if signing as attorney for the Tenant)

SIGNED by _____ the duly constituted **attorney** of the TENANT (who states s/he has received no notice of revocation) under power of attorney dated _____ registered no _____ in the presence of:

Signature of Witness _____ Name of Witness (BLOCK LETTERS) _____

OR

SIGNED by _____ AS TENANT in the presence of:

Signature of Witness _____ Name of Witness (BLOCK LETTERS) _____

ADDRESS OF WITNESS: _____

SUBURB: _____ STATE: _____ POSTCODE: _____

EXECUTION BY THE GUARANTOR

SIGNED by

Jaye Thompson

Name of Guarantor (BLOCK LETTERS)

AS GUARANTOR in the presence of:

Signature of Witness

Chantelle Lockett

Name of Witness (BLOCK LETTERS)

ADDRESS OF WITNESS: 10/9 springfield college drive

SUBURB: Springfield STATE: QLD POSTCODE: 4300

SIGNED by

Elijah Duffy

Name of Guarantor (BLOCK LETTERS)

AS GUARANTOR in the presence of:

Signature of Witness

Chantelle Lockett

Name of Witness (BLOCK LETTERS)

ADDRESS OF WITNESS: 10/9 springfield college drive

SUBURB: Springfield STATE: QLD POSTCODE: 4300

COMMERCIAL TENANCY AGREEMENT CONDITIONS

IT IS AGREED

1. DEFINITIONS AND INTERPRETATION

1.1 Terms in Reference Schedule

Where a term used in this Agreement appears in bold type in the in the Reference Schedule, that term has the meaning shown opposite it in the Reference Schedule.

1.2 Definitions

Unless the context otherwise requires:

(1) **"Agreement"** means this document, including any Schedule or Annexure to it;

(2) **"Building"** means the building of which the Premises forms part;

(3) **"Business Day"** means a day that is not a Saturday, Sunday or any other day which is a Public Holiday or a Bank Holiday in the place where an act is to be performed or a payment is to be made;

(4) **"Claim"** includes any claim or legal action and all costs and expenses incurred in connection with it;

(5) **"Default Interest Rate"** means the Standard Default Contract Rate applying at the due date published by the Queensland Law Society Inc.;

(6) **"GST"** means a goods and services tax or similar value added tax;

(7) **"Land"** means the Land on which the Premises are situated;

(8) **"Lessor's Property"** means any property owned by the Lessor in the Premises or on the Land and includes the property identified in any inventory annexed to this Agreement;

(9) **"Outgoings"** means the following charges levied or expenses payable in respect of the Premises, the Land or the Building (as the case requires):

(a) Rates and charges that a local government imposes and levies collected by a local government on behalf of the State of Queensland;

(b) Insurance premiums (including building, fire, loss of rent, plate glass and public liability) payable by the Lessor;

(c) Land tax;

(d) Body Corporate fees and levies (including but not limited to Administrative Fund levies and Sinking Fund levies); and

(e) the additional outgoings referred to in Item 10(b) of the Reference Schedule;

(10) **"Premises"** means the premises described in Item 4 of the Reference Schedule and includes the Lessor's Property in the Premises;

(11) **"REIQ"** means The Real Estate Institute of Queensland Ltd;

(12) **"Tenancy"** means the tenancy between the Lessor and the Tenant created by this Agreement;

(13) **"Tenant's Employees"** means each of the Tenant's employees, contractors, agents, customers, subtenants, licensees or others (with or without invitation) who may be on the Premises, the Building or the Land;

(14) **"Tenant's Property"** includes all fixtures and other articles in the Premises which are not the Lessor's;

(15) **"Tenant's Services"** means all utilities and services in or provided to the Premises and without limiting the generality of the foregoing shall include provision of electricity, gas, water, waste disposal, sewerage, telephone and data services; and

(16) **"Term"** means either a periodic monthly tenancy or the period of months or years described in Item 5 of the Reference Schedule, as applicable, commencing on the date in Item 5 in the Reference Schedule.

1.3 Interpretation

(1) Reference to:

(a) one gender includes each other gender;

(b) the singular includes the plural and the plural includes the singular;

(c) a person includes a body corporate;

(d) a party includes the party's executors, administrators, successors and permitted assigns; and

(e) a statute, regulation or provision of a statute or regulation (**"Statutory Provision"**) includes:

(i) that Statutory Provision as amended or re-enacted from time to time; and

(ii) a statute, regulation or provision enacted in replacement of that Statutory Provision.

(2) All monetary amounts are in Australian dollars, unless otherwise stated.

(3) If a party consists of more than one person, this Agreement binds them jointly and each of them severally.

(4) Headings are for convenience only and do not form part of this Agreement or affect its interpretation.

(5) A party which is a trustee is bound both personally and in its capacity as a trustee.

(6) "Including" and similar expressions are not words of limitation.

(7) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.

(8) If an act must be done on a specified day which is not a Business Day, the act must be done instead on the next Business Day.

(9) Where this Tenancy permits or requires the Lessor to do something, it may be done by a person authorised by the Lessor.

(10) Sections 105 and 107 of the ***Property Law Act 1974*** **(Qld)** do not apply to this Tenancy.

2. TERM AND HOLDING OVER

2.1 Term

The Lessor lets the Premises to the Tenant and the Tenant accepts the Premises as tenant for the Term.

2.2 The Tenant may exercise an option to renew this Agreement for the further term if clause 15 applies.

2.3 Monthly Tenancy

If the Tenant continues to occupy the Premises after the Term with the Lessor's consent then:

(1) the Tenant does so as a monthly Tenant on the same basis as at the last day of the Term; and

(2) either party may terminate the monthly tenancy by giving to the other one (1) month's notice expiring on any day.

3. RENT AND RENT REVIEWS

3.1 Rent

The Tenant must:

(1) pay the Rent by equal monthly instalments in advance on the first day of each month;

(2) pay the first instalment on the signing of this Agreement;

(3) if necessary, pay the first and last instalments apportioned on a daily basis; and

(4) pay all instalments as the Lessor directs.

3.2 Definitions

In clause 3.3:

(1) **"Index Number"** means the Consumer Price Index (All Groups) for Brisbane published by the Australian Bureau of Statistics. If that index no longer exists, "Index Number" means an index that the Chief Executive Officer of the REIQ decides best reflects changes in the cost of living in Brisbane; and

(2) **"Review Date"** means a date which is stated in Item 8 of the Reference Schedule as a date from which the rent is to be reviewed.

3.3 Rent Review

(1) **Application**

This clause 3.3 applies if there is a Review Date.

(2) **Review**

The Rent must be reviewed as from each Review Date to an amount represented by:

If an Index Review, then A where:

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

Where B = the Index Number for the quarter ending immediately before the relevant Review Date.

Where C = the Index Number for the quarter one (1) year before the quarter in B; and

Where D = the Rent payable immediately before the Review Date.

Or if a Fixed Increase, then A where:

$$A = B + B \times C$$

Where B = the Rent payable immediately before the Review Date.

Where C = the percentage stated in Item 8 of the Reference Schedule.

(3) Time is not of the essence in respect of the review of Rent.

4. OUTGOINGS

(1) The Tenant must pay the Lessor the whole, or where a percentage is stated in Item 10(a) of the Reference Schedule that percentage of the Outgoings for the Premises, or the property of which the Premises is part as applicable.

(2) Outgoings are payable to the Lessor within fourteen (14) days of production to the Tenant of a copy of the Lessor's assessment notice or account.

5. USE OF THE PREMISES

5.1 Permitted Use

The Tenant must only use the Premises for the Permitted Use.

5.2 Restrictions on use

The Tenant must not:

(1) disturb the occupants of adjacent premises;

(2) display any signs without the Lessor's written consent which must not be unreasonably withheld;

(3) overload any Tenant's Services;

(4) damage the Lessor's Property;

(5) alter the Premises, install any partitions or equipment or do any building work without the Lessor's prior written consent;

(6) do anything that may invalidate the Lessor's insurance or increase the Lessor's premiums; or

(7) do anything unlawful or illegal on the Premises.

5.3 Tenant's Services

The Tenant shall be responsible for payment for all Tenant's Services provided directly to the Premises.

6. MAINTENANCE AND REPAIR

6.1 Repair

The Tenant must:

(1) keep the Premises in good repair and condition except for fair wear and tear, inevitable accident and inherent structural defects; and

(2) fix any damage caused by the Tenant or the Tenant's Employees.

6.2 Cleaning and Maintenance

The Tenant must:

(1) keep the Premises clean and tidy; and

(2) keep the Tenant's Property clean and maintained in good order and condition.

6.3 Lessor's Right to Inspect and Repair

(1) The Lessor may enter the Premises for inspection or to carry out maintenance, repairs or building work at any reasonable time after giving notice to the Tenant. In an emergency, the Lessor may enter at any time without giving the Tenant notice.

(2) The Lessor may carry out any of the Tenant's obligations on the Tenant's behalf if the Tenant does not carry them out on time. If the Lessor does so, the Tenant must promptly pay the Lessor's costs.

7. ASSIGNMENT AND SUBLETTING

7.1 The Tenant must obtain the Lessor's consent before the Tenant assigns, sublets or deals with its interest in the Premises.

7.2 The Lessor must give its consent if:

(1) the Tenant satisfies the Lessor that the new tenant is financially secure and has the ability to carry out the Tenant's obligations under this Tenancy;

(2) the new tenant signs any agreement and gives any security which the Lessor reasonably requires;

(3) the Tenant complies with any other reasonable requirements of the Lessor;

(4) the Tenant is not in breach of the Tenancy; and

(5) the Tenant pays the Lessor's reasonable costs of giving its consent.

8. TENANT'S RELEASE AND INDEMNITY

8.1 The Tenant occupies and uses the Premises at its own risk. The Tenant also carries out building work in the Premises at its risk.

8.2 The Tenant releases the Lessor from and indemnifies it against all Claims for damages, loss, injury or death:

(1) if it:

(a) occurs in the Premises;

(b) arises from the use of the Services in the Premises; or

(c) arises from the overflow or leakage of water from the Premises,

except to the extent that it is caused by the Lessor's deliberate act or negligence; and

(2) if it arises from the negligence or default of the Tenant or the Tenant's employees, except to the extent that it is caused by the Lessor's deliberate act or negligence.

8.3 The Lessor must do everything reasonable to ensure the Tenant's Services operate efficiently during normal working hours.

8.4 Except to the extent that any interruption to the operation of the Tenant's Services is caused by the Lessor's deliberate act or negligence then in the event that the Tenant's Services do not operate efficiently the Tenant shall:-

(a) have no right to claim compensation against the Lessor; and

(b) have no right to terminate this Agreement.

8.5 The Tenant releases the Lessor from and indemnifies the Lessor against any Claim or costs arising from anything the Lessor is permitted to do under this Tenancy.

9. DEFAULT AND TERMINATION

9.1 Default

The Tenant defaults under this Agreement if:

(1) the Rent or any money payable by the Tenant is unpaid for fourteen (14) days;

(2) the Tenant breaches any other term of this Agreement;

(3) the Tenant assigns its property for the benefit of creditors;

(4) the Tenant becomes a bankrupt person within the meaning of the ***Bankruptcy Act 1966*** **(Cth)**; or

(5) the Tenant becomes an externally-administered body corporate within the meaning of the ***Corporations Act 2001*** **(Cth)**.

9.2 Forfeiture of Tenancy

If the Tenant defaults and does not remedy the default when the Lessor requires it to do so, the Lessor may, subject to its obligations under s 124 of the ***Property Law Act 1974*** **(Qld)**, do any one or more of the following after giving any notice required by law:

(1) re-enter and take possession of the Premises;

(2) by notice to the Tenant, terminate this Agreement;

(3) by notice to the Tenant, convert the unexpired portion of the Term into a tenancy from month to month;

(4) exercise any of its other legal rights;

(5) recover from the Tenant any loss suffered by the Lessor due to the Tenant's default.

10. TERMINATION OF TERM

10.1 Tenant's Obligations

At the end of the Term the Tenant must:

(1) vacate the Premises and give them back to the Lessor in the condition required by clause 6.1(1);

(2) remove all the Tenant's Property from the Premises;

(3) repair any damage caused by removal of the Tenant's Property and leave the Premises clean; and

(4) return all keys, security passes and cards held by it or the Tenant's Employees.

10.2 Failure to Remove Tenant's Property

If the Tenant does not remove the Tenant's Property at the end of the Term, the Lessor may:

(1) remove and store the Tenant's Property at the Tenant's risk and expense; or

(2) treat the Tenant's Property as abandoned, in which case title in the Tenant's Property passes to the Lessor who may deal with it as it thinks fit without being liable to account to the Tenant.

11. DAMAGE AND DESTRUCTION

11.1 Rent Reduction

If the Premises are damaged or destroyed and as a result the Tenant cannot use or gain access to the Premises then from the date that the Tenant notifies the Lessor of the damage or destruction the Lessor:

(1) must reduce the Rent and any other money owing to the Lessor by a reasonable amount depending on the type, extent and effect of damage or destruction; and

(2) cannot enforce clause 6.1 against the Tenant;

until the Premises are fit for use or accessible.

11.2 Tenant May Terminate

The Tenant may terminate this lease by notice to the Lessor unless the Lessor:

(1) within three (3) months of receiving the Tenant's notice of termination, notifies the Tenant that the Lessor will reinstate the Premises; and

(2) carries out the reinstatement works within a reasonable time.

11.3 Exceptions

Clauses 11.1 and 11.2 do not apply where:

(1) the damage or destruction was caused by or contributed to, or arises from any wilful act of the Tenant or the Tenant's Employees; or

(2) an insurer under any policy effected by the Lessor refuses indemnity or reduces the sum payable under the policy because of any act or default of the Tenant or the Tenant's Employees.

11.4 Lessor May Terminate

If the Lessor considers the damage to the Premises renders it impractical or undesirable to reinstate the Premises or the Building, it may terminate this lease by giving the Tenant at least one (1) month's notice ending on any day of the month. At the end of that month's notice, this lease ends.

11.5 Dispute Resolution

(1) Any dispute under this clause 11 must be determined by an independent qualified Valuer appointed by the Chief Executive Officer of the REIQ at the request of either party.

(2) In making the determination, the Valuer acts as an expert and the determination is final and binding on both parties.

(3) The cost of the determination must be paid by the parties equally unless otherwise decided by the Valuer.

11.6 Lessor Not Obliged to Reinstate

(1) Nothing in this lease obliges the Lessor to reinstate the Building or the Premises or the means of access to them.

(2) When reinstating the Building or the Premises, the Lessor is entitled to change their design, fabric, character or dimensions to comply with any law or lawful requirement.

11.7 Antecedent Rights

Termination under this clause 11 does not effect either parties' accrued rights before termination.

12. INTEREST FOR LATE PAYMENT

Without affecting the Lessor's other rights, if the Tenant does not pay any money owing to the Lessor under this Agreement within fourteen (14) days after the due date, the Tenant must pay interest on that money calculated at the Default Interest Rate from the due date for payment until payment is made.

13. DUTY

The Tenant must pay stamp duty on this lease, if applicable, and other government imposts payable in connection with this Agreement and all other documents and matters referred to in this Agreement when due or earlier if requested in writing by the Lessor.

14. GOODS AND SERVICES TAX

If a GST is imposed on any supply made to the Tenant under or in accordance with this Tenancy, the amount the Tenant must pay for that supply is increased by the amount of that GST.

15. OPTION FOR FURTHER TENANCY

15.1 This clause 15 applies if item 6 of the Reference Schedule is completed with a period of a further term.

15.2 If the Tenant:

(1) wishes to lease the Premises for the further term; and

(2) gives notice to that effect to the Lessor strictly in accordance with the timeframes in item 6 of the Reference Schedule; and

(3) has not breached this Agreement or if breached such breach has been waived by the Lessor or remedied,

the Lessor must, subject to clause 15.6, grant to and the Tenant must take a further tenancy (**New Tenancy**) of the Premises on the terms and conditions set out in clause 15.3.

15.3 The New Tenancy will be on the same terms and conditions as this Agreement except that:

(1) the Rent for the New Tenancy will be the amount agreed between the Lessor and the Tenant or, failing agreement by the date the Term expires, the market rent for the Premises determined by an independently qualified Valuer (acting as an expert) in accordance with clause 15.4;

(2) the Commencement Date will be the day after the Term expires; and

(3) the New Tenancy will omit this clause 15 unless there is more than one option of renewal set out in item 6 of the Reference Schedule.

15.4 If the Rent is to be determined according to the market under clause 15.3(1), the Valuer is to be nominated by the Chief Executive Officer of the REIQ at the request of either party. The following additional terms apply:

(1) the Valuer's decision is final and binding on the parties;

(2) the Valuer's costs must be paid by the Lessor and the Tenant equally. Either party may pay the Valuer's costs and recover one half of the amount paid from the other party on demand; and

(3) if the Rent for the New Tenancy is not determined by the date the Term expires, then:

(a) until the Valuer determines the Rent for the New Tenancy, the Tenant must continue to pay the existing Rent; and

(b) when the Valuer's decision is made under this clause 15(4), the parties will make an adjustment for any over or under payment of the Rent.

15.5 Before transferring any interest in the Land, the Lessor must obtain a signed deed from the transferee containing covenants in favour of the Tenant that the transferee will be bound by the terms of this Agreement and will not transfer its interest in the Land unless it obtains a similar deed from its transferee.

15.6 If there is a Guarantor under this Agreement, the Lessor is not required to grant the New Tenancy unless the Tenant obtains a further guarantee on the same terms of the due and punctual performance of the Tenant's obligations under this Agreement by the Guarantor or any other replacement guarantor acceptable to the Lessor.

16. DEPOSIT AND COMMISSION

16.1 The Tenant must pay the Deposit to the Lessor's Agent on signing this Agreement.

16.2 The Deposit must be applied against the Rent payable by the Tenant on the commencement of the Term.

16.3 The Lessor agrees to pay the Agent's commission to the Lessor's Agent and authorises the Agent to draw the commission on the commencement of the Term from money received from the Tenant in payment of Rent.

17. NOTICES

17.1 Any notice given or required by this Agreement to be given to a party ("the addressee") must be in writing and, without prejudice to any other lawful method of service, shall be deemed to have been sufficiently given if it is sent to a facsimile number or email address which has been stated for the addressee in this Agreement or otherwise provided by the addressee to the sender.

17.2 Any such notice sent to a facsimile number shall be deemed to have been received by the addressee when the sender obtains a clear transmission report.

17.3 Any such notice sent to an email address shall be deemed to have been received by the addressee when it is capable of being retrieved by the addressee at the email address in accordance with section 24 of the ***Electronic Transactions (Queensland) Act 2001***.

17.4 Any such notice may also be given in the manner provided in section 109X of the ***Corporations Act 2001*** **(Cth)** as if it were being served for the purposes stated in that section or in accordance with the provisions of section 347 of the ***Property Law Act 1974*** **(Qld)**.

18. GUARANTEE AND INDEMNITY

18.1 Where Item 3 of the Reference Schedule is completed with the name or names of any person or persons then the succeeding provisions of this clause 18 shall apply.

18.2 The Guarantor (and jointly and severally where there is more than one Guarantor) guarantees to the Lessor the timely payment by the Tenant of the Rent and other moneys agreed to be paid by the Tenant under this Agreement and the timely compliance with all the terms by which the Tenant is bound under this Agreement.

18.3 The Guarantor will at all times pay to the Lessor on demand and indemnify and keep the Lessor indemnified from and against all losses which the Lessor may suffer or incur consequent upon or arising out of any failure by the Tenant to comply with the terms in a timely manner.