

Adelaide South West Community Centre Lease

ITEM 18.2.1 27/11/2018
COUNCIL

Program Contact:
Tom McCready, AD Property 8203
7313

2004/02764-4

Confidential - s 90(3) (d) commercial information of a confidential nature

Approving Officer:
Ian Hill, Director Growth

EXECUTIVE SUMMARY:

This report is to seek Council's approval for a new lease for the Adelaide South West Community Centre (ASWCC). The new lease will commence on 1 April 2019 and expire on 26 September 2020.

RECOMMENDATION:

THAT COUNCIL:

1. Authorises the Chief Executive Officer to execute the Agreement to Lease, Lease and associated documentation for a new lease of Allotment 350 in Filed Plan 182812 Certificate of Title Volume 5689 Folio 669, 171-173 Sturt Street.
2. Authorises the Lord Mayor and Chief Executive Officer to affix the Common Seal of the Council to the Agreement to Lease and Lease shown as **Attachment A** to Item 18.2.1 on the Agenda for the meeting of the Council held on 27 November 2018 and associated documentation.
3. In accordance with Section 91 (7) & (9) of the *Local Government Act 1999 (SA)* and on the grounds that Item 18.2.1 listed on the Agenda for the meeting of the Council held on 27 November 2018 was received, discussed and considered in confidence pursuant to Section 90(3) (d) of the *Local Government Act 1999 (SA)*, this meeting of the Council do order that:
 - 3.1 The resolution, the report, the discussion and any other associated information submitted to this meeting and the Minutes of this meeting in relation to the matter remain confidential and not available for public inspection until 31 December 2021.
 - 3.2 The confidentiality of the matter be reviewed in December 2019.
 - 3.3 The Chief Executive Officer be delegated the authority to review and revoke all or part of the order herein and directed to present a report containing the Item for which the confidentiality order has been revoked.

IMPLICATIONS AND FINANCIALS:

Strategic Plan	This action directly supports the following <i>City of Adelaide 2016-2020 Strategic Plan</i> objectives: 3.1.06 Increase participation by the broadest range of residents in the community life of their neighbourhood. 3.3.01 Develop and celebrate strong and resilient communities that are welcoming and encourage people of all ages, cultures and means to participate in City life, including through volunteer opportunities.
Policy	No changes to Council policy or procedure are required as a result of this report.
Consultation	Not required as a result of this report.
Resource	This activity will be managed within existing resources.
Risk / Legal / Legislative	The <i>Local Government Act 1999 (SA)</i> and the Memorandum of Lease govern the way this matter should be managed in conjunction with the proposed lease.
Opportunities	This proposed lease provides an opportunity to Council to secure the site for the Adelaide South West Community Centre to operate from.
18/19 Budget Allocation	Current rental fee of \$25,670 per annum plus GST and utilities. Increase in the base rent for three (3) months of \$5,505 as from the 1 April 2019.
Proposed 19/20 Budget Allocation	Rental fee based on market valuation of \$47,700 per annum plus GST and utilities.
Life of Project, Service, Initiative or (Expectancy of) Asset	Duration of the lease one (1) year, five (5) months and twenty-six (26) Days.
18/19 Budget Reconsideration (if applicable)	Increase in rent for three (3) months totalling \$5,505 as from 1 April 2019 to 30 June 2019.
Ongoing Costs (eg maintenance cost)	Maintenance costs associated with the lease of this property is proportional excluding works of a capital nature.
Other Funding Sources	Not as a result of this report.

GROUNDINGS AND BASIS FOR CONSIDERATION IN CONFIDENCE

THE GROUNDS:

Section 90(3) (d) of the *Local Government Act 1999 (SA)* [commercial information of a confidential nature]

- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which—
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
 - (ii) would, on balance, be contrary to the public interest.

THE BASIS:

This Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting business, prejudice the commercial position of the Council and prejudice the commercial position of the person who supplied the information and confer a commercial advantage on a third party. The disclosure of information has the potential to prejudice Council's position in seeking a lease of an alternative site for a Community Centre.

THE PUBLIC INTEREST:

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of this information will result in release of information prior to a determination of the Council of a strategic property matter and release of information prior to the finalisation of 'commercial in confidence' negotiation with the proponent, a competitor receiving information to the detriment of proponents who supplied information at this point in time and may materially and adversely affect the financial viability of the proponent and because the disclosure of Council's commercial position may severely prejudice Council's ability to negotiate a proposal for the benefit of the Council and the community in this matter and in relation to other contract negotiations.

DISCUSSION

1. In 2005, residents identified the building at 171- 173 Sturt Street known as the Adelaide South West Community Centre (ASWCC) as their preferred site for a local neighbourhood facility.
2. In July 2005, the ASWCC opened at this site, staffed and coordinated by the City of Adelaide.
3. The ASWCC provides a focus for resident connection, wellbeing and community building with its location on what is often identified by south west residents as their main street. Last quarter, 7,000 participants were involved in community led activities enabled by the ASWCC.

Background:

4. Council is currently leasing Allotment 350 in Filed Plan 182812 Certificate of Title Volume 5689 Folio 669, 171- 173 Sturt Street ('the Premises') utilising it as the Adelaide South West Community Centre (ASWCC).
5. Council at its meeting on 27 August 2013 approved a new five (5) year lease over the premises.
6. Council administration negotiated a new five (5) year lease commencing on 1 April 2014 with a commencement rent of \$24,000 plus GST with an annual Consumer Price Index (CPI) increase.
7. Council administration registered the lease on the title to protect Council's interest and will register the new lease as well.
8. The Land was sold via auction on 20 September 2018 to Max 2 Pty Ltd with Council's registered lease in place.
9. A 'Transfer of Lease' took place from the Vendor, Vasiliki Antoniou to Max 2 Pty Ltd (Purchaser) with no change to the lease terms and conditions.
10. Max 2 Pty Ltd, a related company of Korn Real Estate, purchased the Land for \$1M plus GST for the purpose of relocating their Real Estate Offices from Campbelltown to the City.

11. The owner was initially seeking to secure a seven (7%) percent or \$70,000 per annum rental return of the purchase price as the base rent for the leasehold.
 12. The Administration has been able to negotiate a new lease over the Land with Korn Wang, director of Max 2 Pty Ltd whilst offering a suitable alternate space over a long-term vacancy in the Central Market Arcade. This will be leased as a Real Estate Office until the redevelopment of the Central Market Arcade in late 2020.
 13. The new lease of the ASWCC will commence 1 April 2019 to 26 September 2020 with an assessed rent of \$47,700 per annum plus GST with a 4% rent review on 1 April 2020, noting that the rental was determined by an independent market valuation which was accepted by Max 2 Pty Ltd.
 14. The ASWCC lease expiry date lines up with the expiry date of all the leases in the Central Market Arcade.
 15. The new lease will be under the same terms and conditions as the existing lease.
 16. The landlord has indicated a willingness to work with Council in terms of future use of the building during the lease period.
 17. The lease term presented would also provide opportunity and time for Council to seek other suitable premises should discussions over future lease extensions fail.
 18. The Administration recommends that Council authorises the Chief Executive Officer to execute the Agreement to Lease, Lease and associated documentation for a new lease of Allotment 350 in Filed Plan 182812 Certificate of Title Volume 5689 Folio 669, 171-173 Sturt Street.
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ATTACHMENTS

Attachment A – Agreement to Lease



WALLMANS
LAWYERS

Expert advice,
human approach.

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ABN 98 802 494 422

YI WANG

(Korn)

and

THE CORPORATION OF THE CITY OF ADELAIDE

(Lessee)

AGREEMENT FOR LEASE

THIS AGREEMENT FOR LEASE dated

2018

BETWEEN

YI WANG of c/- Korn Real Estate, 521 Lower North East Road, Campbelltown 5074 (**Korn**)

THE CORPORATION OF THE CITY OF ADELAIDE of 25 Pirie Street, Adelaide SA 5000 (**Lessee**)

INTRODUCTION

- A. Pursuant to the Sale Contract, Korn has contracted to buy the fee simple estate in the Premises.
- B. Subject to Settlement occurring, Korn has agreed to procure the grant of and the Lessee has agreed to take a lease of the Premises, on the terms and conditions set out in this Agreement and the Lease.

IT IS AGREED

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement the following terms have the following meanings:

Agreement means this document.

Commencement Date means the commencement date of the Lease, being 1 April 2019.

Korn Entity means Korn and any entity that:

- Korn Controls;
- Korn is in partnership with or is a contractor or agent of Korn;
- is a related body corporate (as that term is defined in the *Corporations Act 2001* (Cth)) of a Korn Entity; or
- is registered as a proprietor of the fee simple estate in the Premises jointly as tenant in common or joint tenant with any other Korn Entity.

Controls takes the meaning given to that term pursuant to s50AA of the *Corporations Act 2001* (Cth).

Korn means the party described as such in this Agreement.

Lease means the lease annexed to this Agreement as Annexure A.

Lessee means the party described as such in this Agreement.

Premises means the whole of the land in Certificate of Title Volume 5689 Folio 669.

Sale Contract means any contract between Vasiliki Antoniou of 59 Cremorne Street Malvern SA 5061 (as vendor) and Korn (as purchaser) and / or any other entity Korn Controls, under which those parties agreed to purchase the fee simple estate in the Premises.

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Settlement means settlement of the Sale Contract.

Term means the term of this Agreement, commencing on the date of this Agreement and expiring immediately before the Commencement Date.

1.2 Interpretation

In this Agreement, unless the contrary intention appears:

- 1.2.1 headings are for ease of reference only and do not affect the interpretation of this Agreement;
- 1.2.2 the singular includes the plural and vice versa and words importing a gender include other genders;
- 1.2.3 other grammatical forms of defined words or expressions have corresponding meanings;
- 1.2.4 a reference to a clause, paragraph, schedule or annexure is a reference to a clause or paragraph of or schedule or annexure to this Agreement and a reference to this Agreement includes its schedules and annexures;
- 1.2.5 a reference to a document or agreement, including this Agreement, includes a reference to that document or agreement as novated, altered or replaced from time to time;
- 1.2.6 a reference to a party includes its executors, administrators, successors and permitted assigns;
- 1.2.7 words and expressions importing natural persons include partnerships, bodies corporate, associations, governments and governmental and local authorities and agencies;
- 1.2.8 'includes' or 'including' or similar forms of expression are not to be construed as words of limitation;
- 1.2.9 a provision of this Agreement is not construed against a party because that party drafted it or was responsible for its inclusion in this Agreement;
- 1.2.10 an agreement, representation, warranty or indemnity by two or more parties binds them jointly and severally;
- 1.2.11 an agreement, representation, warranty or indemnity in favour of two or more parties is for their benefit jointly and severally; and
- 1.2.12 unless otherwise defined in this Agreement, terms defined in the Lease have a consistent meaning when used in this Agreement.

2. AGREEMENT TO GRANT LEASE

Subject to clause 3.1, Korn must:

- 2.1 grant; and
- 2.2 to the extent Korn is not the registered proprietor of the fee simple estate in the Premises as at the date of the grant, Korn must procure the grant from all registered proprietors of the fee simple the Premises that are Korn Entities,

of the Premises on and from the Commencement Date on the terms and conditions contained in the Lease (as completed in accordance with clause 6.2 of this Agreement). The Lessee agrees to accept the grant of the Lease.

3. **SUBJECT TO SETTLEMENT**

3.1 The grant of the Lease is subject to and conditional upon Settlement occurring.

3.2 Notwithstanding any other term or condition of this Agreement, this Agreement shall be voidable at the Lessee's election by giving notice in writing to Korn if the Sale Contract is terminated and Korn or any Korn Entities do not enter into any further agreement or arrangement for acquisition of the Premises whereby settlement will occur on or prior to the Commencement Date.

4. **WARRANTY**

Korn warrants that upon Settlement, it will be able to procure the grant of the Lease by the registered proprietor of the Premises as contemplated by this Agreement.

5. **REGULAR REPORTING**

5.1 **Reporting**

Korn agrees to immediately provide the Lessee with details that the Lessee requires regarding Settlement and when Settlement is likely to occur:

5.1.1 not less than monthly throughout the Term; and

5.1.2 otherwise when required by the Lessee.

5.2 **Notification of termination of Sale Contract**

In the event that:

5.2.1 the Sale Contract is terminated; or

5.2.2 there is a reasonable indication of threatened or actual legal proceedings in connection with the Sale Contract; or

5.2.3 Korn or any Korn Entity enters into any other agreement or arrangement for acquisition of the Premises before the Commencement Date;

then Korn must immediately upon becoming aware of it, notify the Lessee of a matter in clause 5.2.1 or 5.2.2.

6. **EXECUTION OF LEASE**

6.1 **Notification of Settlement**

As soon as practicable after Settlement, Korn must notify the Lessee that Settlement has occurred, and must provide the Lessee with the details of the registered proprietor of the Premises.

6.2 **Completion of Lease**

Upon receiving notice under clause 6.1, the Lessee must instruct its solicitors to complete the Lease, and the Lessee's solicitors will do so by inserting the following details in the Lease:

- 6.2.1 the date of the Lease;
- 6.2.2 if the registered proprietor comprises any other person other than the person named in the Lease as lessor then the details of the lessor in the relevant panel in the panel form of the Lease, in Item 4 of the schedule to the Lease;
- 6.2.3 a binding execution block for the Lessor in the Lease; and
- 6.2.4 any other particulars, minor alterations or additions which are required to complete the Lease and to ensure that the Lease is able to be registered or to satisfy any requirements of the South Australian Land Titles Office.

6.3 Lessee execution of Lease

Upon the Lessee's solicitors completing the Lease in accordance with clause 6.2, the Lessee must execute the Lease and deliver it to Korn.

6.4 Lessor execution of Lease

Upon receiving the Lessee's executed copy of the Lease, Korn must promptly execute or procure the execution of the Lease by the lessor and arrange for the Lease to be stamped (if required) and immediately deliver the Lease to the Lessee or its solicitors.

7. INTERIM LEASE

Without limiting any other provision of this Agreement, if at the Commencement Date, the Lease has not been fully executed by both parties in accordance with this Agreement, Korn and the Lessee each agree to the fullest extent possible by law to be bound by the terms, covenants and conditions contained in the Lease as if the Lease had been properly completed and executed in accordance with this Agreement.

8. ASSIGNMENT

Neither party may assign or transfer any interest or right under this Agreement without the prior written consent of the other party (which may be withheld in either party's absolute discretion), however if Korn assigns, novates or otherwise transfers any interest in the Sale Contract prior to Settlement, Korn must procure an assignment of this Agreement to the new purchaser under the Sale Contract immediately upon request by the Lessee.

9. INDEMNITY

As a continuing obligation, except to the extent caused by the Lessee's negligence or wilful default, Korn indemnifies and holds harmless the Lessee against any reasonable costs or expenses (including legal and other fees) incurred by the Lessee as a result of Korn failing to observe or perform its obligations under this Agreement and without limitation, in relation to any breach of the warranty in clause 4.

10. SUNSET DATE

If the Lessee has not received notice from Korn under clause 6.1 before 1 March 2019, the Lessee may terminate this Agreement by giving written notice to Korn, such termination to be effective on the date specified in the notice.

11. TERMINATION

11.1 Termination

If either party (**Party 1**) commits a breach of or default under this Agreement, the other party (**Party 2**) may give Party 1 a written notice (**Breach Notice**) which:

11.1.1 specifies the breach or default; and

11.1.2 requires Party 1 to remedy the breach or default,

and if the breach or default is not remedied within a reasonable time considering the nature of the breach or default (but in any event not longer than thirty (30) days), then Party 2 may give Party 1 a further written notice which terminates this Agreement (**Termination Notice**) effective immediately from the date the Termination Notice is given or from such other date specified in the Termination Notice.

11.2 Recovery of damages

If this Agreement is terminated as a result of an act or omission of Korn, the Lessee is entitled to recover damages for repudiation of this Agreement, including for any loss resulting from a failure to be granted the Lease;

12. NOTICES

12.1 Written notice

Without prejudice to any other form of giving notice, a party giving notice under this Agreement may do so in writing, hand delivered or sent by prepaid post to the recipient's address set out in this Agreement, or to any other address notified by one party to the other in writing.

12.2 Receipt of notice

A notice given in accordance with this clause is taken to be received:

12.2.1 if hand delivered, upon delivery; or

12.2.2 if sent by prepaid post, 2 days after the date of posting.

13. CONFIDENTIALITY

Korn agrees that it must keep and must ensure that its employees and officers keep confidential the existence and contents of this Agreement and the Lease unless and until the parties agree that the existence and contents of this of this Agreement and the Lease are in the public domain other than by a breach of this clause by Korn (unless information is required to be disclosed by operation of any law or governmental agency), or unless otherwise agreed by the Lessee.

14. TIME OF THE ESSENCE

Time shall be of the essence as regards any date or period determined under this Agreement except to the extent that any such date or period may be altered by agreement between the parties and then time shall be of the essence as regards such altered date or period.

15. **SEVERANCE**

In the event that any provision or part of this Agreement is or becomes invalid, void or unenforceable then that provision or part must be severed from this Agreement to the intent that the rest of this Agreement will remain in full force and effect and be unaffected by any such severance.

16. **GOVERNING LAW**

This Agreement is governed by the law applicable in South Australia. Each party irrevocably and unconditionally submits to the jurisdiction of the courts of South Australia.

17. **ENTIRE AGREEMENT**

This Agreement and the Lease embody the entire understanding and the whole agreement made between the parties and supersedes all previous negotiations, representations, warranties, arrangements and statements, whether expressed or implied.

EXECUTED as an Agreement:

BY KORN

SIGNED by **YI WANG:**

.....
Signed by Yi Wang

.....
Witness Signature

.....
Witness Name (please print)

.....
Witness Address

BY THE LESSEE

SIGNED AS DELEGATE FOR)
THE CORPORATION OF THE CITY OF ADELAIDE)
under section 44 of the *Local Government Act 1999*:)

.....
Signature

.....
Print full name

.....
Print Position Held

ANNEXURE A – LEASE

FORM L1 (Version 2)
GUIDANCE NOTES AVAILABLE

LANDS TITLES REGISTRATION OFFICE
SOUTH AUSTRALIA

LEASE

FORM APPROVED BY THE REGISTRAR GENERAL

PRIORITY NOTICE ID

**BELOW THIS LINE FOR OFFICE
PURPOSES ONLY**

SERIES NO	PREFIX
	L

AGENT CODE

LODGED BY:

CORRECTION TO:
WALLMANS LAWYERS

WALL571

SUPPORTING DOCUMENTATION LODGED WITH INSTRUMENT
(COPIES ONLY)

- 1
- 2
- 3
- 4
- 5

CORRECTION	PASSED
REGISTERED	REGISTRAR-GENERAL

LEASE

PRIVACY COLLECTION STATEMENT: The information in this form is collected under statutory authority and is used for maintaining publicly searchable registers and indexes. It may also be used for authorised purposes in accordance with Government legislation and policy requirements.

LAND DESCRIPTION

Whole of the land in Certificate of Title Volume 5689 Folio 669

ESTATE & INTEREST

In fee simple

LESSOR (Full name and address)

MAX 2 PTY LTD (ACN 628 865 412) of 8 First Street Magill, SA 5072

LESSEE (Full name, address and mode of holding)

THE CORPORATION OF THE CITY OF ADELAIDE of 25 Pirie Street, Adelaide SA 5000

TERM OF LEASE

ONE (1) YEAR FIVE (5) MONTHS AND TWENTY SIX (26) DAYS

COMMENCING ON 1 April 2019

AND

EXPIRING ON 26 September 2020

RENT AND MANNER OF PAYMENT (or other consideration)

FORTY SEVEN THOUSAND AND SEVEN HUNDRED DOLLARS (\$47,700.00) per annum exclusive of GST subject to review under the terms of this Lease. The annual Rent is payable by equal consecutive calendar monthly instalments always in advance, equal to one-twelfth of the annual Rent. The first instalment must be paid on the Commencement Date (being a proportionate instalment if appropriate) and after that on the first day of each and every following month.

IT IS COVENANTED BY AND BETWEEN THE LESSOR AND THE LESSEE as listed herein:

(Covenants, where not deposited, to be set forth on insert sheet(s) and securely attached)

REFERENCE SCHEDULE

ITEM 1 Premises	The whole of land in Certificate of Title Volume 5689 Folio 669
ITEM 2 Estate	Estate in fee simple
ITEM 3 Encumbrances	Nil
ITEM 4 Lessor	MAX 2 PTY LTD (ACN 628 865 412) of 8 First Street Magill, SA 5072
ITEM 5 Lessee	THE CORPORATION OF THE CITY OF ADELAIDE of 25 Pirie Street, Adelaide SA 5000
ITEM 6 Term and Renewals	<p>(a) Original Term: One (1) year five (5) months and twenty six (26) days, commencing on 1 April 2019 and expiring at midnight on 26 September 2020</p> <p>(b) Renewal: Not applicable</p>
ITEM 7 Rent and Manner of Payment	FORTY SEVEN THOUSAND AND SEVEN HUNDRED DOLLARS (\$47,700.00) per annum exclusive of GST subject to review under the terms of this Lease. The annual Rent is payable by equal consecutive calendar monthly instalments always in advance, equal to one-twelfth of the annual Rent. The first instalment must be paid on the Commencement Date (being a proportionate instalment if appropriate) and after that on the first day of each and every following month).
ITEM 8 Consents	Refer to the consent panel of this Lease
ITEM 9 Land	The whole of the land in Certificate of Title Volume 5689 Folio 669
ITEM 10 Permitted Use	Community centre and library
ITEM 11 Rent Review Dates	<p>(c) Date: 1 April Years: 2020</p> <p>(d) Date: Not applicable Years: Not applicable</p>

LEASE TERMS

The Lessee and the Lessor covenant and agree for and throughout the term in relation to the Premises in and on the same covenants, terms and conditions set out in the Memorandum of Lease in Annexure A of this Lease (**Previous Lease**) as if all such covenants, terms and conditions were expressly set out in full in this Lease, subject to the following:

1. LTO PANEL FORM AND REFERENCE SCHEDULE

the Lands Titles Office panel form appearing on the first two and last two pages of this Lease, and the reference schedule in the form appearing on the third page of this Lease, are to be read in conjunction with the Previous Lease;

2. AMENDMENTS

The terms of the Previous Lease will be amended as follows:

- 2.1 clauses 2.7 and 3.9 are deleted (as the Lessor will not be carrying out those works);
- 2.2 clause 4.9 is deleted (as the Lessee has no right of renewal);
- 2.3 clause 8 is deleted (as the Lessee has no right of early termination);
- 2.4 clause 2.11.1 is amended by inserting the words "*or around*" immediately after the words "*affix or exhibit on*";
- 2.5 clause 2.19.1 is amended by replacing "*Ten Million Dollars (\$10,000,000)*" with "*Twenty Million Dollars (\$20,000,000)*";
- 2.6 clause 3.2 is deleted. New clause 2.26 is included as follows "*if first notified in writing by the Lessor to the Lessee and provided that the Lessor gives reasonable notice to the Lessee, the Lessee must prior to or at the expiration of the Term or surrender of this Lease or within sixty (60) days of any sooner determination of this Lease take remove and carry away from the Premises all fixtures fittings plant equipment or other articles on the Premises in the nature of trade or tenant's fixtures brought on to the Premises by the Lessee and those portions of the fit out of the Premises which were installed by or at the cost (wholly or partially) of the Lessee*";
- 2.7 clause 4.5.1 is deleted and replaced with the following "*the Lessee shall pay its own costs of and incidental to the preparation, negotiation and engrossing of:*
 - (a) *this Lease, except that the Lessor must pay one half of the Lessee's legal costs incurred by the Lessee in connection with any amendments to the draft of this Lease requested by the Lessor during the negotiation of this Lease; and*
 - (b) *any renewal, extension or surrender of this Lease which is prepared by the Lessee;*"
- 2.8 clause 4.10.1 is deleted and replaced with the following: "*The rent will be reviewed as at and from each Review Date specified in Item 11(a) of the Schedule to an amount equal to the rent payable immediately before the relevant Review Date increased by four per centum (4%) per annum;*
- 2.9 clause 4.10.3 is deleted.

ANNEXURE A – PREVIOUS LEASE

1. INTERPRETATION

In this Lease unless the contrary intention appears:

- 1.1 **"Actuary"** means an actuary (or an individual with the professional designation corresponding to an actuary as designated by The Institute of Actuaries of Australia ABN 69 000 423 656 as at the Commencement Date) who shall be appointed to make a determination pursuant to this Lease and:
- 1.1.1 who shall be appointed by the Lessor and the Lessee or (if they fail to agree on the appointee within seven (7) days of either notifying the other of the requirement for such appointment) at the request of either by the President or (if the President shall be unwilling or unable to act) other executive officer of that Institute or if that Institute has ceased to exist then the chief executive officer or other executive officer of a professional body formed by or for actuaries in the Commonwealth of Australia fulfilling substantially the same functions as that Institute;
 - 1.1.2 who shall have been an accredited member of that Institute or body for at least five (5) years immediately prior to the date of such appointment;
 - 1.1.3 who shall be deemed to act as an expert and not as an arbitrator;
 - 1.1.4 whose determination shall be final and binding as between the Lessor and the Lessee; and
 - 1.1.5 all costs and expenses of and incidental to such determination shall be borne by the Lessor and the Lessee in equal shares;
- 1.2 **"Commencement Date"** means the date of commencement of the Original Term set out in Item 6(a) of the Schedule;
- 1.3 **"CPI"** means the Consumer Price Index (All Groups) for Adelaide published from time to time by the Australian Bureau of Statistics or by the Commonwealth of Australia or by any other body authorised by the Commonwealth of Australia to do so;
- 1.4 **"Current Market Rent"** means the annual rent that can reasonably be obtained for the Premises in the open market adjusted to reflect the following conditions:
- 1.4.1 on the basis of a lease of the Premises on the same terms as this Lease (for the residue of the Term);
 - 1.4.2 on the basis that the Premises is unoccupied;
 - 1.4.3 on the basis that the Lessee and the Lessor have complied with all of the terms of this Lease (but without prejudice to any right or remedy of the Lessor or the Lessee in that regard) and not taking into account any breach of this Lease by the Lessee or the Lessor;
 - 1.4.4 taking into account any disturbance or nuisance to the Lessee's use of the Premises caused or contributed to by any act or neglect of the Lessor or any adjoining owner or other party;
 - 1.4.5 taking into account any fine premium cash payment allowance rent free period suspension or abatement of rent or other incentive or assistance effected or given in respect of comparable premises to induce tenants to take a lease of or remain in such comparable premises;
 - 1.4.6 not taking into account any payment allowance rent free period or other assistance or incentive given by the Lessee in respect of any sublease or other tenancy or licence agreement in respect of the Premises;
 - 1.4.7 not taking into account any goodwill attaching to the Premises by reason of the Lessee's occupation of the Premises;
 - 1.4.8 not taking into account any value attaching to any licence permit or approval in respect of the Lessee's business; and
 - 1.4.9 taking into account the fact that the annual rent set out in Item 7 of the Schedule is GST exclusive and that under this Lease an additional amount on account of GST is payable; and
 - 1.4.10 not taking into account any increase in value of the Premises arising from any fixtures fittings plant and equipment erected or installed by or at the expense (wholly or partially) of the Lessee;

- 1.5 **"Default Rate"** means:
- 1.5.1 the rate of interest being the Loan Index Rate for commercial loans charged by the Commonwealth Bank of Australia Limited ABN 48 123 123 124 on the date default occurs; or
 - 1.5.2 if there be more than one rate then the lowest of such rates; or
 - 1.5.3 if there is no such rate then the rate of interest being the National Australia Bank Limited ABN 12 004 044 937 Indicator Base Rate on the date on which default occurs;
- 1.6 **"GST"** has the same meaning it does in Section 195-1 of the GST Act;
- 1.7 **"GST Act"** means the A New Tax System (Goods and Services Tax) Act 1999;
- 1.8 **"Land"** means the Land described in Items 1 and 9 of the Schedule;
- 1.9 **"Lessee"** means the person described in Item 5 of the Schedule (and if more than one then jointly and severally) and where the context allows the heirs executors administrators successors and permitted assigns of such person (and if more than one then jointly and severally);
- 1.10 **"Lessee's Agents"** means each of the Lessee's agents contractors officers employees subtenants invitees and other persons claiming through or under the Lessee;
- 1.11 **"Lessor"** means the person described in Item 4 of the Schedule (and if more than one then jointly and severally) and where the context allows the heirs executors administrators successors and assigns of such person (and if more than one then jointly and severally);
- 1.12 **"Network Charge"** means the costs payable from time to time to the operator of the external electricity distribution network to which the Land is connected on account of the use of that network to deliver electricity to the Land;
- 1.13 **"notice"** means notice in writing or transmitted by facsimile;
- 1.14 **"Original Term"** means the original term of this Lease set out in Item 6(a) of the Schedule;
- 1.15 **"Permitted Use"** means the use described in Item 10 of the Schedule;
- 1.16 **"Premises"** means the Land and where the context allows includes the interior and exterior of the building or buildings erected on the Land and all present and future improvements or modifications erected on or made to the Land and includes without limitation:
- 1.16.1 all car parks (if any);
 - 1.16.2 all of the Lessor's fixtures fittings airconditioning fire protection and other plant machinery equipment; and
 - 1.16.3 all conveniences services amenities and appurtenances of in or to the Premises and includes any part of the Premises;
- 1.17 **"Recipient"** and **"Supplier"** have the respective meanings ascribed to those terms in the GST Act;
- 1.18 **"rent"** means the rent reserved by this Lease;
- 1.19 **"Review Date"** means the respective dates set out in Item 11 of the Schedule;
- 1.20 **"services"** means all electrical plumbing airconditioning gas telephone facsimile and other like installations including without limitation all pipes drains cables wires and other conduits situated in or on or serving the Premises;
- 1.21 **"Taxable Supply"** has the same meaning it does in Section 9-5 of the GST Act;
- 1.22 **"Term"** means the Original Term and any extension or renewal of that term and any period during which the Lessee holds over or remains in occupation of the Premises;
- 1.23 **"terms of this Lease"** means the terms covenants agreements duties obligations rights powers privileges provisions acknowledgements and conditions set out in this Lease;
- 1.24 **"Valuer"** means a qualified valuer (being an individual with the professional designation corresponding to valuer as designated by the Australian Property Institute as at the Commencement Date) who shall be appointed to make a valuation or determination pursuant to this Lease and:

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- 1.24.1 who shall be appointed by the Lessor and the Lessee or (if they fail to agree on the appointee within seven (7) days of either the Lessor or the Lessee notifying the other of the requirement of such appointment) at the request of the Lessee or the Lessor by the person for the time being holding or acting in the office of President of the Australian Property Institute (South Australian Division) or if that Institute has ceased to exist then the chief executive officer or other executive officer for the time being of a professional body formed by or for valuers in South Australia and fulfilling substantially the same functions as that Institute;
- 1.24.2 who has for at least five (5) consecutive years immediately prior to the date of such appointment been an accredited member of that Institute or body;
- 1.24.3 who has practised as a land valuer as defined in the Land Valuers Act 1994 in the valuation for rental purposes of property similar to the Premises for a period of not less than five (5) consecutive years immediately prior to such appointment;
- 1.24.4 who shall be deemed to act as an expert and not as an arbitrator;
- 1.24.5 whose determination shall be final and binding as between the Lessor and the Lessee; and
- 1.24.6 all costs and expenses of and incidental to such valuation or determination shall be borne by the Lessee and the Lessor in equal shares unless otherwise provided in this Lease;
- 1.25 a reference to any Act includes all statutes regulations codes by-laws or ordinances and any notice demand order direction requirement or obligation under that Act (and vice versa) and unless otherwise provided in that Act includes all consolidations amendments re-enactments or replacements from time to time of that Act and a reference to "law" includes a reference to any Act and the common law;
- 1.26 words importing the singular embrace the plural and words importing one gender embrace the other genders and vice versa respectively;
- 1.27 any reference to a person shall be deemed to include a body corporate and vice versa;
- 1.28 anything which the Lessee is required to do shall be done at the cost of the Lessee and to the reasonable satisfaction of the Lessor;
- 1.29 headings are for convenience of reference only and shall not affect the interpretation of this Lease;
- 1.30 any reference to an "Item of the Schedule" means the relevant Item of the Reference Schedule contained in this Lease and any reference to a clause means the relevant clause of this Lease; and
- 1.31 where the words "Not Applicable" appear opposite any part of any Item of the Schedule then each and every clause in this Lease in which specific reference is made to such part of the relevant Item of the Schedule shall be of no effect.

2. LESSEE'S COVENANTS

The Lessee hereby covenants and agrees with the Lessor throughout the Term:

2.1 Rent

to pay the rent free from exchange deduction set off or counterclaim and abatement to the Lessor as the Lessor requires:

- 2.1.1 at the Lessor's address set out in Item 4 of the Schedule; or
 - 2.1.2 by direct bank transfer to the credit of a bank account nominated by the Lessor; or
 - 2.1.3 to such other person or at such other place as the Lessor shall notify the Lessee
- and at the times and in the manner set out in Item 7 of the Schedule;

2.2 Rates Taxes and Utilities

- 2.2.1 to pay all emergency services levies council rates and water and sewerage rates and charges in respect of the Premises ("Rates and Taxes") as and when such Rates and Taxes are due and payable to the relevant taxing rating or charging authority or entity or if required by the Lessor then to pay such Rates and Taxes to the Lessor within fourteen (14) days of demand being made by the Lessor;

2.2.2 to pay as and when due for payment or if required by the Lessor then within fourteen (14) days of demand being made therefor all costs fees and charges for the provision of:

- (a) electricity gas oil and other energy or fuels supplied to or separately metered and consumed in the Premises; and
- (b) telephone facsimile and other communication services water waste disposal and garbage collection supplied to or separately metered or consumed in or on or in respect of the Premises

whether supplied by the Lessor or any public municipal or government body authority or department or any other person; and

2.2.3 that all such Rates and Taxes costs and charges shall be adjusted as between the Lessor and the Lessee as at the Commencement Date and the date of expiry of the Term (as the case may be) and the Lessor's proportion shall be deemed to be so much of such Rates and Taxes costs or charges as are referable to any time not included in the Term;

2.3 Assignment and Subletting

2.3.1 subject to clause 3.4 not to transfer or assign this Lease without the consent of the Lessor which consent shall not be withheld if:

- (a) the Lessee proves to the reasonable satisfaction of the Lessor that the person to whom it is proposed to transfer or assign this Lease is not unlikely to be able to meet the financial obligations of the Lessee under this Lease; and
- (b) the person to whom it is proposed to transfer or assign this Lease enters into a direct covenant with the Lessor to observe the terms of this Lease; and

2.3.2 subject to clause 3.4 not to sublease the Premises without the consent of the Lessor;

2.4 Permitted Use

2.4.1 not to use or permit the use of the Premises other than for the Permitted Use and not to do or permit to be done anything which may be or become unlawful immoral or an annoyance nuisance or damage to the Lessor or any other person in or in the vicinity of the Land; and

2.4.2 to promptly obtain keep current and comply with all consents approvals and licences from all relevant authorities or other persons necessary or incidental to the use of the Premises for the Permitted Use and the provisions of this Lease;

2.5 Maintenance and Repair

to maintain repair clean and keep the interior of the buildings erected on the Land in good tenable order and condition damage by fire flood lightning storm tempest act of God war damage and other risks covered by the Lessor's insurance and fair wear and tear excepted and at the expiration of the Term or surrender of this Lease or any sooner determination of this Lease peaceably to surrender and yield up to the Lessor the Premises in good tenable repair order and condition subject to the exceptions stated in this clause provided that nothing in this Lease shall render the Lessee liable in respect of:

- 2.5.1 any structural maintenance replacement or repair or work of a capital nature except to the extent that it is rendered necessary to make good damage caused by the Lessee's negligence; and
- 2.5.2 any maintenance repair replacement or cleaning that is rendered necessary to make good damage caused or to the extent contributed to by any act or omission of the Lessor or any of its servants agents contractors lessees or invitees;

2.6 Cleaning

2.6.1 to cause the Premises to be cleaned regularly in a proper and workmanlike manner and kept clean and free from dirt and rubbish;

2.6.2 to keep and maintain clean and in good tenable order repair and condition fair wear and tear excepted all of the Lessee's fixtures fittings equipment and chattels of the Lessee to the extent necessary to prevent any hazard or deterioration in the condition of the Premises; and

2.6.3 to store and keep all waste materials and garbage in proper receptacles for it and to arrange for the regular removal of it from the Premises;

2.7 Works

that the Lessee agrees and acknowledges that the fixtures and fittings referred to in clauses 3.9.2(a), (b) and (c) shall become and remain the property and responsibility of the Lessor;

2.8 Statutory Requirements

to promptly and efficiently satisfy comply with and observe all present and future laws and the requirements directions and orders of any governmental semi-governmental civic health safety environmental licensing or other authority with competent jurisdiction relating to or affecting the use or condition of the Premises or the occupancy by the Lessee of the Premises where such compliance or obligations are imposed on the occupier (and not the owner) of the Premises provided that nothing in this clause shall impose on the Lessee any obligation arising from any pre-existing pollution or contamination of the Premises or the Land or in relation to repair or damage arising from fair wear and tear or in respect of any structural alterations improvements additions or repairs or work of a capital nature;

2.9 Airconditioning

where any plant machinery or equipment for heating cooling or circulating air or any related services or controls of appliances ("airconditioning plant") are provided or installed in the Premises by the Lessor to pay all costs and expenses of and incidental to the operation and normal preventative and operational servicing but not replacement and repair, of the airconditioning plant;

2.10 Notice of Defects

to give to the Lessor prompt notice of any circumstance which the Lessee is aware is likely to constitute a danger risk or hazard to the Premises or any person in the Premises;

2.11 Signs and Other Devices

2.11.1 not without the consent of all appropriate regulatory authorities to erect paint place display affix or exhibit on the Premises any sign advertisement name or notice; and

2.11.2 to maintain such signage in good and substantial repair and on vacating the Premises remove such signage and to make good any damage or disfigurement caused by reason of such signage or its removal;

2.12 Alterations and Additions

not without the consent of the Lessor (which consent shall not be unreasonably withheld or delayed) to make any structural alteration or addition in or to the Premises nor without the consent of the Lessor which consent shall not be unreasonably withheld to install or alter any fixed equipment or other fixed installation in or about the Premises provided that where such consent is given:

2.12.1 such work equipment or installation shall be installed or altered in accordance with the consent so given (if any);

2.12.2 all reasonable fees payable to the Lessor's consultants in connection with such consent and inspection shall be paid by the Lessee to the Lessor within fourteen (14) days of demand; and

2.12.3 all such equipment and installations (except where they are Lessor's fixtures or fittings) shall remain the property of the Lessee and the Lessee shall maintain and repair such equipment and installations in good order (fair wear and tear excepted) and where appropriate in working condition and pay all associated running costs and such equipment and installations may at the option of the Lessee be removed by the Lessee at the expiration of the Term or surrender of this Lease or within fourteen (14) days of any sooner determination of this Lease but the Lessee shall on such removal repair any damage to the Premises occasioned by such removal;

2.13 Electrical and Plumbing Installations

subject to the Electricity (General) Regulations 1997 and any other applicable electricity laws not without the consent of the Lessor (which consent shall not be unreasonably withheld or delayed) to install any water gas or electrical fixtures plant equipment or appliances or any apparatus for illuminating airconditioning heating cooling or ventilating the Premises other than kitchen appliances

for the preparation of food or beverages and appliances and equipment reasonably necessary for the execution of normal practices of the Permitted Use;

2.14 Heavy and Noisy Objects

not without the consent of the Lessor to bring on to or install in the Premises any machinery plant or equipment of such nature weight or size as to cause any structural damage to the Premises;

2.15 Dangerous Substances

not without the consent of the Lessor to bring or allow to be brought onto the Premises any dangerous noxious toxic volatile explosive or inflammable substance or compound whether in solid liquid gaseous or other form except where such substance or compound is necessary for or incidental to the carrying on of the Lessee's business;

2.16 Lessor's Access and Alterations

2.16.1 to permit the Lessor and any person authorised by the Lessor at all reasonable times on giving to the Lessee not less than fourteen (14) days' prior written notice to enter the Premises and view the state of its repair provided that such entry and inspection shall not interfere with the Lessee's use of the Premises and the Lessor may then:

- (a) serve on the Lessee a notice of any defect the repair of which is within the Lessee's obligations under this Lease requiring the Lessee within a reasonable time stated in the notice to repair the defect;
- (b) in default of the Lessee repairing such defect it shall be lawful for the Lessor (without any obligation on the Lessor to do so) to execute the required repairs as if it were the Lessee;
- (c) for that purpose the Lessor and any person authorised by the Lessor may enter the Premises on giving to the Lessee not less than fourteen (14) days' prior written notice and there remain for the purpose of doing erecting or effecting any such required repairs (provided that in undertaking such works the Lessor and all authorised persons shall minimise any and all disruption to the Lessee's use of the Premises); and
- (d) any reasonable costs and expenses of and incidental to carrying out such repairs shall be payable by the Lessee to the Lessor;

2.16.2 to permit the Lessor and any person authorised by the Lessor at all reasonable times on giving to the Lessee not less than fourteen (14) days' prior written notice to enter the Premises and to carry out the following works on or about the Premises:

- (a) making good drainage penetration to the Premises by flushing and covering with FFL;
- (b) sealing vent pipes on the wall of the Premises;
- (c) replacement of broken glass to the front door of the Premises;
- (d) ensuring all fluorescent bulbs are installed and functioning correctly;
- (e) ensuring all air conditioning is functioning correctly; and
- (f) ensuring the alarm system is functioning correctly

in such manner as shall be approved by the Lessee (such approval not to be unreasonably withheld or delayed) and provided that in undertaking such works the Lessor and all authorised persons shall minimise any and all disruption to the Lessee's use of the Premises; and

2.16.3 that the Lessee agrees and acknowledges that the fixtures and fittings referred to in clauses 2.16.2 (e) and (f) shall remain the property of the Lessor;

2.17 Security

to use reasonable endeavours to protect and keep safe the Premises and any property contained in it from theft or vandalism and to keep all external doors windows and other openings closed and locked when the Premises are not in use;

2.18 Glass Insurance

- 2.18.1 to insure and keep insured against breakage and damage with an insurance office approved by the Lessor all the plate glass in the Premises for its replacement value; and
- 2.18.2 within fourteen (14) days of demand to deliver the policy and certificate of currency of such insurance to the Lessor; and

2.19 Public Liability Insurance

- 2.19.1 to effect and keep current in respect of the Premises a public liability insurance policy for an amount of not less than Ten Million Dollars (\$10,000,000.00) per occurrence with an insurance office approved by the Lessor which approval shall not be unreasonably withheld; and
- 2.19.2 within fourteen (14) days to deliver the policy and certificate of currency of such insurance to the Lessor;

2.20 Reimburse Premium

to pay to the Lessor within fourteen (14) days of demand all moneys reasonably expended by the Lessor in effecting the insurance referred to in clause 3.7;

2.21 Additional Premium and Excess

- 2.21.1 to pay any additional premium levied on account of the Lessee's use or occupation of the Premises in respect of any policy of insurance effected in respect of the Premises or its contents or any policy of public liability insurance effected by the Lessor;
- 2.21.2 to pay all excess amounts paid or payable by the Lessor under any of such policies of insurance relating to any accident incident or claim caused or contributed to by the Lessee or any of the Lessee's Agents;

2.22 Not to Vitate Insurance

not at any time to do or permit or suffer to be done any act matter or thing in or on the Premises whereby any insurance effected by the Lessee in respect of the Premises may be vitiated or rendered void or voidable;

2.23 Indemnities

to indemnify the Lessor to the extent of the Lessee's contribution against and in respect of all and any actions claims demands losses damages costs and expenses which the Lessor may incur in respect of or arising from:

- 2.23.1 the negligent use misuse waste or abuse by the Lessee or any of the Lessee's Agents of the water gas electricity oil lighting and other services or facilities to or in the Premises;
- 2.23.2 overflow or leakage of water (including rain water) in or from the Premises but originating within the Premises or caused or contributed to by any negligent act or negligent omission of the Lessee or any of the Lessee's Agents; and
- 2.23.3 loss damage or injury from any cause to property or persons caused or contributed to by the negligent use of the Premises by the Lessee or any of the Lessee's Agents;

2.24 Release of Lessor

to occupy use and keep the Premises at the risk of the Lessee and the Lessee agrees that the Lessor will have no responsibility or liability and is fully released from all responsibility or liability for:

- 2.24.1 loss of or damage to the Lessee's stock fixtures or fittings or other property; and
- 2.24.2 claims demands and damages resulting from or contributed to by any accident damage or injury occurring in on or about the Land unless deriving from any structural defect in the Land

except to the extent caused or contributed to by the wilful or negligent act or omission of the Lessor or any of its officers employees agents or contractors or any default of the Lessor under this Lease; and

2.25 Reletting

to permit the Lessor:

2.25.1 not more than three (3) months prior to the expiration of the Term to place "To Let" notices; and

2.25.2 at any time to place "For Sale" notices

in conspicuous places outside the Premises which do not obscure the Lessee's signage and which do not interfere with the Lessee's business at the Premises and to enter the Premises at all reasonable times on giving reasonable prior notice to the Lessee and causing as little disturbance to the Lessee and its business as is practicable for the purpose of showing prospective tenants or purchasers over the Premises.

3. LESSOR'S COVENANTS

The Lessor hereby covenants and agrees with the Lessee throughout the Term that:

3.1 Quiet Possession

the Lessee paying the rent and duly and punctually observing and performing the terms of this Lease shall and may peaceably possess and enjoy the Premises for the Term without any interruption or disturbance from the Lessor;

3.2 Lessee's Property

the Lessee may but without obligation prior to or at the expiration of the Term or surrender of this Lease or within fourteen (14) days of any sooner determination of this Lease take remove and carry away from the Premises all fixtures fittings plant equipment or other articles on the Premises in the nature of trade or tenant's fixtures brought onto the Premises by the Lessee and those portions of the fit out of the Premises which were installed by or at the cost (wholly or partially) of the Lessee;

3.3 Maintenance and Operation

3.3.1 the Lessor shall at its own cost and expense keep and maintain the buildings and improvements erected on the Land including without limitation the works referred to in clauses 2.16.2(a), (b) and (c) and 3.9.2(a), (b) and (c) in a structurally sound and weatherproof condition; and

3.3.2 subject to the Lessee's obligations under this Lease the Lessor shall ensure that all of the Lessor's plant and equipment which services the Premises including without limitation the plant and equipment referred to in clause 2.16.2 is promptly repaired or replaced when reasonably necessary so that it operates and is maintained in a proper state of repair and condition in accordance with industry standards having regard to the character and age of the Premises provided that if such plant and equipment malfunctions for more than two (2) consecutive days after the Lessee has given the Lessor notice of such malfunction then the rent and other moneys payable by the Lessee under this Lease shall abate until the malfunction is rectified and if the Lessor and the Lessee are unable to agree the amount of such abatement then the amount shall be determined by a Valuer;

3.4 Assignment

3.4.1 the Lessor shall not unreasonably withhold its consent to any transfer or assignment or sublease of the Lessee's interest in the Premises pursuant to clause 2.3 or make any charge for giving such consent other than the Lessor's reasonable incidental expenses and the Lessor acknowledges that if the Lessee is a body corporate no such consent shall be required if the transferee assignee or sublessee is a related body corporate (as defined in the Corporations Act 2001) of the Lessee; and

3.4.2 on transfer or assignment of the Lessee's interest in this Lease the Lessor shall release the assignor and its guarantors from their respective obligations under this Lease and any guarantee of this Lease but without prejudice to the rights of the Lessor against any assignee or its guarantors;

3.5 Occupational Health and Safety

the Lessor shall at its own cost and expense keep and maintain the buildings and improvements erected on the Land safe for occupation and the Lessor shall comply with all occupational health and safety laws applicable to the buildings and improvements and to the Land provided that if any

compliance with such laws is required due to the business conducted by the Lessee on the Premises then it shall be the responsibility of the Lessee at its expense to comply with such laws;

3.6 Warranties from Lessor that No Contamination

- 3.6.1 the Lessor represents and warrants to the Lessee that immediately prior to the Commencement Date the Premises were safe and suitable for the Permitted Use and did not give rise to a danger or risk to health, and did not contain any dangerous hazardous or contaminated materials or substances;
- 3.6.2 the Lessor acknowledges that the Lessee has entered into this Lease in reliance upon the representations and warranties set out in clause 3.6.1 and without limitation in reliance on those representations and warranties has not conducted its own or any independent tests or assessments regarding the condition of the Premises or the presence of any dangerous hazardous or contaminated materials or substances at the Premises;
- 3.6.3 the Lessor shall at its own cost and expense if either the Lessor or the Lessee (or both) is requested or required to do so by any governmental semi-governmental civic or statutory body or authority prepare or arrange for the preparation of a true and accurate Environmental Site Assessment Report (the "Report") and Remedial Plan (the "Plan") in respect of the Premises and comply with the provisions of the Report and the Plan and ensure that contamination levels in respect of the Premises are reduced to and do not exceed the levels or limits specified in the Report and the Plan;
- 3.6.4 the Lessor shall indemnify and keep indemnified the Lessee and its officers employees contractors and agents from and against any and all actions claims demands losses damages costs and expenses for which the Lessee or any of its officers employees contractors and agents shall or may be or become liable in respect of or arising out of any unsafe condition of the Premises or unsuitability of the Premises for use by the Lessee (whether or not for the Permitted Use), any danger or risk to health in respect of the use of the Premises, or any dangerous hazardous or contaminated materials or substances in on above or under the Premises (whether existing before or after the Commencement Date);

3.7 Lessor's Insurance

- 3.7.1 the Lessor will insure and keep insured the Premises against loss or damage by fire storm tempest earthquake lightning rain water and other water damage including flood, and inevitable accident aircraft and other aerial devices and articles dropped therefrom explosion malicious damage riot strikes termites impact by vehicles sprinkler leakage and against other usual and necessary risks against which a Lessor can and does ordinarily insure for full replacement value and the Lessor will on such damage occurring make a claim for insurance moneys to compensate for such damage and the Lessor shall expend all moneys received under such insurance in reinstating such of the Premises as may be damaged; and
- 3.7.2 the policies of insurance and certificates of currency of such insurance shall be in the names of the Lessor and the Lessee for their respective interests in the Premises with the Lessee's interest under this Lease and copies of such policies and certificates of currency shall be produced by the Lessor to the Lessee on request in writing being made by the Lessee for such production;

3.8 Fitness of Leased Premises

- 3.8.1 the Lessor represents and warrants to the Lessee that as at the Commencement Date the Premises comply with all laws and there are no requirements to be complied with and that there are no defects known to the Lessor that would not be detected by the Lessee on reasonable inspection;
- 3.8.2 if the Lessor within thirty (30) days of receiving notice from any governmental or semi-governmental civic health safety licensing or other authority having jurisdiction in respect of the Premises or the Land fails to comply with any statutes and requirements or either of them which are the Lessor's responsibility under this Lease the Lessee may:
 - (a) at the Lessor's cost comply with such statutes or the requirements; or
 - (b) give to the Lessor notice ("Notice") in writing specifying details of the non compliance; and

- 3.8.3 if the Lessor does not comply with such statutes or requirements specified in the Notice within fourteen (14) days of receiving the Notice the Lessee may terminate this Lease immediately by serving a notice on the Lessor; and

3.9 Works

- 3.9.1 within two (2) calendar months after the Commencement Date the Lessor will carry out the works referred to in clause 2.16.2; and
- 3.9.2 notwithstanding clause 2.12 the Lessor agrees and acknowledges that the Lessor consents to the Lessee carrying out the following works on or about the Premises:
- (a) construction of a new disabled toilet to AS1428.1;
 - (b) provision of a disabled access ramp with handrail;
 - (c) adjustment of existing door or provision of a new door to the ramp; and
 - (d) installation of a minimum of two (2) exit lights and an emergency light
- in such manner as is considered appropriate by the Lessee following consultation with the Lessor and at any time.

4. MUTUAL COVENANTS

The Lessor and the Lessee hereby covenant and agree throughout the Term that:

4.1 Default

4.1.1 Essential Terms

- (a) clauses 2.1 2.2 2.3 2.4 2.5 2.8 2.12 2.20 and 7 are essential terms of this Lease and that the Lessor may at its option treat any substantial and persistent breach or default by the Lessee in the observance or performance by the Lessee of its duties and obligations under such clauses and which is not rectified within a reasonable time following notice from the Lessor given pursuant to clause 4.2, as a repudiation by the Lessee of this Lease;

4.1.2 Termination and Re-entry

if:

- (a) the rent or any part of it is unpaid for a period of fourteen (14) days after any of the days on which it ought to have been paid and the Lessee fails to remedy the default within fourteen (14) days of receipt of a notice from the Lessor requiring the remedy of such default; or
- (b) the Lessee commits or permits to occur any breach or default in the due and punctual observance and performance of any of the essential terms of this Lease; or
- (c) where the Lessee is a body corporate, company or an incorporated association:
 - (i) an order is made or resolution is effectively passed for the winding up of the Lessee (except for the purpose of reconstruction or amalgamation); or
 - (ii) a Receiver or Receiver and Manager is appointed to the Lessee; or
 - (iii) the Lessee goes into liquidation or makes an assignment for the benefit of or enters into an arrangement or composition with its creditors

then the Lessor shall have the right to terminate this Lease and re-enter and repossess the Premises without prejudice to any other right or remedy of either party for any antecedent breach or default of any term of this Lease;

4.1.3 Damages

if this Lease is terminated by the Lessor the Lessor shall be entitled to recover all reasonable costs expenses losses and damages in respect of the loss of benefits which observance or performance of this Lease would have conferred on the Lessor had this Lease and the Lessee's obligations under it endured for the unexpired balance of the Term following such termination; and

4.1.4 Mitigation

if the Lessor terminates this Lease the Lessor must take reasonable steps to mitigate its loss but the Lessor's conduct taken in pursuance of the duty to mitigate loss will not by itself constitute acceptance of the Lessee's breach or repudiation or a surrender by operation of law;

4.2 Rectification on Default

notwithstanding anything expressed or implied in this Lease to the contrary the Lessor will not re-enter on the Premises or terminate or forfeit or acquire a surrender of this Lease unless the Lessor shall have first given to the Lessee notice of the breach default or non observance on which the Lessor relies in seeking to do so provided that:

- 4.2.1 in the case of a breach of any term of this Lease remediable by payment of money if the Lessee pays to the Lessor within fourteen (14) days of service of such notice all moneys necessary to remedy such breach;
- 4.2.2 in the case of a breach of any term of this Lease remediable other than by the payment of money if the Lessee within twenty eight (28) days of the service of such notice undertakes in writing to the Lessor to remedy within a reasonable time having regard to the nature and extent of such breach but in any event within three (3) months of the giving of such undertaking; and
- 4.2.3 in the case of a breach of any term of this Lease which cannot be remedied if the Lessee within twenty eight (28) days of the service of such notice pays or undertakes to pay and does in fact pay to the Lessor within three (3) months of giving such undertaking (or such further period of time as the Lessor shall determine in its absolute discretion) reasonable compensation to the reasonable satisfaction of the Lessor in respect of such breach having regard to its nature and extent

then the Lessor shall not be entitled to rely on the breach set out in the notice to the Lessee as grounds for re-entry termination forfeiture or surrender and such rights of the Lessor shall be absolutely waived and this Lease shall continue in full force and effect as if no such breach had occurred;

4.3 Abandoned Goods

any goods or other property left on the Premises by the Lessee at the expiration of the Term or the surrender of this Lease or on any sooner determination of this Lease shall be dealt with in compliance with Section 76 of the Retail and Commercial Leases Act 1995 as if that section applied to this Lease;

4.4 Default Interest

without prejudice to any other right or remedy of the Lessor the Lessee shall pay to the Lessor interest at the Default Rate on any money payable but unpaid fourteen (14) days after the money becomes payable by the Lessee to the Lessor under this Lease such interest to be computed from the date on which the money becomes payable until payment is made in full;

4.5 Costs

- 4.5.1 the Lessor and the Lessee shall pay in equal shares the Lessee's reasonable costs of and incidental to the preparation negotiation and engrossment of this Lease and any extension renewal or surrender of this Lease;
- 4.5.2 the Lessee shall pay the Lessor's reasonable costs of any assignment or transfer of this Lease;
- 4.5.3 the Lessee shall pay all stamp duty and Lands Titles Office registration fees in connection with this Lease and any assignment transfer extension renewal or surrender of this Lease; and
- 4.5.4 the Lessor shall pay all mortgagee consent and mortgagee production fees in connection with this Lease and any assignment transfer extension renewal or surrender of this Lease;

4.6 Costs and Remedies on Default

all reasonable costs incurred by the Lessor in respect of the Lessor remedying any Lessee's breach of or failure to perform any term of this Lease shall be deemed to be additional rent falling due and payable on the date on which the Lessor incurs such costs;

4.7 Destruction or Damage

4.7.1 if the whole or a substantial part of the Premises shall be destroyed or damaged so as to render the Premises unfit for use by the Lessee or to render the Premises inaccessible then:

- (a) the Lessor or the Lessee may at their respective option terminate this Lease by giving the other party within two (2) months of the date of such destruction notice to that effect;
- (b) this Lease shall terminate on the expiration of one (1) month after the giving of such notice; and
- (c) the parties shall cease to have any claim for or right to recover any damage by reason of such termination but without prejudice to the rights of either party for any antecedent breach of covenant;

4.7.2 until either the Lessor or the Lessee elects to terminate this Lease pursuant to clause 4.7.1 then a just proportion of the rent and other tenancy costs payable by the Lessee under this Lease according to the nature and extent of the damage or inaccessibility shall cease and be suspended until the Premises shall have been put in proper condition by the Lessor for use and occupation by the Lessee or until the Premises is accessible provided that if the proportion of the rent and other tenancy costs which are to be suspended cannot be agreed between the Lessor and the Lessee such proportion shall be determined by a Valuer; and

4.7.3 if the Premises shall be wholly or substantially destroyed or damaged or the Premises is rendered wholly or substantially inaccessible and:

- (a) the Lessor has not within two (2) months from the date of destruction or damage notified the Lessee of the Lessor's intention to restore the Premises or the access; or
- (b) if the Lessor has notified the Lessee of its intention to restore the Premises or the access but fails to proceed to restore it with all reasonable speed

then unless such destruction or damage shall have been occasioned by some breach or default of the Lessee:

- (c) the Lessee shall have a further right to terminate this Lease by notice to the Lessor and this Lease shall terminate fourteen (14) days after the Lessee has given its termination notice to the Lessor; and
- (d) neither party shall have any claim for or right to recover any damages by reason of such termination without prejudice to the rights of either party for any antecedent breach of covenant;

4.8 Holding Over

if the Lessee holds over after the expiration or sooner determination of the Original Term or any extension or renewal of this Lease as the case may be ("Holding Over Commencement Date") with the consent (express or implied) of the Lessor the Lessee then becomes a monthly tenant of the Lessor which tenancy may be terminated by either party giving to the other one (1) month's prior notice expiring at any time at a monthly rent equivalent to one twelfth of the annual rent payable under this Lease immediately prior to the Holding Over Commencement Date and otherwise on the same terms and conditions (with the necessary changes) as those contained in this Lease so far as applicable;

4.9 Renewal

4.9.1 on the written request of the Lessee made not less than three (3) months before the expiration of the Original Term the Lessor will grant to the Lessee a renewal of this Lease for the further term as set out in Item 6(b) of the Schedule ("Renewed Term") subject to

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and on the same terms and conditions as are contained in this Lease except for the exclusion of this clause giving the Lessee a right of renewal;

- 4.9.2 subject to clause 4.9.3 if this Lease is renewed pursuant to clause 4.9.1 and on the date of commencement of the Renewed Term the rent has not been reviewed pursuant to clause 4.10 then the renewal shall be effective notwithstanding that the rent may be reviewed at a subsequent date; and
- 4.9.3 if the rent is to be reviewed pursuant to clause 4.10 to the Current Market Rent as at the date of commencement of the Renewed Term and the Lessor and the Lessee have not agreed the rent to be paid as from the date of commencement of the Renewed Term then:
- the Lessee may by notice given to the Lessor at any time not more than eight (8) months nor less than four (4) months before the expiration of the Original Term request a determination of the Current Market Rent as at the date of commencement of the Renewed Term;
 - the amount of the Current Market Rent as at the date of commencement of the Renewed Term shall be determined as at the time of the request and the period within which the Lessee must exercise its right of renewal shall be varied so that the last day on which the right of renewal may be exercised is twenty one (21) days after the determination of Current Market Rent is made and notified to the Lessee in writing or the last day of the Original Term whichever is the earlier; and
 - the Lessor and the Lessee agree that the costs of the determination of the Current Market Rent shall be borne in equal shares;

4.10 Rent Review

- 4.10.1 the rent shall be reviewed as at and from each Review Date specified in Item 11(a) of the Schedule to an amount equivalent to "A" calculated in accordance with the following formula:

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

where:

"B" is the amount of the annual rent payable in respect of the Premises during the twelve (12) months immediately before the relevant Review Date except in the case of the first review in respect of the Original Term where "B" shall be the initial annual rent specified in Item 7 of the Schedule;

"C" is the CPI for the quarter ending immediately before the relevant Review Date; and

"D" is the CPI for the quarter ending immediately before the Review Date immediately preceding the relevant Review Date except in the case of the first review in respect of the Original Term where "D" shall be the CPI for the quarter ending immediately before the Commencement Date

provided that if:

- the CPI ("Original Index") ceases to be published; or
- the basis on which the Original Index is calculated is substantially changed

then:

- an Actuary shall determine what cost of living or other index (if any) and what conversions factors or other adjustments (if any) to such cost of living or other index or what other formula shall be applied in lieu of the Original Index to achieve the intention of the parties to adjust the rent under this clause 4.10.1 on the basis of movements in the CPI as calculated at the Commencement Date ("New Index"); and
- on such determination the rent shall be adjusted under this clause 4.10.1 with effect from the relevant Review Date in accordance with the New Index;

- 4.10.2 the rent shall be reviewed as at and from each Review Date specified in Item 11(b) of the Schedule to the Current Market Rent as at the relevant Review Date as agreed between

the Lessor and the Lessee in writing and failing agreement thirty (30) days before the relevant Review Date the Current Market Rent as at the relevant Review Date shall be as determined by a Valuer and the Valuer's appointment shall include a requirement that the Valuer accept instructions to undertake the determination on the following basis:

- (a) immediately on appointment the Valuer shall notify the Lessor and the Lessee in writing of the fact of such appointment and the Valuer's acceptance of it;
- (b) the Valuer shall seek written submissions from the Lessor and the Lessee or their duly authorised representatives as to the matters to which the Valuer should have regard in making the determination;
- (c) the Valuer shall give consideration to those submissions before making the determination provided that the submissions are made within the time nominated by the Valuer;
- (d) immediately on making the determination the Valuer shall dispatch to the Lessor and the Lessee a copy of the determination which shall be a "speaking" valuation setting out the matters (if relevant including without limitation incentives and concessions) which the Valuer has considered and the full reasons for the determination;
- (e) the determination shall be made within thirty (30) days following the Valuer's acceptance of the appointment; and
- (f) if the Valuer fails to make the determination within thirty (30) days after accepting the appointment or becomes incapacitated or dies or resigns from the appointment then another Valuer may be appointed to act in accordance with this clause 4.10;

4.10.3 the failure of the Lessor to require a determination of the new rent as at any Review Date shall not impede or prevent the Lessor at any time within six (6) months subsequent to the relevant Review Date from requiring the new rent to be determined pursuant to this clause 4.10 as at and from the relevant Review Date provided that if the Lessor fails to initiate or require a determination of the new rent within six (6) months subsequent to the relevant Review Date then unless otherwise agreed in writing between the parties the Lessor shall be deemed to have waived such right to review the rent in respect of the relevant Review Date; and

4.10.4 if the new rent applicable as at and from any Review Date is not reviewed by that date then:

- (a) pending such review the Lessee shall pay the instalments of the rent at the rate applicable immediately prior to the Review Date; and
- (b) the new rent shall be varied retrospectively as at and from the Review Date and any necessary adjustment in respect of:
 - (i) any underpayment of any instalment paid after the Review Date shall be paid by the Lessee to the Lessor within fourteen (14) days after the new rent is determined; and
 - (ii) any overpayment shall be paid by the Lessor to the Lessee within fourteen (14) days after the new rent is determined;

4.11 Waiver

no waiver by the Lessor of one breach of any term of this Lease shall operate as a waiver of another breach of that or any other term of this Lease;

4.12 Notice

4.12.1 without prejudice to any other means of serving notice any notice required to be served under this Lease shall be sufficiently served:

- (a) if to the Lessee by personal service on the Lessee (or if it is a body corporate on a director secretary or other officer of the Lessee) or by personal service at the Premises or by post or facsimile transmission to the Premises or the Lessee's registered office (if a body corporate) or by personal service at or post or facsimile transmission to the Lessee's last place of business or residence known to the Lessor; and

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- (b) if to the Lessor by personal service on the Lessor (or if it is a body corporate on a director secretary or other officer of the Lessor) or by post or facsimile transmission to the Lessor's registered office (if a body corporate) or to the Lessor's last known place of business or residence;

- 4.12.2 any notice may be signed on the party's behalf by its attorney director secretary or other officer or solicitor;
- 4.12.3 a notice by post is deemed served at the time when it ought to be delivered in the due course of post;
- 4.12.4 a notice by facsimile is deemed served on production of a transmission report by the machine from which it is sent which indicates that the facsimile was sent in its entirety to the facsimile number of the recipient; and
- 4.12.5 where there is more than one person comprising the Lessee a notice served on or by any one or more of the persons comprising the Lessee is deemed served on or by all of the persons comprising the Lessee;

4.13 Severance

any term of this Lease which is not applicable to the Premises or which is repugnant to the general interpretation of this Lease or which is invalid unlawful void or unenforceable shall be capable of severance without affecting any of the other terms of this Lease;

4.14 No Partnership

nothing contained in this Lease shall create the relationship of partnership or of principal and agent or of joint venture between the Lessor and the Lessee and no term of this Lease shall create any relationship between the Lessor and the Lessee other than the relationship of lessor and lessee; and

4.15 Electricity Laws

- 4.15.1 the Lessee acknowledges that:

- (a) nothing in this Lease obliges the Lessor to sell electricity to the Lessee;
- (b) if at any time the Lessor does sell electricity to the Lessee but at any subsequent time the Lessor elects not to sell electricity to the Lessee then the Lessor will give the Lessee not less than two (2) months' notice of its intention to cease to sell electricity to the Lessee; and
- (c) if at any time the Lessor does not sell electricity to the Lessee the Lessee must purchase electricity from a licensed retailer of electricity (under the Electricity Act 1996) ("Licensed Retailer of Electricity") selected by the Lessee;

- 4.15.2 if the Lessor has elected to sell electricity to the Lessee in respect of a period and the Lessee does not in respect of that period purchase electricity from a Licensed Retailer of Electricity then:

- (a) the Lessee must pay for all such electricity sold by the Lessor to the Lessee at the rate nominated by the Lessor from time to time; and
- (b) the Lessee must pay to the Lessor the Network Charge that the Lessee would be required to pay to the operator of the external electricity distribution network as if the Premises were directly connected to that external electricity distribution network, unless such Network Charge is already included in the rate nominated by the Lessor under clause 4.15.2(a);

- 4.15.3 the Lessor acknowledges that where the Lessee is to purchase electricity from a Licensed Retailer of Electricity, the Lessor will for that purpose allow the Lessee without charge payable to the Lessor (except under clause 4.15.4), but otherwise at the cost of the Lessee, to:

- (a) access and use the Lessor's inset network as defined in the Electricity (General) Regulations 1997; and
- (b) install, maintain and use meters and other necessary equipment in the Premises to record, deal with or segregate the supply of electricity to the Premises

provided that the Lessee must notify the Lessor of any information relating to the supply and consumption of electricity by the Lessee in or in relation to the Premises as may be reasonably required by the Lessor to administer the Lessor's inset network;

- 4.15.4 if the Lessee purchases electricity directly from a Licensed Retailer of Electricity and has access to the Lessor's inset network, then the Lessee must pay to the Lessor the Network Charge that the Lessee would be required to pay to the operator of the external electricity distribution network as if the Premises were directly connected to that external electricity distribution network, unless the Premises are directly connected by a supply point to that external electricity distribution network;
- 4.15.5 to the extent permitted by law, the Lessor gives no warranty or undertaking and makes no representations concerning the condition, suitability, quality or quantity of the electricity sold by the Lessor to the Lessee or electricity supplied to the Premises;
- 4.15.6 if the Lessee proposes to increase the electricity requirements of the Premises during the Term which necessitates:

- (a) the installation of additional electricity equipment in the Premises; or
- (b) alteration to the Lessor's inset network

then to the extent consistent with the conditions of the Lessor's exemption under Regulation 6(3) of the Electricity (General) Regulations 1997, the Lessee will be liable for the costs of and incidental to installing:

- (c) that additional electricity equipment; and
- (d) making those alterations to the Lessor's inset network

but no such installation or alteration shall be carried out within the Premises or to the Lessor's inset network without the prior approval of the Lessor in accordance with the terms of this Lease and in any event the Lessor may in its absolute discretion carry out such installation or alteration and the reasonable cost of such works will be promptly paid by the Lessee; and

- 4.15.7 the Lessee acknowledges and agrees that, if at the request of the Lessee, the Lessor makes arrangements with the Lessee for the provision of emergency power from the Lessor's emergency power and back up power generation system (if any is installed at the absolute discretion of the Lessor) then:
- (a) such arrangements are made outside the Electricity (General) Regulations 1997; and
 - (b) the Lessee must pay the Lessor's separate charges for the connection to and supply of power to the Premises from the Lessor's emergency power and back up power generation systems

provided that the Lessor will ensure that there is no double recovery of any electricity sold to the Lessee under such emergency arrangements if the Lessor has otherwise elected to sell electricity to the Lessee under the Electricity (General) Regulations 1997.

5. CONDITIONS

This Lease is subject in all respects to development or planning approval or consent being first obtained if required.

6. CONSENT

Where the consent or approval of the Lessor is required such consent or approval shall not be unreasonably withheld or delayed by the Lessor or made conditional on unreasonable conditions and in any event the Lessee shall pay and reimburse to the Lessor any reasonable costs or fees paid by the Lessor to any consultants to examine or advise on any application for such consent or approval.

7. GST

7.1 Liability for GST

- 7.1.1 The amount payable by the Recipient to the Supplier for, or in connection with, a Taxable Supply under this Lease does not include any GST.

- 7.1.2 The Recipient must pay the Supplier an additional amount on account of GST equal to the amount payable by the Recipient for the relevant Taxable Supply multiplied by the prevailing GST rate.

7.2 Timing

The additional amount is payable at the same time as when the amount for the relevant Taxable Supply is required to be paid by the Recipient to the Supplier but in any event, not before the Supplier has provided the Recipient with a tax invoice which is in an approved form for GST purposes.

7.3 Reimbursement

To the extent that the amount for a Taxable Supply consists of the reimbursement of costs and expenses incurred by the Supplier, in this Lease those costs and expenses are deemed to be exclusive of the amount of any refund or input tax credit of GST to which the Supplier is entitled as a result of incurring the cost or expense.

8. EARLY TERMINATION

The Lessor and the Lessee covenant and agree that:

- 8.1 this Lease may be terminated by the Lessee on or before 30 November 2004 if the Lessee:
- 8.1.1 gives to the Lessor not less than seven (7) days' written notice of its intention to terminate ("Termination Notice") such notice to expire on or before 30 November 2004; and
 - 8.1.2 pays to the Lessor a sum equivalent to ten percent (10%) of the annual rent paid or payable by the Lessee to the Lessor for the period commencing on the Commencement Date and expiring on the date of expiration of the Termination Notice in addition to such rent;
- 8.2 this clause 8 is inserted in this Lease for the benefit of the Lessee only and may be relied on and exercised only by the Lessee in its absolute discretion;
- 8.3 on the termination of this Lease pursuant to this clause neither party shall have any claim against the other in relation to such termination but without prejudice to:
- 8.3.1 the rights of either party for any antecedent breach or default; and
 - 8.3.2 the Lessee's obligations pursuant to clause 2.7 of this Lease; and
- 8.4 if this Lease is terminated pursuant to this clause:
- 8.4.1 the parties shall promptly on receipt execute a Memorandum of Surrender of the Lease in registrable form which Surrender shall be prepared stamped and (if this Lease is registered) registered by the Lessor's solicitors at the cost and expense of the Lessee; and
 - 8.4.2 the Lessee shall promptly on request produce to the Lessor's solicitors the Lessee's registered copy of this Lease to enable registration of the Surrender.

EXECUTION**Lessor**

EXECUTED by **MAX 2 PTY LTD (ACN 628 865 412)** in accordance with section 127(1) of the *Corporations Act 2001* (Cth) by:

Signature

Print Name

Print Position

Sole director and company secretary

Lessee

SIGNED AS DELEGATE FOR
THE CORPORATION OF THE CITY OF ADELAIDE
under section 44 of the *Local Government Act 1999*:

Signature

Print full name

Print Position Held

OPERATIVE CLAUSE **Delete the inapplicable*

The Lessor LEASES TO THE LESSEE the land above described and the LESSEE ACCEPTS THIS LEASE of the land for the term and at the rent stipulated, subject to the covenants and conditions expressed herein and to the powers and covenants implied by the *Real Property Act 1886* (except to the extent that the same are modified or negated below).

DEFINE THE LAND BEING LEASED INCORPORATING THE REQUIRED EASEMENT(S) ETC. (Item 10)

The whole of the land in the Certificate of Title referred to in Item 1.

CONSENTS OF MORTGAGEES AND SECTION 32 DEVELOPMENT ACT 1993 CERTIFICATION

This lease does not contravene section 32 of the *Development Act 1993* (SA)

DATED15/11/2018.....

CERTIFICATION *Delete the inapplicable

Lessor(s)

*The Prescribed Person has taken reasonable steps to verify the identity of the Lessor.

*The Prescribed Person holds a properly completed Client Authorisation for the Conveyancing Transaction including this Registry Instrument or Document.

*The Prescribed Person has retained the evidence to support this Registry Instrument or Document.

*The Prescribed Person has taken reasonable steps to ensure that the Registry Instrument or Document is correct and compliant with relevant legislation and any Prescribed Requirement.

Signed by:

.....(Name of Certifying Party)

.....(Capacity of Certifying Party)

for:(Company Name)

on behalf of the Lessor

Lessee(s)

*The Prescribed Person has taken reasonable steps to verify the identity of the Lessee.

*The Prescribed Person holds a properly completed Client Authorisation for the Conveyancing Transaction including this Registry Instrument or Document.

*The Prescribed Person has retained the evidence to support this Registry Instrument or Document.

*The Prescribed Person has taken reasonable steps to ensure that the Registry Instrument or Document is correct and compliant with relevant legislation and any Prescribed Requirement.

Signed by:

.....(Name of Certifying Party)

.....(Capacity of Certifying Party)

for:(Company Name)

on behalf of the Lessee

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