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LESSOR **IAN ROBERTSON AND MARGARET ROBERTSON** as Trustees for
The I & M Robertson Superannuation Fund of Suite 4, 1933 Logan Road,
Upper Mt Gravatt, Queensland 4122 (the lessor).

LESSEE **IPG ENGINEERING** ACN 083 457 612
of Suite 4, 1933 Logan
Road, Upper Mt Gravatt, Queensland 4122 (the lessee).

GOODS One (1) Gas Forklift
Serial No 2782912 AND
Lincoln/Liquid Arc 330amp 3 Phase Welding Plant
Serial No: A1990300001

PLACE Usual location of Goods: 117 Ingleston Road Wakerley Qld
TERM 24 months from 30 June 1999 to 29 June 2001.

AMOUNT FINANCED \$7250.00

PAYMENT DATES

AND AMOUNTS \$176.46 x 24 \$ 4234.04

ADDITIONAL
PAYMENTS

RESIDUAL VALUE \$ 3987.50

TOTAL PAYMENTS \$ 8222.54
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THE LESSOR HAS ACQUIRED THE GOODS FOR THE SOLE PURPOSE OF THIS LEASE

TERMS AND CONDITIONS OF LEASE

1. The lessor does hereby lease to the lessee the Goods for the term specified in consideration of the payments specified.
2. The lessee covenants with the lessor as follows:-
 - 2.1 To pay the instalments and other payments hereby reserved at the times mentioned without any abatement or deduction to such person or corporation as the lessor may direct.
 - 2.2 To garage the Goods at the location specified and to notify the lessor in writing if the location changes.
 - 2.3 Retain sole custody of the Goods.
 - 2.4 Maintain and repair the Goods and to use them with reasonable care.

- 2.5 To maintain all necessary licences, permits and registrations in the name of the lessee.
- 2.6 Not to alter the Goods without the consent of the lessor.
- 2.7 To insure on terms and conditions reasonably required by the lessor the Goods in the names of the lessor and lessee for their respective rights and interests.
- 2.8 To observe and comply with all terms and conditions expressed or implied in the contract of insurance referred to in clause 2.7.
- 2.9 To return the Goods to the lessor on termination of the lease.
- 2.10 To notify the lessor of any event which may affect the interests of the lessor in the Goods and to comply with the lessor's reasonable directions relating to such event.
- 2.11 To permit the Lessor or its agent to enter the location where the Goods are kept for the purpose of inspecting the Goods.
- 2.12 Not without the prior consent of the lessor, sell, pledge, mortgage, charge, or part with possession or create a lien over the Goods or pledge the credit of the lessor.

The lessor and lessee expressly agree and declare that the provisions of this clause are essential terms of this Lease.

- 3. The lessee indemnifies the lessor against any liability or loss arising from and any costs, charges and expenses incurred in connection with:-
 - 3.1 The delay in payment of money under this Lease.
 - 3.2 An event of default or termination of the Lease.
 - 3.3 The seizure storage sale or valuation of the Goods.
 - 3.4 The ownership condition operation and maintenance of the Goods and the loss or damage of the Goods.
 - 3.5 Any damage to property or death or injury to any person of any nature or kind caused directly or indirectly by the Goods.
 - 3.6 Any action or demand made against the lessor in respect to the Goods or their use.
- 4. In the event of default by the lessee of any of the covenants on its part to be observed or performed the lessor may at its option anytime thereafter either:-
 - 4.1 Exercise against the lessee any remedies provided by law, or

- 4.2 With or without notice terminate the lease in which event the lessee shall at its expense forthwith return the Goods in accordance with any direction given by the lessor failing which the lessor may take possession of the Goods.
For the purpose of taking possession of the Goods the lessor or its agents may enter any land or premises where on the lessor or its agent reasonably suspect the Goods are and for the purposes of such entry break open any gates or doors.
5. Upon termination of the lease because of a breach of an essential term of this lease the lessee shall pay to the lessor as and by way of liquidated damages an amount equal to the sum of:-
- 5.1 The Residual Value and the unpaid Instalments that would have been payable during the Term had this lease not been terminated and which at the date of termination were not payable, both rebated to reflect the present value at the date of payment by the lessee such value to be ascertained by applying the discount rate (as defined below) to each Instalment and the Residual Value in respect of the period by which the date for payment is accelerated (together with an amount equal to any stamp duty payable in respect of such rebated total); and
- 5.2 The costs and expenses of the lessor in repossessing, storing, insuring and registering the Goods and in entering and removing the Goods from the Location and making good any injury or damage cause to the Location: and
- 5.3 The costs and expenses or repairs reasonably necessary to bring the Goods to saleable condition: and
- 5.4 Interest calculated in the manner and at the rate set out in clause 12 on overdue amounts payable under this lease: and
- 5.5 Instalments due but unpaid, and
- 5.6 All other moneys owing under this lease:

BUT PROVIDED THAT:

- 5.7 Subject to clause 5.8 an allowance shall be made to the lessee for the net proceeds of sale on disposal of the Goods by public auction or tender at the best price that the lessor can reasonably obtain:
- 5.8 In this clause 5 "net proceeds of sale" means the total sale price of the Goods less the costs and expenses of the sale including but without limiting the generality of the same all duties, fees, costs and commission reasonably payable in accordance with the usual practice of selling such Goods:
- 5.9 If possession of the Goods is not returned to the lessor by the lessee within fourteen (14) days of termination or if the Goods cannot be sold or disposed of for whatever reason within one (1) calendar month from the date upon which the lessor obtained possession of the Goods then the lessee shall not

be entitled to any allowance or deduction from the amount payable as liquidated damages **PROVIDED THAT** if the lessor obtains possession of the Goods after payment of the amount calculated under this clause the lessee shall be entitled to receive the net proceeds of the sale of Goods.

AND FOR the purpose of clause 5, the discount rate shall be a rate equal to the interest rate implicit in this lease.

6. Upon the determination of this lease by effluxion of time the lessee shall pay the residual value to the lessor and at the expense of the lessee deliver the Goods to the lessor at its address herein or at such other address as has been notified in writing to the lessee.
7. If the lessee delivers the Goods on termination of this lease by effluxion of time or if the lessor repossesses the Goods the lessor may at its option sell the Goods at public auction or by tender through dealers dealing in Goods of a similar nature at the best price the lessor can reasonably obtain and if the lessee has paid all of the Residual Value and the Goods are sold the lessor must pay to the lessee (when it is satisfied that any laws relating to liquidation and insolvency do not apply to the payment of the Residual Value or the receipt of the sale proceeds by the lessor) the lesser of the net proceeds of such sale and the Residual Value.
8. If the lessor does not effect a sale of the Goods within one (1) calendar month of the date the Goods are received or repossessed by the lessor the market value of the Goods shall be deemed to be nil and the lessee shall reimburse the lessor for all moneys expended by the lessor and its agents in repossessing the Goods and attempting to effect a sale of them.
9. If the lessee:-
 - 9.1 Has a receiver administrator or liquidator appointed, or
 - 9.2 Enters into any official management, or
 - 9.3 Enters into a scheme of arrangement with its creditors,the lessor may terminate this lease in accordance with clause 4.
10. If at any time an event shall occur which shall or may give rise to any material right to compensation or to any material claim under any insurance policy the lessee shall notify the lessor immediately in writing and will comply with all instructions of the lessor in connection with any claim and subsequent dealing with the insurer and (unless the Goods have been lost or destroyed or damaged beyond repair) all moneys received in respect of such insurances shall promptly be paid out in repairs in a good and proper manner the Goods so damaged and in case such moneys shall be insufficient for such purposes the lessee will forthwith make good the deficiency out of its own funds. In the event of a total or partial but substantial destruction or loss of the Goods (including lawful confiscation) the lessor may terminate this lease and the lessee shall pay to the lessor the amount calculated under clause 5 hereof.

11. The lessor shall not be liable to the lessee in damages or otherwise for any consequential loss or damage which the lessee may suffer or incur by reason of any breach by the lessor or its obligations under this lease or any improper exercise by the lessor or its powers under this lease and/or any security now or in the future held.
12. Without prejudice to any other rights or remedies of the lessor the lessee must pay on demand by the lessor interest on all amounts due and payable pursuant to this lease and unpaid at the Overdue Rate. Interest payable under this clause shall accrue from day to day commencing on the due date for payment (which for amounts due on demand shall be the date of demand, or in the case of indemnity the date the lessor paid the amount) up to and including the date of actual payment, before and as an additional independent obligation after any judgment into which the liability to pay any amount under this lease may become merged and, may be capitalised by the lessor on the last day or each successive month. The overdue interest rate is 8.5% per annum.
13. The lessee has not and will not have any right or property or interest in the Goods other than as bailee.
14. The lessee acknowledges that no option or promise whatsoever that it may purchase the Goods at any time has been made or given.
15. The lessor is the sole owner of the Goods.
16. The lessee shall use the Goods for business purposes.

The lessee does hereby accept this lease of the Goods on the terms and conditions contained in this document.

DATED at Busbone this 29th day of June 1998 ^{MR}_{MR}

SIGNED by the said IAN ROBERTSON
as Trustee for The I & M Robertson
Superannuation Fund in the presence of:

)
)
) *Ian Robertson*

KIM BOLDEMAN
A Justice of the Peace/Solicitor
Reg. No. 74234

SIGNED by the said MARGARET ROBERTSON)
as Trustee for The I & M Robertson)
Superannuation Fund in the presence of:)

) *M Robertson*

KIM BOLDEMAN
A Justice of the Peace/Solicitor
Reg. No. 74234

SIGNED by the said IAN ROBERTSON)
by authority of a resolution of the Board of)
Directors and in the manner prescribed by)
its Articles of Association in the presence of)

) *Ian Robertson*
) *M Robertson*