

Form: 07L
Release: 4-4

LEASE

New South Wales
Real Property Act 1900

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pages to the top left-hand corner.

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

STAMP DUTY

Office of State Revenue use only

(A) **TORRENS TITLE**

Property leased

Suite 29/23 Narabang Way, BELROSE NSW 2099
LOT 29 SP78928

(B) **LODGED BY**

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

CODE

Reference:

L

(C) **LESSOR**

AIQUA PTY LTD
ABN: 49 619 433 359

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

(D)

Encumbrances (if applicable):

(E) **LESSEE**

MUSIC EDU PTY LTD
ABN: 74 150 741 076

(F)


TENANCY:

- (G) 1. **TERM** One (1) Year
2. **COMMENCING DATE** 21 October 2019
3. **TERMINATING DATE** 20 October 2020
4. With an **OPTION TO RENEW** for a period of Two (2) Years
set out in clause 6 of "Annexure A"
5. With an **OPTION TO PURCHASE** set out in clause N.A. of N.A.
6. Together with and reserving the **RIGHTS** set out in clause N.A. of N.A.
7. Incorporates the provisions or additional material set out in **ANNEXURE(S)** N.A. hereto.
8. Incorporates the provisions set out in N.A.
No. N.A.
9. The **RENT** is set out in item No. 4 of The Reference Schedule

ALL HANDWRITING MUST BE IN BLOCK CAPITALS.

DATE

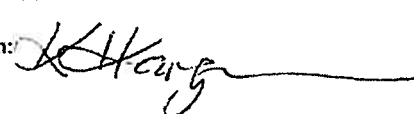
- (H) Certified correct for the purposes of the Real Property Act 1900 and executed on behalf of the company named below by the authorised person(s) whose signature(s) appear(s) below pursuant to the authority specified.
Company: AIQUA PTY LTD
Authority: section 127 of the Corporations Act 2001

Signature of authorised person: 
Name of authorised person: BRIAN WILLIAM HOOKE
Office held: Director

Signature of authorised person:
Name of authorised person:
Office held:

Certified correct for the purposes of the Real Property Act 1900 and executed on behalf of the company named below by the authorised person(s) whose signature(s) appear(s) below pursuant to the authority specified.
Company: MUSIC EDU PTY LTD
Authority: section 127 of the Corporations Act 2001

Signature of authorised person:
Name of authorised person: KATHRYN JANE HARGREAVES
Office held: Director

Signature of authorised person:
Name of authorised person: 
Office held:

(I) STATUTORY DECLARATION*

I solemnly and sincerely declare that—

1. The time for the exercise of option to _____ in expired lease No. _____ has ended; and
2. The lessee under that lease has not exercised the option.

I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Oaths Act 1900.

Made and subscribed at _____ in the State of New South Wales on _____
in the presence of _____ of _____
☐ Justice of the Peace (J.P. Number: _____) ☐ Practising Solicitor
☐ Other qualified witness [specify] _____

- # who certifies the following matters concerning the making of this statutory declaration by the person who made it:
1. I saw the face of the person OR I did not see the face of the person because the person was wearing a face covering, but I am satisfied that the person had a special justification for not removing the covering; and
 2. I have known the person for at least 12 months OR I have confirmed the person's identity using an identification document and the document I relied on was a _____
[Omit ID No.]

Signature of witness:

Signature of applicant:

* As the services of a qualified witness cannot be provided at lodgment, the declaration should be signed and witnessed prior to lodgment. # If made outside NSW, cross out the witness certification. If made in NSW, cross out the text which does not apply.

** s117 RP Act requires that you must have known the signatory for more than 12 months or have sighted identifying documentation.
ALL HANDWRITING MUST BE IN BLOCK CAPITALS Page 2 of 1309

**THIS IS THE ANNEXURE "A" TO A LEASE
BETWEEN
AIQUA PTY LTD
ABN: 49 619 433 359 AS LESSOR
AND
MUSIC EDU PTY LTD
ABN: 74 150 741 076 AS LESSEE**

INTRODUCTION

- 1.1 The Parties agree that these conditions form part of the Lease.
- 1.2 The Dictionary at the end of this Lease sets out words and expressions which are given a special meaning in the Lease. In the Lease, those words and expressions start with a capital letter.
- 1.3 These Conditions will apply except to the extent that they are inconsistent with the Additional Conditions.

CONSIDERATION

- 2. This Lease is:
 - 2.1 granted by the Lessor in consideration of the obligations accepted by the Lessee; and
 - 2.2 accepted by the Lessee in consideration of the obligations accepted by the Lessor.

TERM

- 3.1 The Lease is for the Term - see Item (G)1.
- 3.2 The Lease will commence on the Commencing Date - see Item (G)2.
- 3.3 The Lease will end on the Terminating Date - see Item (G)3.
- 3.4 The Lessee will no later than thirty (30) days prior to the Terminating Date, provide the Lessor with written notice indicating the Lessee's intention to vacate on the Terminating Date - see Item (G)3.

POSSESSION

- 4.1 The Lessor will give possession of the Premises to the Lessee on the Commencing Date.
- 4.2 Providing the Lessee complies with its obligations under the Lease, the Lessor will allow the Lessee to hold and use the premises while the Lease continues.
- 4.3 The Lessee will return possession of the Premises on the Terminating Date unless:
 - 4.3.1 the Lessor allows the Lessee to remain in the Premises;
 - 4.3.2 the Lessee has exercised validly an option for renewal of the Lease; or
 - 4.3.3 the Lessee is otherwise entitled by law to remain in the Premises.

HOLDING OVER

- 5.1 This clause will apply if the Lessee remains in the Premises with the consent of the Lessor after the Lease expires.

- 5.2 If this clause applies:
- 5.2.1 the term of the Lease will be extended until either party terminates the Lease by giving not less than thirty (30) days notice in writing to the other at any time and expiring on any day;
- 5.2.2 the Lessee will not be entitled to exercise any option for renewal of the Lease unless it did so within the period required in respect of the original term;
- 5.2.3 otherwise, all of the terms and conditions of the Lease will apply.
- 5.3 The rent will be adjusted as if the day after the expiry of the Term was the first day of another year of the Term with rent reviewed to Market and annually thereafter to Market until such time as the Lease is terminated.
- 5.4.1 If the Lessee remains in the Premises after expiry of the Term, with the consent of the Lessor, the Term will be deemed for all purposes to be extended until the Lease is terminated.
- 5.4.2 The continued occupancy will not be a new tenancy.

OPTION FOR RENEWAL

- 6.1 The Lessee is entitled to renew the Lease for a further term or terms - see Item (G)4.
- 6.2 If the Lessee wishes to exercise a right to renew the Lease, the Lessee must give notice to the Lessor.
- 6.3 The notice must be given:
- 6.3.1 not earlier than the date specified in Item 1; and
- 6.3.2 not later than the date in Item 2.
- 6.4 If there is more than one (1) right of renewal, a later right cannot be exercised unless the immediately preceding right has been exercised validly.
- 6.5 The Lessee cannot exercise a right of renewal if it has been in persistent or serious breach of the Lessee's obligations under the Lease before a notice exercising the right to renewal is given.
- 6.6 Even if the Lessee has validly exercised a right of renewal, the Lessor will not be obliged to grant a further Lease if the Lessee commits a breach of an essential term of the Lease after the Lessee gave its notice of renewal and before expiry of the Term.
- 6.7 The Lessor will not be obliged to renew the Lease unless personal guarantees are given:
- 6.7.1 by the Guarantors named in this Lease if the Lessee in possession is the Lessee named in the Lease; or
- 6.7.2 if the Lease has been transferred, by the Guarantors accepted by the Lessor when the Lease was transferred; or
- 6.7.3 such other person or persons as the Lessor agrees to accept.
- 6.8 If the Lessee is entitled to a renewal of the Lease and exercises validly its right to do so:
- 6.8.1 the rent for the first year of the new Term will be calculated by the method specified in Item 3;

- 6.8.2 the Commencing Date will be the date immediately following the terminating date of the then current Lease;
- 6.8.3 the Terminating Date will be the last day of the renewed term calculated from the Commencing Date of the renewed Term;
- 6.8.4 Item (G)4 will be completed by inserting the word "Nil" if the Lessee has no further right of renewal and if the Lessee has a further right or rights of renewal, will be completed accordingly;
- 6.8.5 otherwise the Lease will be on the same conditions as this Lease.

RENT

- 7.1 The Lessee will pay to the Lessor rent calculated in the manner provided in this Lease, free of any deductions.
- 7.2 The rent for the first year of the Lease will be the amount specified in Item 4.
- 7.3 The Lessee will pay rent:
 - 7.3.1 by monthly instalments in advance on the day of the month specified in Item 5;
 - 7.3.2 if the day specified is not the Commencing Date, the Lessee will pay a proportionate amount calculated on a daily basis for the period from the Commencing Date until, but not including, the day specified and for the period from, but not including the last day of the last month for which rent has been paid to, and including, the Terminating Date.
- 7.4 The Lessee will pay rent at such places and in such manner as the Lessor requires from time to time.

RENT REVIEW

- 8.1 The rent will be reviewed with effect on each of the Review Dates specified in Item 3 and Item 6 by the method specified in Item 3 and Item 6 for that date.
- 8.2 The reviewed rent will be the rent payable from the Review Date.
- 8.3 The rent for any year of the Lease, including the first year of any option term, will not be less than the rent for the immediately preceding year.
- 8.4 Where more than one rent review method is specified in Item 6 the rent payable for the relevant period will be the rent determined by adopting the rent review method which results in the higher or highest result.
- 8.5 The failure of the Lessor to demand any increase in rent pursuant to a review, or the failure of the Lessee to pay any increase in rent will not prevent the Lessor from requiring payment of the increase at a later time.

CONSUMER PRICE INDEX REVIEWS - CPI

- 9.1 If Item 3 and Item 6 specifies a CPI review for a Review Date, the annual rent payable from the Review Date will be the annual rent payable immediately before the Review Date, multiplied by the CPI last published before Review Date and divided by the CPI last published one year earlier.
- 9.2 CPI means the Consumer Price Index (All Groups) Sydney, published by the Australian Statistician.
- 9.3 If the Australian Statistician ceases publishing the CPI or, in the reasonable opinion of the Lessor, alters in a material way the manner in which it is calculated, the Lessor may apply in its place an alternative inflation indicator.

- 9.4 A CPI review may result in an increase in rent, but not in a reduction in rent.
- 9.5 The Lessee must pay the adjusted rent from the Review Date regardless of whether any notice of the adjustment has been given by the Lessor.

FIXED PERCENTAGE REVIEW

- 10.1 If Item 3 and Item 6 specifies a percentage review for a Review Date, the annual rent from the Review Date will be the rent payable immediately before the Review Date increased by the percentage specified in Item 3 or Item 6 as the case may be.
- 10.2 The Lessee must pay the increased rent from the Review Date regardless of whether any notice of the increase has been given by the Lessor.

MARKET REVIEW

- 11.1 If Item 3 or Item 6 specifies a market review for a review date, the annual rent from the Review Date will be the current market rent for the Premises as at the Review Date calculated in the manner provided in this clause.
- 11.2. If the Parties are unable to agree on the current market rent payable whether from a Review Date or for the first year of a renewed term the rental will be determined in accordance with the procedure set out in this clause.
- 11.3 If the Lessee does not by notice in writing to the Lessor given within fourteen (14) days of receipt of the Lessor's written notification of the current market rental proposed by the Lessor give notice in writing to the Lessor disputing the Lessor's assessment, the rental notified by the Lessor will be the current market rental from the date until the next review date.
- 11.4 If the Lessee gives a written notice disputing the Lessor's assessment of the current market rental within the time required the current market rental will be determined by a Valuer appointed at the written request of either party by the President for the time being or other officer appointed for the purpose of the New South Wales Division of the Australian Property Institute.
- 11.5 The Valuer so appointed will act as an Independent Expert and not as an arbitrator.
- 11.6 The decision of the Independent Expert will be final and binding on the Parties.
- 11.7 Each Party will be given reasonable opportunity to make submissions to the Independent Expert and will make available to the Independent Expert all information and material reasonably required by the Independent Expert to enable the determination to be made.
- 11.8 The current market rental will be determined by the Independent Expert in accordance with the guidelines provided in this Lease and taking into account its terms and conditions.
- 11.9 The person appointed to determine the current market rent shall be required to provide a speaking valuation (that is the Valuer must give detailed reasons for the Valuer's determination and must specify the matters to which the Valuer had regard for the purpose of making the Valuer's determination).
- 11.10 For the purpose of determining the current market rent under this Lease or any renewal of this Lease the current market rent is the rent that would reasonably be expected to be paid for the Premises determined on a best rent basis having regard to the following matters:
- 11.10.1 the provisions of this Lease;
- 11.10.2 the rent that would reasonably be expected to be paid for the Premises if they were unoccupied and offered for renting;

- 11.10.3 the gross rent less the Lessor's outgoings payable by the Lessee;
- 11.10.4 rent concessions and other benefits that are frequently or generally offered to prospective Lessees of similar unoccupied premises; but
- 11.10.5 the value of the goodwill created by the Lessee's occupation or the value of the Lessee's fixtures and fittings in the Premises will not be taken into account.
- 11.11 Each of the parties will pay one half (½) of the Valuer's costs and expenses.

FURTHER MARKET REVIEW PROVISIONS

- 12.1 Prior to any market review of rent, the Lessor may give to the Lessee a rental notice specifying the annual rental which the Lessor considers to be the market rent for the Premises as at the Review Date – a Rental Notice.
- 12.2 The Lessee may, within twenty-one (21) days of receiving the rental notice, give to the Lessor a Reply, indicating the annual rental which the Lessee considers to be the market rent for the premises as at the Review Date.
- 12.3 If the Lessee fails to give a Reply within the time allowed, the rental specified in the Rental Notice will be the annual rental with effect from the Review Date.
- 12.4 If a Reply is given, the parties will endeavour to agree on the rental.
- 12.5 If no agreement is reached within twenty-one (21) days from service of the Reply, then either party may request the appointment of an Independent Expert to determine the annual market rent by the President or other proper officer of the Australian Property Institute for the time being.
- 12.6 The person appointed shall have not less than five (5) years' experience in valuing real estate in the area in which the Premises are located.
- 12.7 The Independent Expert will be required to determine the market rental of the premises as at the review date according to the criteria set out in this Lease and to notify the parties of that determination.
- 12.8.1 The rental payable from the Review Date will be the rent nominated in the Rental Notice if the difference between the rent nominated in the Rental Notice and the rent determined by the Independent Expert is less than the difference between the rental nominated in the Reply and the rent determined by the Independent Expert.
- 12.8.2 If the difference between the rent nominated in the Rental Notice and the rent determined by the Independent Expert and between the rent nominated in the Reply and the rent determined by the Independent Expert is the same, the rent payable from the Review Date will be the rent determined by the Independent Expert.
- 12.8.3 Otherwise, the rent payable from the Review Date will be the rent nominated in the Reply.
- 12.9 If a market review has not been completed by the date on which it is to take effect, the Lessee will, in the meantime, continue to pay rent at the then current rate and any adjustment between the parties required by the eventual determination of the market rent, will be effected within twenty-eight (28) days of notification of the determination.
- 12.10 The rent payable pursuant to a determination in accordance with this clause will, in any case, be not less than the rental for the year immediately preceding the year for which the determination is made.

RENT FREE PERIOD

- 13.1 The Lessee will, provided the Lessee complies substantially with the Lessee's obligations under the Lease through its term, not be required to pay rent for the Rent Free Period.

- 13.2 The Rent Free Period is specified in Item 7.
- 13.3 The Lessee will be required to pay its percentage of Outgoings and all other moneys payable under the lease during the Rent Free Period.
- 13.4 This clause will not be included in any lease granted pursuant to the exercise of an option for renewal.

PERMITTED USE OF THE PREMISES

- 14.1 The Lessee will not use the Premises, or permit the Premises to be used, other than for the Use specified in Item 8.
- 14.2 The Lessee acknowledges if the Premises form part of a Complex, that the Lessee does not have any exclusive rights in the Complex for the permitted use.
- 14.3 The Lessee agrees that:
- 14.3.1 it is the Lessee's responsibility to obtain the approval of all relevant authorities for its use of the Premises;
- 14.3.2 the Lessee must comply with the terms of any approval;
- 14.3.3 neither the Lessor nor anyone acting for the Lessor has made any warranties or representations and it is not a term or condition of this Lease that the Premises are suitable for the Lessee's use of the Premises or can be used for any purpose;
- 14.3.4 the Premises may not be used for residential purposes unless the Use says so.

RESTRICTION ON ACCESS

- 15.1 This clause will only apply if the Premises form part of a Complex.
- 15.2 If this clause applies, the Lessor can restrict access to the Premises and the Complex for any period more than one (1) hour after normal trading hours until the period one (1) hour before commencement of normal trading hours.
- 15.3 The Lessee can have access during the restricted period with the prior consent of the Lessor, but will be liable to pay the Lessor's reasonable costs of allowing access including the cost of providing services to the Complex and to the Premises.

SUITABILITY OF PREMISES

- 16.1 The Lessee is responsible for ensuring that:
- 16.1.1 the Premises are adequate and suitable for the Lessee's use of the Premises; and
- 16.1.2 all necessary approvals for the Lessee's use of the Premises are obtained.
- 16.2 The Lessor will sign any consents required to enable an application for approval for the Lessee's Use of the Premises to be lodged with the relevant Authorities.
- 16.3 The Lease is not subject to, or conditional upon, consent being obtained to the Lessee's Use from any Authority, unless it contains express provisions in that regard.

CONDITION AND REPAIR OF THE PREMISES

- 17.1 The Lessee acknowledges having inspected the condition of the Premises before the commencement of the Lease, and agrees to accept the Premises in the condition in which they were found.
- 17.2 The Lessee acknowledges that there were no defects in the Premises, other than those which have been notified by the Lessee to the Lessor and acknowledged by the Lessor in writing prior to this Lease being signed.

- 17.3 The Lessee will keep the Premises in good repair subject only to:
 - 17.3.1 their condition at the commencement of the Lease; and
 - 17.3.2 reasonable wear and tear.
- 17.4 The Lessee acknowledges having satisfied itself as to the nature specification and quality of the Services available to the Premises.
- 17.5 The Lessee will promptly notify the Lessor in writing of any loss or damage to, or defect in, the Premises, the Services to the Premises or the Complex.
- 17.6 The Lessor will use reasonable endeavours to ensure that the Services are available while the Lease continues.
- 17.7 If any of the services are not available to the Premises for any period or periods, then, unless the unavailability is due to any negligent or other wrongful act of the Lessor, its employees or contractors (not including a breach or non-observance of this clause):
 - 17.7.1 the Lessee will not be entitled to make a claim for any loss; and
 - 17.7.2 the Lessee will not be entitled to terminate the Lease.
- 17.8 The Lessee will keep all of the Appurtenances, fixtures and fittings in the Premises in good repair and will replace any missing fixtures and fittings:
 - 17.8.1 regardless of whether they belong to the Lessor or the Lessee;
 - 17.8.2 regardless of the cause of the defect or need for replacement unless caused by the wrongful act or omission of the Lessor, its employees, agents or contractors;
 - 17.8.3 regardless of their condition at the commencement of the Lease.
- 17.9.1 The Lessee will not misuse or abuse any of the Appurtenances.
- 17.9.2 Without limiting the generality of this clause, the Lessee will not allow the drains, toilets or hand basins to be used for any purpose other than the purpose for which they were designed.

AIR CONDITIONING, VENTILATION AND HEATING

- 18.1 The Lessee has satisfied itself as to the provisions made for air conditioning, ventilation and heating of the Premises (if any).
- 18.2 If air conditioning, ventilation or heating services are provided by the Lessor, the Lessee will pay to the Lessor such amounts as the Lessor reasonably requires from time to time for provision of those services.
- 18.3 If the Premises include air conditioning, ventilation or heating equipment, but the Lessor does not provide these services, the Lessee will:
 - 18.3.1 use, repair, maintain and service the equipment in accordance with manufacturer's requirements and good practice;
 - 18.3.2 take out and keep current a service and maintenance contract with a reputable and experienced maintenance service provider at the Lessee's cost.
- 18.4 The Lessee must not use a maintenance service provider who:
 - 18.4.1 does not hold any licence or permit required by law; and
 - 18.4.2 does not hold all insurance coverage required by law and by good business practice in respect of the provision of maintenance service for air conditioning equipment

REQUIREMENTS OF AUTHORITIES

- 19.1 The Lessee will, at the Lessee's cost, comply with the requirements of any Authorities in respect of the Complex and the Premises unless, and to the extent that, the requirements relate to matters which would otherwise be the responsibility of the Lessor under this Lease.
- 19.2 If the requirements of any Authority involve any works to the Premises or to the Complex, the Lessee will not carry out the works except with:
 - 19.2.1 the consent of the Lessor (other than in the case of an emergency) which consent will not be unreasonably withheld; and
 - 19.2.2 the consent of the relevant Authorities and in accordance with the terms of any consent.

REDECORATION

- 20.1 The Lessee will redecorate the Premises in accordance with the Lessor's reasonable requirements:
 - 20.1.1 as often as reasonably required; and
 - 20.1.2 in any case, on expiry or termination of this Lease.
- 20.2 The Lessee will not be required to redecorate because a term of the Lease has expired if the option for renewal for the ensuing period has been exercised.

WORKS OR SERVICES OUTSIDE NORMAL BUSINESS HOURS

- 21.1 If any works or services which the Lessor carries out or provides are carried out or provided outside normal business hours at the request of the Lessee, the additional cost of carrying out the works or providing the services outside normal business hours will be paid by the Lessee.

OPERATION OF BUSINESS

- 22.1 The Lessee will:
 - 22.1.1 conduct its business in the Premises in accordance with good business practice;
 - 22.1.2 fit out the Premises in the manner required for the Use subject to the express terms of this Lease at the Lessee's cost and to a standard consistent with the quality of the Premises.
- 22.2 If the Premises form part of a Complex, the Lessee will ensure that its fit out conforms with any relevant requirements of the Lessor for the Complex.

LIGHT, POWER AND HEATING

- 23.1 The Lessee will not use any method of light, power or heating other than:
 - 23.1.1 mains supplied services; and
 - 23.1.2 in the case of an emergency, electric power supplied by a generator.
- 23.2 The Lessee will not, without the prior written consent of the Lessor, use any heating equipment, other than equipment which meets all relevant standards, and which is necessary for the conduct of the Use.
- 23.3 If the Lessee's requirements for any services to the Premises necessitate amplification of the wiring, pipes, or other equipment, or the installation of any additional equipment, whether instead of, or in addition to, the existing equipment, and whether within the Premises or otherwise, the Lessee will:

- 23.3.1 pay all costs of amplification, supply or installation incurred by the Lessor; and
- 23.3.2 carry out any work at the Lessee's cost in accordance with all relevant standards and required approvals and using only appropriately qualified, licensed and experienced tradespeople holding all insurance coverage required by law and by good business practice.

COMMON AREAS

- 24.1 This clause will apply if the Premises form part of a Complex, Land or Building which includes Common Areas.
- 24.2 The Common Areas will be under the control of the Lessor.
- 24.3 Subject to the express terms of this Lease and to any rules made by the Lessor, the Lessee will have shared use of the Common Areas:
 - 24.3.1 for its employees, agents, contractors, licensees and invitees;
 - 24.3.2 in common with the Lessor, other tenants of the Complex, their servants, agents, contractors, licensees and invitees.
- 24.4 The Lessee will not obstruct the Common Areas or restrict their use by others.
- 24.5 The Lessee will make good any damage caused to the Common Areas by the Lessee, the Lessee's servants, agents and contractors, and to the extent that they are under the control or supervision of the Lessee by the Lessee's licensees and invitees.
- 24.6 The Lessee will only use and allow to be used the Common Areas for the purposes for which they were designed.
- 24.7 The Lessee will not park, or permit to be parked, in areas set aside for customer parking, any vehicles of the Lessee, the Lessee's employees, contractors, licensees or invitees other than the Lessee's customers and suppliers.
- 24.8 The right of the Lessor to make rules in respect of Common Areas includes the right to impose charges for use of customer car parking.
- 24.9.1 The Lessor may, at any time, and from time to time, make alterations or additions to the improvements in the Common Areas and may demolish existing improvements.
- 24.9.2 The Lessee will not be entitled to make any claim against the Lessor in respect of any alteration or addition to or demolition of improvements on the Common Areas, provided that they do not permanently and materially interfere with the Lessee's use of the Premises.
- 24.10 The Lessor may exclude nominated persons from the Common Areas if it is reasonable for the Lessor to do so.
- 24.11 The Lessor will include the Lessee's name on any Directory Board and the Directory Board will be under the sole control of the Lessor.
- 24.12 If the Premises form part of a Strata Complex, a reference to Common Property includes the Common Property of this Strata Scheme and a reference in this clause to the Lessor will include the Owners Corporation of the Strata Complex where the context allows or requires.
- 24.13 If the Premises are subject to Community Title, a reference in this clause to the Lessor will include the Neighbourhood Association of the Community Title Scheme where the context allows or requires and a reference to Common Property will include the Common Property of the Community Title Scheme.

SECURITY DEPOSIT/BOND

- 25.1 The Lessee will pay to the Lessor a security deposit of the amount specified in Item 13 in addition to the payment of rental in advance. The Lessor may apply the moneys so paid in reduction of any claim which the Lessor may have against the Lessee in respect of any breach or non-observance of any of the terms and conditions of this Lease including non payment of rent or other moneys payable by the Lessee to the Lessor.
- 25.2 Any security deposit paid under this clause shall be deposited by the Lessor in an account bearing interest (if the amount of the deposit is sufficient to attract payment of interest or otherwise in a non-interest bearing account) with a bank or building society.
- 25.3 Any interest accruing on the security deposit shall form part of the security.
- 25.4 The Lessor shall account to the Lessee for any interest earned on the security deposit.
- 25.5 The Lessee agrees to vary the amount of the security deposit upon instruction from the Lessor or the Lessors Agent from time to time so that the amount held shall be the equivalent of two (2) months rental or as otherwise specified in Item 13.
- 25.6 Notwithstanding anything contained in this Lease the Lessor shall not unreasonably refuse to accept a Bank Guarantee, in satisfaction of any requirement in this Lease to provide security, in the form of a deposit bond or third party guarantee for the performance of the Lessee's obligations.
- 25.7 The Bank Guarantee will be unlimited by any restrictions as to time or otherwise excepting only as to the amount specified.
- 25.8 If the Lessor sells the Premises or the property of which the Premises form part, the Lessee will provide a replacement security deposit in favour of the Purchaser in exchange for any security deposit previously given.
- 25.9 Any security deposit or Bank Guarantee provided pursuant to this Lease will be returned to the Lessee if and to the extent that it has not been called upon promptly after:
 - 25.9.1 The Lessee has vacated the Premises and has left them in the condition required by the Lease; and
 - 25.9.2 All of the actual and contingent liabilities of the Lessee under the Lease have been satisfied.
- 25.10 If the Lessee provides a bank guarantee as security and if the bank guarantee is presented by the Lessor:
 - 25.10.1 The Lessor will provide to the Lessee details of the manner in which the proceeds of the bank guarantee have been applied;
 - 25.10.2 The Lessee must provide a replacement bank guarantee which satisfies the requirements of the Lease; and
 - 25.10.3 The Lessor will on receipt of the replacement bank guarantee pay to the Lessee any of the proceeds of the presentation of the previous bank guarantee which are not required to satisfy outstanding breaches of the Lease.
 - 25.10.4 The Lessee will account to the Lessor and/or the Lessor's Managing Agent for the reasonable administration costs associated with the management of the security deposit held with a bond or building society throughout the duration of the lease. Such costs to be deducted from interest accrued.

STRATA PLAN

- 26.1 The Lessee acknowledges that the Lessor may wish to register a Strata Plan of Subdivision in respect of the whole or any part of the Land and the Building and any future improvements or additions.
- 26.2 The Lessee will consent to the registration of any such Plan.
- 26.3 The Lessee irrevocably authorises the Lessor to sign on behalf of the Lessee any consent which may be required to enable such a Plan to be approved by all relevant authorities and registered in Land and Property New South Wales.

GST

- 27.1 The Lessor may charge and recover from the Lessee any GST payable in respect of any supply pursuant to this Lease.
- 27.2 The Lessee will pay the GST in addition to the other amounts payable for the supply at the same time and in the same manner as the payment for the supply.
- 27.3 Within seven (7) days prior to the due date for any payment, the Lessor will issue to the Lessee a tax invoice enabling the Lessee to make any claims which the Lessee is entitled to make for any input tax credits in respect of the GST charged to the Lessee.
- 27.4 The rights of the Lessor under this Lease for non-payment of rent will apply to any amount payable by the Lessee for GST.

ALTERATIONS AND ADDITIONS

- 28.1 The Lessee will not carry out any works in respect of the Premises or the Complex without the prior written consent of the Lessor.
- 28.2 Consent will not be required in respect of works which are necessarily incidental to the Lessee's fit out of the Premises providing that no structural damage is caused to the Premises or the Complex.
- 28.3 On expiry or termination of the Lease, the Lessee will:
 - 28.3.1 if so required by the Lessor, remove any works carried out by the Lessee unless the Lessor consented to the installation on the basis that the Lessee would not be required to do so; and
 - 28.3.2 make good any damage caused in doing so.
- 28.4.1 The Lessor may impose any reasonable conditions on the carrying out of any works; and
- 28.4.2 the Lessee will comply with those conditions.

EXCLUSION AS TO LESSEE'S IMPROVEMENTS

- 29.1 This clause applies notwithstanding any other provision of this Lease.
- 29.2 The Lessee acknowledges that the Lessor gives no warranty as to:
 - 29.2.1 compliance of the Premises or any improvements within the Premises with any laws including, but not limited to, WH and S requirements and fire safety requirements;
 - 29.2.2 whether all, or any, approvals have been obtained for all, or any of, the improvements within the Premises;
- 29.3 the Lessee:

- 29.3.1 occupies and uses the Premises and any improvements within them at the Lessees own risk in all respects;
- 29.3.2 must comply with any notices in relation to the Premises and any improvements within the Premises;
- 29.3.3 must indemnify the Lessor against any claims which might be made by any subsequent occupant of the Premises or any person claiming through any subsequent occupant for any loss or harm suffered in connection with any improvements carried out by or for the Lessee.
- 29.4 If any improvements in the Premises are carried out by the Lessee without the written approval of either, or both of, the Lessor, and any relevant Authorities or other than in accordance with all relevant WH and S requirements and fire safety requirements the Lessor can require the Lessee at the Lessee's cost to remove the improvements and to make good any damage caused in doing so or to meet the Lessor's costs of removing the improvements and making good the damage.
- 29.5 The Lessee must undertake at the Lessee's cost all monitoring of equipment in or on the Premises including, without limitation, fire safety equipment, keep appropriate and complete records of such monitoring and make its records available to the Lessor for inspection and copying at all reasonable times and on reasonable notice.

SIGNAGE

- 30.1 No signs or signage may be placed on or in the Premises or the Complex so that they can be seen from outside the Premises without the prior written approval of the Lessor.
- 30.2 The Lessor will not unreasonably withhold consent to signage which is in keeping with the nature and quality of the Premises and if they form part of a Complex, the Complex.
- 30.3 The Lessee acknowledges that if the Premises comprise a Lot in a Strata Plan, the exterior of the Premises is probably the property of the Owners' Corporation and that the consent of the Owners' Corporation must be obtained to any external signage.
- 30.4 The Lessee must obtain the approval of any relevant Authorities to all signage for which such approvals are required.
- 30.5 On the expiry or earlier termination of this Lease, the Lessee will remove all signage placed on the Premises by the Lessee and restore the Premises to the condition they were in before the signage was affixed, subject only to fair wear and tear.
- 30.6 In this clause, signs and signage include signs painted on the interior or exterior of the Premises and paintwork in the Lessee's corporate livery or colours or otherwise.

INSURANCES

- 31.1 The Lessee will take out and maintain the Insurances.
- 31.2 The Insurances are:
 - 31.2.1 Public Liability Insurance for the amount specified in Item 9 or such higher amount as the Lessor, acting reasonably, may require from time to time in respect of any one event;
 - 31.2.2 Glass Insurance for all glass which forms part of the Premises, whether internal or external, but excluding glass which forms part of the Common Property of a Strata Plan;
 - 31.2.3 Workers' Compensation Insurance with unlimited common law liability in respect of the Lessee's employees.

- 31.3 The Lessee will take out the Insurances:
 - 31.3.1 with a reputable and financially sound Insurer approved by the Lessor, whose approval will not be unreasonably withheld;
 - 31.3.2 in the name of the Lessee and noting the Lessor as an interested party;
 - 31.3.3 on terms requiring not less than twenty-eight (28) days' prior written notice to the Lessor of any cancellation or non-renewal of the policy.
- 31.4 The Lessee will promptly notify the Lessor of any claim against the Insurances where the amount the subject of the claim exceeds \$10,000.00.
- 31.5 The Lessee will provide a copy of a Certificate of Currency of the Insurances within seven (7) days of a written request from the Lessor or their Agent to do so.
- 31.6.1 The Lessee will insure its fixtures and fittings, plant, equipment and stock in trade for such amount and against such risks as good business practice requires.
- 31.6.2 The Lessee will apply the proceeds of any claim on the Lessee's Insurances to replacement of the lost or damaged items unless the Lessor agrees otherwise in writing.
- 31.6.3 The Lessee will not, by act or omission, cause any premium payable by the Lessor in respect of the Premises to increase or any of the Lessor's Insurances to be cancelled or otherwise prejudiced.
- 31.7 If the Lessee's use of the Premises or the manner in which the Lessee conducts its business in the Premises causes the insurance premiums payable by the Lessor to increase, or if the Premises comprise a Lot in a Strata Complex, by the Owners' Corporation, the Lessee will pay, or reimburse, the additional premium.
- 31.8 If any excess is payable in respect of any claim by the Lessor on the Lessor's Insurances, or if the Premises comprise a Lot in the Strata Complex by the Owners' Corporation, the Lessee will pay the excess unless the liability for the payment has arisen without fault on the part of the Lessee or the Lessee's servants, agents or contractors.

INDEMNITIES

- 32.1 The Lessee will occupy the Premises at the Lessee's own risks in all respects, except as expressly provided in this clause.
- 32.2 The Lessee indemnifies the Lessor against any claim which may be made for any property damage, loss of profit, economic loss, death or personal injury or otherwise arising out of, or in connection with, the Premises or the Lessee's use of the Premises or the Complex, including but not limited to any claim arising out of any breach or non-observance by the Lessee of the terms of this Lease, regardless of:
 - 32.2.1 whether the claim is made by the Lessor or any servant, agent or contractor of the Lessor, by the Lessee or any servant, agent or contractor of the Lessee, or by any third party;
 - 32.2.2 the cause of the claim or the loss or damage on which the claim is made;
 - 32.2.3 any degree of fault, or the absence of any degree of fault on the part of the Lessee.
- 32.3 Nothing in this clause will require the Lessee to indemnify the Lessor if, and to the extent, that a claim arises out of the wrongful act or omission of the Lessor or its employees.
- 32.4 The indemnity given by the Lessee extends to any costs incurred in any proceedings threatened or actual in respect of any claim on an indemnity basis.

- 32.5 For the purposes of this clause "Premises" includes any areas occupied or used by the Lessee in conjunction with the Premises.

CLAIMS AGAINST THE LESSOR

- 33.1 The Lessee will notify the Lessor promptly of any damage to or defect in the Premises, the Complex and the Services.
- 33.2 The Lessee may not make any claim against the Lessor for any damage to, or defect in, the Premises, the Complex or the Services, even if the Lessee was otherwise entitled to do so unless:
- 33.2.1 the Lessee has given a notice as required by this clause;
- 33.2.2 the Lessor is otherwise obliged to make good the defect or damage; and
- 33.2.3 the Lessor fails to do so within a reasonable time after receipt of the Lessee's Notice.

SECURITY

- 34.1 The Lessee will keep the Premises secure when they are not occupied.
- 34.2 If the Lessee fails to secure the Premises as required by this clause, the Lessor is authorised to do so.

DANGEROUS SUBSTANCES

- 35.1 The Lessee will not use or store any dangerous inflammable or explosive substances on the Premises.
- 35.2 Nothing in this clause will prevent the Lessee from using and keeping such substances on the Premises if:
- 35.2.1 their use or storage is part of the usual requirements of the Use; and
- 35.2.2 they are kept in such quantities as are reasonable having regard to the nature of the Use; and
- 35.2.3 they are stored in accordance with good practice; and
- 35.2.4 the Lessee has notified the Lessor of the nature and approximate quantities of the substances.

OVERLOADING

- 36.1 The Lessee will not overload or stress any structural components of the Premises or the Complex.
- 36.2 The Lessee will, before installing any equipment or moving any item in the Complex or the Premises, ensure that the equipment or item will not overload or stress any structural component of the Premises or the Complex.

WASTE MATERIAL AND CLEANING

- 37.1 The Lessee will keep the Premises clean.
- 37.2 The Lessee will have all waste material removed on a regular basis.
- 37.3 The Lessee will store waste material in appropriate containers having regard to the nature of the material.
- 37.4 The Lessee will take all reasonable steps to keep the Premises free of vermin, insects and other pests.

- 37.5 The Lessee will keep any paved area which constitutes a public place or common area adjacent to the Premises, to a distance of one (1) metre from the exterior of the Premises clean and free of waste material.

OUTGOINGS

- 38.1 The Lessee must pay the Lessee's percentage of the Outgoings.
- 38.2 The Lessee's percentage is specified in Item 10.
- 38.3 The Outgoings comprise all assessments, charges and expenses incurred by the Lessor in respect of the Building, including the Demised Premises listed in the Outgoings Schedule.
- 38.4 If an Outgoing is incurred for a period, during part of which only the Lessee occupies or is entitled to occupy the Premises, the amount payable by the Lessee in respect of that Outgoing, will be calculated by the formula:
- $$A = \frac{B \times C}{D}$$
- where
- A is the amount payable by the Lessee in respect of the Outgoing
- B is the amount of the Outgoing
- C is the number of days in the period for which the Outgoing has been incurred during which the Lessee has occupied or is entitled to occupy the Premises whichever is the greater
- D is the number of days to which the Outgoing relates.
- 38.5.1 The Lessor may recover each Outgoing when it is incurred.
- 38.5.2 If the Lessor elects to recover an Outgoing when it is incurred, the Lessor will give to the Lessee:
- 38.5.2.1 A copy of the invoice, assessment or other evidence of the Outgoing;
- 38.5.2.2 A statement as to the amount payable by the Lessee in respect of an Outgoing.
- 38.5.3 The Lessee will pay the amount specified in a notice from the Lessor within fourteen (14) days of receiving the Lessor's notice.
- 38.6.1 The Lessor may require the Lessee to pay a monthly amount on account of Outgoings.
- 38.6.2 The Lessor will, at the commencement of the Lease and on each anniversary of the commencement of the Lease, give the Lessee a notice specifying such monthly amount as the Lessor, acting reasonably, considers is required to satisfy the Lessee's obligations in respect of Outgoings due in the ensuing year.
- 37.6.3 The Lessee will pay the monthly amount so specified on the due dates for payment of rent.
- 38.6.4 The Lessor will, within four (4) weeks from the end of each Lease Year, provide to the Lessee a reconciliation of:
- 38.6.4.1 The amounts received by the Lessor from the Lessee on account of Outgoings during the Lease Year; and
- 38.6.4.2 The actual amount payable by the Lessee for the Lease Year.

- 38.6.5 If there has been an underpayment, the Lessee will pay the balance due within fourteen (14) days of receiving a copy of the reconciliation.
- 38.6.6 If there has been an overpayment, the Lessor will repay the balance due within fourteen (14) days of the reconciliation being completed, but may offset the amount due against any other moneys owing by the Lessee to the Lessor.
- 38.6.7 For the purposes of the Lessor's right of re-entry and its right to terminate the Lease, the amounts payable by the Lessee for Outgoings are rent.
- 38.6.8 If the Premises form part of a Complex and any Outgoing is incurred in respect of portion of the Complex only, the proportion of that Outgoing payable by the Lessee will be the proportion which the lettable area of the Premises bears to the total lettable floor area of the portion of the Complex in respect of which the Outgoing is incurred.
- 38.6.9 The Parties acknowledge that if the Premises form part of a Complex and the total lettable floor area of the Complex is varied, the Lessee's proportion of Outgoings will be varied with effect from the date on which any works varying the total lettable floor area are completion so that the Lessee's proportion is that proportion which the lettable floor area of the Premises bears to the varied total lettable floor area of the Complex.

SERVICES TO THE PREMISES

- 39.1 The Lessee will pay for all services to the Premises which are separately metered or charged to the Premises.
- 39.2 The Lessee will comply with all conditions of the provider of the Services to the Premises.
- 39.3 The Lessee will, on termination or expiry of the Lease, cancel all of the Services to the Premises for which they are liable.
- 39.4 Services include, but are not limited to:
 - 39.4.1 electricity;
 - 39.4.2 gas;
 - 39.4.3 telephone, internet and pay television services;
 - 39.4.4 water usage charges;
 - 39.4.5 sewage usage charges;
 - 39.4.6 trade waste;
 - 39.4.7 garbage and sanitary charges;
 - 39.4.8 all other charges of a like nature.
- 39.5 If a Service is not separately metered or charged to the Premises, and is not included in the Outgoings, the Lessor may require the Lessee to pay such proportion of any charge for the Service as is reasonable.
- 39.6 The Lessee will be required to pay all Licence Fees, Standing Charges and other costs and expenses payable in connection with the Services.
- 39.7 If the Lessor is charged for a Service and the Lessor can recover the Service from the Lessee when it is incurred, the Lessor will give to the Lessee:
 - 39.7.1 a copy of the invoice, assessment or other evidence of the Service;
 - 39.7.2 a statement as to the amount payable by the Lessee in respect of a Service.

- 39.8 The Lessee will pay the amount specified in a notice from the Lessor within seven (7) days of receiving the Lessor's notice.

FIRE SAFETY

- 40.1 The Lessee will comply with insurance, sprinkler and/or fire alarm regulations of the Lessor's Insurers and of any municipal governmental or semi governmental authority.
- 40.2 The Lessee will pay to the Lessor the cost of any alterations to the sprinklers and/or fire alarm installation which may become necessary by reason of the non-compliance by the Lessee with the recommendations of the Insurance Council of Australia or the requirements of the Insurer.
- 40.3 The Lessee will install, repair and maintain all fire safety equipment required or recommended by the Lessor's insurers and/or by any municipal, governmental or semi-governmental authority, including any existing fire safety equipment.
- 40.4 Should the Lessee's use of the premises mean additional fire measures are to be installed in addition to those already provided by the Lessor, then it is the Lessee's obligation, at its own cost, to provide and install the required fire safety equipment as instructed by any municipal, governmental or semi-government authority.

ACCESS FOR LESSOR

- 41.1 The Lessor will be entitled to access to the Premises at all reasonable times and on reasonable notice for itself, its employees, advisers and contractors.
- 41.2 No notice is required in the case of an emergency.
- 41.3 The Lessor can, while having access to the Premises:
- 41.3.1 inspect the state of repair of the Premises;
- 41.3.2 carry out repairs to the Premises;
- 41.3.3 carry out any works required by any Authority;
- 41.3.4 carry out any work in respect of any Services to the Premises and if the Premises form part of a Complex in respect of any Service to any part of the Complex;
- 41.3.5 carry out any work in respect of the Complex;
- 41.3.6 install and maintain For Sale signs;
- 41.3.7 during the last three (3) months of the term or if the Lessee has exercised an option for renewal, the last term of the Lease, install and maintain a For Lease sign;
- 41.3.8 allow inspection by valuers, lending authorities, engineers, building consultants, prospective purchasers, prospective tenants and agents.
- 41.4 The Lessor will, in exercising any right of access, and in the installation of any signs, cause as little disturbance to the Lessee and to the Lessee's business as is reasonably practical.
- 41.5 The exercise by the Lessor of any of the rights given by this clause will not constitute the assumption of control of the Premises by the Lessor.

DEALINGS WITH THE LEASE BY THE LESSEE

- 42.1 The Lessee may not Deal with the Lease except with the prior written consent of the Lessor.
- 42.2 Deal and Dealing includes:
- 42.2.1 giving any security over the Lease or any interest in the Lease;
- 42.2.2 transferring the Lease or any interest in the Lease;

- 42.2.3 sub-letting or parting with possession of the Premises or any part of the Premises.

Security

- 42.3 The Lessor will not withhold consent to the Lessee giving any Security over the Lease if:
- 42.3.1 the Party to whom the Security is given agrees to be bound by the Lessee's obligations under the Lease;
- 42.3.2 the Lessee pays the Lessor's reasonable costs and expenses in respect of the consent;
- 42.3.3 the Lessor's rights under the Lease are not limited in any way.

Assignment

- 42.4 The Lessor will not withhold consent to the Lessee transferring the Lease if:
- 42.4.1 the Lessee can establish that the Transferee is respectable, responsible, financially sound and has the capacity to meet the Lessee's obligations under the Lease;
- 42.4.2 the Transferee enters into a Deed in a form and to the effect reasonably required by the Lessor binding the Transferee to comply with the Lessee's obligations under the Lease, including any unsatisfied obligations at the time of the Transfer;
- 42.4.3 the Lessee pays the Lessor's reasonable legal costs and expenses and any managing agent's charges in respect of the Transfer;
- 42.4.5 all of the Lessee's obligations under the Lease up to the date of the Transfer have been satisfied;
- 42.4.6 in the case of a transfer to a corporate entity, personal guarantees of the Lessee's obligations in a form reasonably required by the Lessor, are provided by a person or persons approved by the Lessor whose approval will not be unreasonably withheld.
- 42.5 If the Lessee is a corporate entity, a change in the effective control of the Lessee, however effected and whether by one transaction or by more than one transaction over a period of twelve (12) consecutive months, will constitute a transfer of the Lease for the purposes of this clause.

Sub-Letting

- 42.6 The Lessor will not withhold consent to a sub-letting or parting with possession of the whole or any part of the Premises if:
- 42.6.1 the proposed grantee of the rights is respectable, responsible and financially sound;
- 42.6.2 the rights are for a period not exceeding the unexpired term of the Lease less one (1) day;
- 42.6.3 the rights are granted on current market terms;
- 42.6.4 the rights are granted pursuant to a Sub-Lease or Licence Agreement approved by the Lessor, whose approval will not be unreasonably withheld.

Sale Of Business

- 42.7 The Lessee acknowledges and agrees that the Lessee will be responsible for any managing agent's reasonable charges for time spent in respect of facilitating the process of any sale of the Lessee's Business in relation to the terms of the Lease. Any such fees and charges will be due and payable on commencement of any assistance with this process at our initial fee of \$550.00 + GST and will be further calculated, having regard to the time spent by the agent in facilitating the transaction, capped at \$1,100.00 +GST.

DEALINGS WITH THE LEASE BY THE LESSOR

- 43.1 The Lessor may Deal with the Lease by:
 - 43.1.1 conveying any of the Lessor's rights in the Property;
 - 43.1.2 giving security over the Lessor's rights in the Property;
 - 43.1.3 giving a concurrent Lease over the Property.
- 43.2 If the Lessor Deals with the Lease, the Lessee will, at the cost of the Lessor, on request in writing from the Lessor, execute such documents as are reasonably required binding the Lessee to perform the Lessee's obligations for the benefit of the Party benefited by the Lessor's Dealing.
- 43.3 The Lessor will, by virtue of a conveyance of the Lessor's rights in the Property, be released from any liability to the Lessee under the Lease in respect of matters occurring or arising after the date on which the conveyance took place.
- 43.4 The Lessor will cause the Lessee to be notified in writing of any Dealing by the Lessor with the Lease.
- 43.5 A reference in this clause to the Lessee includes the Lessee's Guarantors, if any.

DAMAGE TO THE PREMISES AND THE COMPLEX

- 44.1 This clause will apply if the Premises, or if they form part of a Complex, the Complex is damaged so that the whole or part of the Premises cannot be used by the Lessee.
- 44.2 If this clause applies, then to the extent that the Lessee is unable to use the Premises, the payments which the Lessee is required to make will be reduced or suspended from the date on which the damage occurred until the date on which the damage is made good.
- 44.3 The reduction in the payments which the Lessee is required to make will be proportional to the extent to which the Lessee is unable to use the Premises.
- 44.4 If the Lessor determines that it is not practicable or desirable to make good the damage, the Lessor can give a notice to the Lessee terminating the Lease.
- 44.5 If the Lessor fails to make good the damage within a reasonable time, the Lessee can terminate the Lease by giving twenty-eight (28) days' written notice.
- 44.6 A Notice of Termination by the Lessee will not take effect if the Lessor makes good the damage before the Notice takes effect.
- 44.7 The Lessee will not have any rights under this Lease whether to a reduction in payments or to terminate the Lease if, and to the extent that, the damage has been caused by the wrongful acts or omissions of the Lessee, its employees or contractors.
- 44.8 If the Premises are resumed or acquired by an Authority, the Lessee will not be entitled to any compensation or other claim against the Lessor unless and to the extent that the Lessor is entitled to claim against the Authority.

INTEREST

- 45.1 Interest is payable on moneys owing under this Lease by the Party owing the money to the Party to whom the moneys are owed.
- 45.2 Interest will be calculated:
 - 45.2.1 at the rate of fourteen (14) per cent per annum;

- 45.2.2 from the date on which the payment falls due until the date payment is made.
- 45.3 Interest is payable on demand.
- 45.4 Interest is payable on unpaid interest capitalised monthly whether a demand for payment has been made or not.

ESSENTIAL TERMS

- 46.1.1 The Essential Terms of the lease are:
- 46.1.1 the obligation to pay rent;
- 46.1.2 the obligation, if any, to pay for Outgoings;
- 46.1.3 the obligation not to assign, sub-let or part with possession except in accordance with the Lease;
- 46.1.4 the obligation not to use the Premises for any purpose other than the Use;
- 46.1.5 the obligation to hold and maintain the Insurances.
- 46.2 The Lessee will, in addition to any other right which the Lessor has, compensate the Lessor for any loss which the Lessor suffers if the Lessee is in breach of any of the Essential Terms of the Lease.
- 46.3 The Lessor will be entitled, subject to the Lessor's obligation to minimise the Lessor's loss, to recover compensation for any breach of an Essential Term of the Lease for the whole term of the Lease notwithstanding:
- 46.3.1 the Lessee abandoning or vacating the Premises;
- 46.3.2 the Lessor re-entering and/or terminating the Lease;
- 46.3.3 acceptance by the Lessor of a repudiation of the Lease by the Lessee;
- 46.3.4 surrender of the Lease by operation of law; or
- 46.3.5 that proceedings for recovery are commenced before or after any abandonment, vacating, re-entry, termination, repudiation or surrender by operation of law.

RE-ENTRY

- 47.1 The Lessor can re-enter the Premises and may, in addition, terminate the Lease without notice to the Lessee:
- 47.2 if the Lessee has not paid the whole or any part of an instalment of rent within fourteen (14) days of the due date;
- 47.3 if the term of the Lease has expired without the Lease being renewed or extended and if the Lessor has not consented to the Lessee remaining in the Premises;
- 47.4 if the Lessor has good reason to believe that the Lessee has abandoned the Premises;
- 47.5 if the Lessee has been made the subject of any Insolvency Action;
- 47.6 if the Lessee has been served with a Notice pursuant to Section 129 of the Conveyancing Act and has not complied with its terms within the time allowed.

CONDITION OF PREMISES ON RE-ENTRY OR TERMINATION

- 48.1 When the Lease expires or is terminated, the Lessee will give the Lessor possession of the Premises:

- 48.1.1 in the condition in which the Lessee is required to keep the Premises by the terms of the Lease;
- 48.1.2 cleared of all of the property, other than the Lessor's property, and of all waste material.

ACTION ON TERMINATION

- 49.1 The Lessee may remove the Lessee's fixtures on the terms of this clause unless the Lessor consented to their installation on the basis that they would become the property of the Lessor on expiry or termination of the Lease.
- 49.2 The Lessee may remove the Lessee's fixtures:
 - 49.2.1 if the Lease is terminated prior to its expiry within a reasonable time after termination and the Lessor will allow reasonable access for this purpose;
 - 49.2.2 otherwise, before the Lease expires.
- 49.3 The Lessee must make good any damage caused in removing its fixtures and restore the Premises to their condition before the fixtures were installed, subject only to fair wear and tear.

REMOVAL OF PROPERTY

- 50.1 The Lessee must remove the Lessee's property from the Premises:
 - 50.1.1 prior to expiry of the Lease;
 - 50.1.2 in any case, if the Lease is terminated, as soon as practicable after termination.
- 50.2 The Lessor will not be liable for any loss or damage caused to the Lessee's property in the Premises, unless caused by the wrongful acts of the Lessor, its employees or contractors.
- 50.3 The Lessee will be liable to the Lessor:
 - 50.3.1 for compensation equal to the moneys payable under the Lease calculated on a daily basis until the property is removed; and
 - 50.3.2 in addition for any other losses incurred by the Lessor because the property has not been removed.

RIGHT OF THE LESSOR TO MAKE GOOD

- 51. If the Lessee fails to perform or observe any of its obligations under the Lease within a reasonable time, the Lessor:
 - 51.1 can make good the obligation; and
 - 51.2 require the Lessee to meet the Lessor's costs and expenses of doing so including a reasonable charge for the Lessor's work and time.

NOTIFIABLE DISEASES

- 52. The Lessee will:
 - 52.1 give all notices required of the Lessee, or the Lessor, by law, in respect of any infectious diseases occurring on the Premises;
 - 52.2 at the Lessee's cost, fumigate and disinfect the Premises and comply with any other requirements at law.

INJURIOUS CONDUCT

- 53.1 The Lessee will not cause or allow any light, noise, odour, vibration, emissions, pollutants, contaminants or other nuisance which might cause harm or annoyance to any neighbouring occupiers or owners.
- 53.2 Nothing in this clause will prevent the Lessee from using the Premises in a lawful manner for the Use.

ACTING REASONABLY

- 54.1 Each Party agrees to act reasonably in its dealings with the other.
- 54.2 Each Party will, in making any determination and in dealing with any request from the other, act reasonably except where the express terms of the Lease provide otherwise.

MANAGING AGENT

- 55.1 The Lessor may, from time to time, appoint a Managing Agent to manage the Building or the Premises.
- 55.2 The Managing Agent will represent the Lessor in all matters relating to the Lease except as stated in writing to the Lessee.

ATTRIBUTION OF PAYMENTS

56. The Lessor can apply any moneys received from the Lessee to any moneys owing by the Lessee to the Lessor regardless of:
- 56.1 how the payment is described by the Lessee; and
- 56.2 the order in which any liability was incurred or payment received.

WAIVER

57. If a Party does not exercise any rights in respect of any breach or non-observance of a Term of the Lease by the other Party, or does not do so promptly, the Party will not be prevented from:
- 57.1 exercising its rights in respect of that breach or non-observance at a later time; or
- 57.2 exercising its rights in respect of any subsequent breach or non-observance of the same term.

NOTICES

- 58.1 Any notice given pursuant to the Lease may be given:
- 58.1.1 in writing;
- 58.1.2 by facsimile transmission if a transmission report confirming successful transmission is obtained;
- 58.1.3 be sent by email to their email address, when it will be treated as received when it enters the recipient's information system;
- and not otherwise.
- 58.2 A notice may be served by any of the methods allowed by Section 170 of the Conveyancing Act.
- 58.3 A notice may be served:
- 58.3.1 on the Lessor at the Lessor's last known business or residential address;
- 58.3.2 on the Lessor, care of the Lessor's Managing Agent, if the Lessor has appointed a Managing Agent;

- 58.3.3 on the Lessee, at the Lessee's last known business or residential address;
- 58.3.4 on the Lessee at the Premises;
- 58.3.5 on a Party which is a Company or other corporate entity at its registered office or principal place of business, last notified and recorded by the relevant authority;
- 58.3.6 on a Guarantor, at the Guarantor's last known business, residential or email address.
- 58.4 If a Party changes its address or email address, the Party will promptly notify the other Parties, in writing, of the change of address.

REFERENCE SCHEDULE

- 59. A reference to an item and number in this Lease is a reference to the item and number in the Reference Schedule to this Lease and to the material set out against that item and number in the Reference Schedule.

ENTIRE AGREEMENT

- 60.1 The Parties agree that this Lease contains all of the terms agreed between the Parties in relation to the Lease and to the Premises.
- 60.2 The Lease cannot be changed except by written agreement signed by the Lessor and the Lessee.

RESPONSIBILITY FOR EMPLOYEES

- 61.1 The Lessee will take all reasonable steps to ensure that the Lessee's employees, agents, contractors and those coming to the Premises or the Complex in connection with the Lessee, do not commit any breach or non-observance of any of the Lessee's obligations under this Lease.
- 61.2 The Lessee's responsibility for persons other than the Lessee's employees, agents and contractors will only apply while:
 - 61.2.1 they are within or in the immediate vicinity of the Premises; or
 - 61.2.2 they are otherwise under the control or supervision of the Lessee.

COSTS

- 62.1 The Lessee will pay the Lessor's reasonable legal costs and out-of-pocket expenses and all stamp duty payable in respect of:
 - 62.1.1 this Lease;
 - 62.1.2 any Dealing with this Lease, including any proposed Dealing;
 - 62.1.3 any default by the Lessee or the Guarantors under this Lease;
 - 62.1.4 any consent sought pursuant to this Lease whether granted or not;
 - 62.1.5 any renewal, extension or variation of this Lease;
 - 62.1.6 any sub-lease or licence;
 - 62.1.7 any surrender whether in part or in whole of this Lease.
- 62.2 The Lessor's out-of-pocket expenses payable by the Lessee include the cost of obtaining any Mortgagee's consent or Head Lessor's consent, and the consent of any Authority or entity whose consent is required for any reason.

RULES

- 63.1 The Lessor may, if the Premises form part of a Complex or Land, make Rules regarding any matter relevant to the Complex and the conduct of persons in and about the Complex or Land.
- 63.2 A reference to the Complex or Land in this clause includes the Premises.
- 63.3 No Rule can take away or reduce the Lessee's rights under this Lease.
- 63.4 The Lessee will be bound by the Rules properly made by the Lessor and notified in writing to the Lessee.
- 63.5 If the Premises form part of a strata plan or community scheme, the by-laws of the plan or scheme will form part of the Rules to be observed by the Lessee.
- 63.6 The Lessee is responsible for ascertaining the rules of any strata plan or community scheme.
- 63.7 The power to make Rules includes a right to repeal, vary or add to the Rules from time to time.

OUTGOINGS ON REGISTRATION OF A STRATA PLAN

- 64.1 This clause will apply if:
 - 64.1.1 after the Lease commences the Premises become a Lot or part of a Lot in a Strata Plan; and
 - 64.1.2 the Lease requires the Lessee to pay a contribution to Outgoings.
- 64.2 If this clause applies then, with effect from registration of the Strata Plan:
 - 64.2.1 the Outgoings to which the Lessee is required to contribute will include all Strata Levies in respect of the Premises other than Special Levies raised for structural improvements or capital works;
 - 64.2.2 the percentage of Outgoings which the Lessee is required to pay will, in place of the percentage specified in Item 10, be 100% of the Outgoings for the Strata Lot comprising the Premises;
 - 64.2.3 if the boundaries of the Strata Lot do not conform with the Premises, fair and reasonable apportionment will be made by the Lessor on an area basis;
 - 64.2.4 the Lessor will make a fair and reasonable apportionment in respect of Outgoings where separate assessments are not available with effect from the date of registration of the Strata Plan.

CAR SPACE LICENCE

- 65.1 For no further consideration, the Lessor grants to the Lessee a Licence to use the Car Spaces referred to in Item 11 of the Reference Schedule.
- 65.2 The Licence will commence on the Date of Commencement and terminate when this Lease expires or is terminated.
- 65.3 The Lessee may use the Car Spaces for parking vehicles and not for any other purpose.
- 65.4 The Lessee will observe all relevant terms and conditions of this Lease in respect of the Car Spaces as if the Car Spaces formed part of the Premises.
- 65.5 This clause does not apply where the Lease is for the whole of the Land in the Folio Identifier and no Car Spaces external to the Premises are provided.

- 65.6 The Lessee will remove all motor vehicles;
 - 65.6.1 on or before the date fourteen (14) days immediately prior to the Terminating Date; or
 - 65.6.2 on or before the date fourteen (14) days immediately prior to the date the Lessee vacates or abandons the Premises; or
 - 65.6.2 if the Lessor terminates the Lease by re-entry, within 7 days after the date of termination (during reasonable hours as approved by the Lessor).
- 65.7 The Lessee acknowledges and agrees that it will, in accordance with the timeframes referred to in clause 65.6 above:
 - 65.7.1 remove from the Land and Car Park all of its and the Lessee's Employees' property and motor vehicles unless the Lessor agrees or directs otherwise in writing; and
 - 65.7.2 thoroughly clean and make good any damage to the Car Spaces, including where necessary removing all rubbish and other materials.
- 65.8 The Lessee hereby authorises and acknowledges that the Lessor may remove, at the Lessee's cost, any motor vehicles not removed in accordance with clause 65.6 to a place chosen by the Lessor at the Lessor's absolute discretion.
- 65.9 The Lessor will not be liable for any loss or damage in respect of any motor vehicle or other items, including but not limited to, any loss caused or occasioned in connection with their removal.
- 65.10 The Lessee indemnifies and holds harmless the Lessor against any claims, losses or costs in respect of the Lessor acting in accordance with this clause.

AGENCY

- 66.1 The Lessee warrants to the Lessor that the Lessee was introduced to the Lessor and to the Premises by the agent named in Item 12 of the Reference Schedule and not by any other agent.
- 66.2 The Lessee indemnifies and agrees to hold and keep indemnified the Lessor from any claim for commission based on an introduction of the Lessee to the Lessor or the Premises by another agent, including any costs associated with such a claim.

GUARANTEE

- 67.1.1 The Guarantors specified in Item 14 have a direct or indirect interest in the Lessee;
- 67.1.2 the Guarantors realise that the Lessor would not have agreed to grant this Lease to the Lessee unless they agreed to be personally responsible for the obligations of the Lessee to the Lessor to the full extent of their personal assets;
- 67.1.3 the Guarantors acknowledge that the Lessor and the Lessee have agreed to make this Lease because the Guarantors have asked them to do so.
- 67.2 The Guarantors agree that if there is more than one Guarantor each of them can be made responsible for all of the Lessee's obligations to the Lessor.
- 67.3.1 The Guarantors agree that if there is anything which the Lessee has to do under this Lease, they will do it if the Lessee does not.
- 67.3.2 This includes paying any monies which are owed by the Lessee to the Lessor.

- 67.4.1 If the Lessor is harmed in any way because the Lessee does not do anything which this Lease requires the Lessee to do, the Guarantors will do whatever is necessary to make good the harm to the Lessor.
- 67.4.2 This includes paying to the Lessor any money which the Lessor has lost but also includes any other harm.
- 67.5 The Guarantors agree that they will be responsible to the Lessor under these provisions even though:
- 67.5.1 for any reason the Lessor cannot take action against the Lessee or any other Guarantor;
- 67.5.2 any of the conditions of this Lease are not enforceable;
- 67.5.3 the Lease between the Lessor and the Lessee has been changed in any way;
- 67.5.4 the Lessor has not made the Lessee or any other Guarantor pay any money or do anything it could have made them pay or do;
- 67.5.5 the Lessor has not told the Guarantor any information about the Lessee or any other Guarantor;
- 67.5.6 any change in the circumstances of the Lessee or any of the Guarantors.
- 67.5.7 the fact that the Lessee or any other Guarantor has not signed this Lease or has not signed it properly.
- 67.6 Each of the Guarantors agrees that they will be responsible to the Lessor for the Lessee's Obligations to the full extent of the Guarantor's assets.
- 67.7 The Obligations of the Guarantors will continue until:
- 67.7.1 this Lease has ended for any reason and all monies owing by or obligations of the Lessee to the Lessor have been fully satisfied: or
- 67.7.2 the Lessor has signed a document agreeing that the Guarantor is not to be responsible for the Lessee any more.
- 67.8 Any payment which is received by the Lessor which the Lessor has to return for any reason will not reduce the amount for which the Guarantors are liable.
- 67.9 The Lessor may take action against the Guarantors or any one or more of them notwithstanding that it has not first taken action against the Lessee.

NOTICES FROM AUTHORITIES

- 68.1 If either Party receives notice from an authority in respect of the Premises, it will promptly give a copy of the notice to the other Party.
- 68.2 The Lessee will comply promptly with any notice issued in respect of the Premises whether served on the Lessor or on the Lessee.
- 68.3 The Lessee will, on demand by the Lessor, provide evidence of compliance by the Lessee with any notice issued in respect of the Premises.

BUILDING WORKS

- 69.1 This clause will only apply if the Premises form part of the property owned by the Lessor.
- 69.2 If this clause applies:
- 69.2.1 the Lessor may carry out works in respect of the property;

- 69.2.2 the Lessee cannot restrict or limit the works which the Lessor can carry out except as allowed by this clause;
- 69.2.3 the Lessors rights include constructing additional improvements and demolishing or altering existing improvements.
- 69.3 The Lessor will, in exercising the Lessor's rights under this clause, cause as little inconvenience to the Lessee as reasonably possible.

SPECIAL CONDITIONS

70. The Special Conditions contained in the Schedule of Additional Conditions to this Lease form part of this Lease and are agreed to by the Parties.

INTERPRETATION

- 71.1 **Bodies and Associations:** References to authorities, institutes, associations and bodies, whether statutory or otherwise, shall in the event of any such organisation ceasing to exist or being reconstituted, renamed or replaced or the power or functions thereof being transferred to any other organisation be deemed to refer respectively to the organisation established or constituted in lieu thereof and/or as nearly as may be succeeding to the powers or functions thereof.
- 71.2 **Implied Covenants:** The covenants and powers implied in every lease by virtue to Sections 84, 84A and 85 of the Conveyancing Act except in so far as the same or some part or parts thereof are included in the covenants herein contained are expressly excluded.
- 71.3 **Jointly and Severally:** Any covenant or agreement on the part of two or more persons shall bind them jointly and severally.
- 71.4 **Number and Gender:** Words importing the singular number shall include the plural and words importing the masculine gender shall include the feminine or neuter and vice versa and words importing persons shall include companies.
- 71.5 **Severability:** If any term covenant or condition of this lease or the application thereof to any person or circumstances shall be or become invalid or unenforceable the remaining terms covenants and conditions shall not be affected thereby.
- 71.6 **Reading Down:** To the extent that any term covenant or condition of this Lease shall be or be deemed to be invalid, void, voidable or unenforceable the same shall be construed or read down if it is capable of such construction or reading down to such extent as may be necessary to render it valid of good effect and enforceable.
- 71.7 **Statutes And Regulations:** Reference to statutes, ordinances or by-laws shall be deemed to extend to all statutes, regulations, ordinances or by-laws amending consolidating or replacing the same.
- 71.8 **Headings:** The headings of clauses have been inserted for guidance only and shall not be deemed to form any part of the context.
- 71.9 **Survey Measurement:** Where this Lease provides for any measurement of the floor area of lettable area of the premises or the Building to be calculated or determined the calculation or determination shall be made in accordance with the appropriate method adopted by the Property Council of Australia Ltd or such other method of calculation as the Lessor shall reasonably adopt.
- 71.10 **Payment Day:** Any provision of this Lease requiring a payment be paid on any day shall if that day falls on a Saturday, Sunday or Public Holiday require the payment to be made on the immediately preceding business day, that is, Monday to Friday inclusive but excluding Public Holidays.

- 71.11 Trustee: If the Lessee enters into this Lease as Trustee of a Trust or in any other representative capacity, the Lessee will be liable under the Lease both in its own right and as a Trustee or in any other representative capacity.

WORK HEALTH AND SAFETY

- 72.1 This clause will apply notwithstanding any other provision of this Lease to the extent of any inconsistency.
- 72.2 In this clause:
- 72.2.1 Lessee's Contractor means any contractor engaged by the Lessee to undertake the work.
- 72.2.2 WHS Principal Contractor means the person deemed to be the principal contractor in accordance with the WHS Regulation.
- 72.2.3 WHS Regulation means the Work Health and Safety Regulation 2011 (NSW) and includes amendments, re-enactments and replacements of it.
- 72.2.4 Work means any work to which Chapter 6 of the WHS Regulation applies and which is commissioned by or on behalf of the Lessee, and for the avoidance of doubt whether or not directed or approved by the Lessor or in accordance with this Lease, or another Lease document.
- 72.3.1 In accordance with clause 293 of the WHS Regulation, where any work is to be undertaken under or in connection with any Lease document in the Premises during the Term or during the term of another Lease document, the Lessee acknowledges that, subject to clause 72.3.2, it is the WHS Principal Contractor.
- 72.3.2 The Lessee may:
- 72.3.2 (i) engage the Lessee's Contractor as principal contractor; and
- (ii) authorise the Lessee's Contractor to have management and control of the property which the work will occur and to discharge all responsibilities as the WHS Principal Contractor for work done, performed or commenced until the expiry of termination of this Lease.
- 72.4 The Lessee must do all things to assist the Lessor in discharging any obligations it may have under the WHS Regulation.
- 72.5 The Lessee must immediately comply with directions on safety issued by any relevant Authority or by the Lessor.
- 72.6 The Lessee will, on and from the earliest of the date of this Lease, the Commencement Date or the date the Lessee is given access to the Premises, to the extent permitted by law, indemnify the Lessor against all claims and costs arising from or incurred in connection with a breach by the Lessee of this clause or of the obligations applicable to the WHS Principal Contractor under the WHS Regulation.

DICTIONARY

73. In this Lease:
- 73.1 **Additional Conditions** means the Special Conditions to this Lease which are set out in the Schedule of Additional Conditions.
- 73.2 **Appurtenances** means all of the equipment and apparatus used in the Complex, the Building or the Premises, including mechanical ventilation, air conditioning equipment, stop cocks, hydrants, fire hoses, alarm systems, fire safety equipment, water closets, lavatories, grease traps, water apparatus, wash basins, wash rooms, gas fittings, gas pipes, electrical fittings, electrical wiring and connectors, meter and fuse boxes, light globes, security devices, windows, doors, and other openings, drains and drainage

works, plant, cooling towers, electrical installations, fan coil units, duct work, defusers, and other associated equipment.

- 73.3 **Authority** means any governmental, semi-governmental or local governmental authority and any service provider or other entity having the power at law to make determinations in relation to the Premises or the Complex.
- 73.4 **Bank Guarantee** means a bond or security in favour of the Lessor drawn by a Bank licensed to conduct banking business in Australia which is unconditionally payable on presentation and which contains no expiry date.
- 73.5 **Building** means all improvements on the Land.
- 73.6 **Common Areas** means all those parts of the Building not demised or licensed to any person and designed or intended for the use by the tenants of the Building and their respective employees invitees and licensees in common with each other.
- 73.7 **Complex** means any land and improvements of which the Premises form part where other parts of the land and improvements are owned by the Lessor or by an Owners Corporation of a Strata Scheme or form part of a Community Title Scheme.
- 73.8 **GST** has the meaning given to it in the A New Tax System (Goods and Services Tax) Act, 1999 (Commonwealth).
- 73.9 **Insolvency Action** means:
- 73.9.1 in relation to an Individual -
- 73.9.1.1 committing an act of bankruptcy;
- 73.9.1.2 being made subject to a Sequestration Order in Bankruptcy;
- 73.9.1.3 entering into any scheme of arrangement whether formal or informal with creditors; and
- 73.9.2 in relation to a Company -
- 73.9.2.1 having an Administrator appointed;
- 73.9.2.2 entering into a Deed of Company Arrangement or any other scheme of arrangement, whether formal or informal, with its creditors;
- 73.9.2.3 resolving to go into liquidation;
- 73.9.2.4 failing to satisfy a statutory notice pursuant to the Corporations Act in accordance with its terms;
- 73.9.2.5 having a Liquidator, Provisional Liquidator, Receiver or Receiver and Manager appointed; or
- 73.9.2.6 being unable to pay its debts as and when they fall due.
- 73.10 **Land** means the property on which the Premises are located or comprising the Premises as the case may be and specified in (A).
- 73.11 **Lease Year** means each period of twelve (12) months starting on the Commencing Date or any anniversary of the Commencing Date.
- 73.12 **Outgoings** means the expenses and costs incurred in respect of the Complex if the Premises form part of the Complex and otherwise in relation to the Premises listed in the Outgoings Schedule.

- 73.13 **Premises** means the property or the portion of the property as the case may be described in (A). Where the Premises are part of the property only, the Premises are limited to:
- 73.12.1 the upper surface of the floor;
- 73.12.2 the inner surfaces of any external walls;
- 73.12.3 the lower surface of the ceiling or, if there is no ceiling, the roof of the Premises
- and include the Appurtenances.
- 73.14 **Repair** includes making good any structural defects and latent defects except or to the extent that the defects were caused by the wrongful acts or omissions of the Lessor.
- 73.15 **Review Date** means a date on which Rent is to be reassessed pursuant to Clause 9 as specified in Item 6.
- 73.16 **Services** means all facilities now or in the future available to the Premises including, but not limited to, gas, electricity, water, telephone, sewerage and waste removal.
- 73.17 **Strata Complex** means land and improvements which are subject to a Strata Title or Community Title Scheme.
- 73.18 **User** means the purpose for which the Lessee can use the Premises pursuant to Clause 15 and Item 8.
- 73.19 **WH and S requirements** means all requirements pursuant to the Work Health and Safety Act, any regulations made pursuant to that Act and any other laws or regulations relating to workplace health and safety.



**SCHEDULE OF ADDITIONAL CONDITIONS TO LEASE
BETWEEN
ABN: 49 619 433 359 AS LESSOR
AND
MUSIC EDU PTY LTD
ABN: 74 150 741 076 AS LESSEE**

Not Applicable

A handwritten signature in black ink, consisting of stylized cursive letters followed by a horizontal line.

**OUTGOINGS SCHEDULE TO LEASE
BETWEEN
ABN: 49 619 433 359 AS LESSOR
AND
MUSIC EDU PTY LTD
ABN: 74 150 741 076 AS LESSEE**

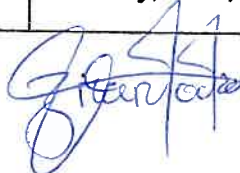
1. All rates, charges, assessments, duties, impositions and fees of any public, municipal or government body, authority or department.
2. Rates and charges payable to any local or other authority responsible for the provision of water and/or sewerage and/or drainage services and/or trade waste including all water consumption and sewerage usage charges.
3. All levies and other charges payable to the Owners Corporation of the Complex of which the Premises form part, including Administration Fund Levies, Sinking Fund Levies and Special Levies, but excluding special levies required for capital purposes unless the need for the levy arose from the wrongful act or omission of the Lessee, its servants, agents or contractors.
4. Land Taxes or taxes of the nature of a tax on land payable on a single holding basis.
5. Insurance premiums and other charges including stamp duties thereon for insurance on structures, glass, fittings and fixtures of the Premises in their full insurable reinstatement value against all usual risks, public liability insurances, worker's compensation insurances, loss of rents or loss of profits insurances, and any other insurance effected by the Lessor in relation to any risk relating to the Lessor's ownership of or interest in the Premises but exclusive of any excess or penalty rates recoverable for any lease of the Premises.
6. Wages and Payroll Taxes payable in respect of employees of the Lessor employed solely for the purposes of operating, cleaning, maintaining and/or administering the Premises calculated as if such employees are the only employees of the Lessor.
7. The Fees and/or Premiums payable to specialist contractors for the maintenance, servicing and repair of the appurtenances and equipment of the Premises.
8. The costs of operating and supplying all services from time to time provided by the Lessor for the tenants, occupiers and invitees of the Premises.
9. The cost of repairs to, and maintenance of, the building not being repairs of a structural nature or expenditure incurred by way of rebuilding or additions to the Premises or repairs which are the obligation of any tenant of the Premises.
10. The cleaning of the Common Areas and the exterior of the Premises.
11. Electricity, gas, oil, fuel, telephone and other services or requirements furnished or supplied to the Building for the general benefit or purposes of the Premises.
12. The costs of supplying any towels and other toilet requisites in water closets, washrooms and lavatories in the Common Areas.
13. The disposal of garbage and waste from the Premises including the net cost to the Lessor or hiring or leasing any equipment for such purpose.
14. The costs of maintaining gardens and landscaped areas including all indoor plants and gardens.
15. The provision of reasonable security and/or caretaking services.

16. The costs of managing, controlling and administering the Premises and the collection of rents and other moneys, including, but without limiting, the generality of the foregoing, the reasonable wages, long service leave and other emoluments paid to any Centre Manager and other clerical staff employed by the Lessor for such purposes (together with all statutory overheads related to such wages) and fees and charges paid to the Lessor's Managing Agent, but not including leasing commissions and fees, salaries, wages, travelling and accommodation expenses incurred by the directors or administrative officers of the Lessor not directly engaged in the management and operation of the Premises.
17. Such sum each year as the Lessor may reasonably decide to set aside as a fund to cover repairs, renovations, replacements and maintenance of a substantial but infrequent nature.
18. The costs of air conditioning, ventilators, heating and cooling the Premises inclusive of electricity, fuel, maintenance and repairs.
19. Any other expenses, including audit costs, properly and reasonably incurred in the conduct of the Premises, but excluding rent or repayments in the nature of rent payable under any Head Lease and excluding contributions by the Lessor to promotional expenses.



REFERENCE SCHEDULE

ITEM 1 First date for exercise of Option (Clause 6.3)	FIRST OPTION The date six (6) months before the Terminating Date	SECOND OPTION N/A
ITEM 2 Last date for exercise of Option (Clause 6.3)	FIRST OPTION The date three (3) months before the Terminating Date	SECOND OPTION N/A
ITEM 3 Method of rent review for first year of Option term (Clause 6.8)	Market	
ITEM 4 Rent for the first year of the term (Clause 7.2)	\$23,000 per annum plus GST (being \$1,916.66pcm plus GST)	
ITEM 5 Day of the month on which rent is to be paid (Clause 7.3)	21 st	
ITEM 6 Rent Review (Clause 8)	DATE: Each anniversary of the Commencing Date	METHOD: 4%
ITEM 7 Rent free period (Clause 13)	Not Applicable	
ITEM 8 Permitted Use (Clause 14)	Education Consultancy	
ITEM 9 Minimum amount of Public Liability Insurance (Clause 31)	\$20,000,000.00	
ITEM 10 Lessee's percentage of Outgoings (Clause 38)	Not Applicable	
ITEM 11 Car Spaces (Clause 65)	Three (3)	
ITEM 12 Agent (Clause 66)	Upstate Group, Level 1, Suite 15, 888 Pittwater Road, Dee Why, NSW, 2099	




ITEM 13: Security Deposit/Bond (Clause 25)	\$6,324.99 (being three (3) months' rent including GST)
ITEM 14: Guarantors (Clause 67)	KATHRYN JANE HARGREAVES 89 BALLYSHANNON ROAD KILLARNEY HEIGHTS NSW 2087

Attestation for Company without Seal

Certified correct for the purposes of the Real Property Act 1900 and executed on behalf of the corporation named below by the authorised person(s) whose signature(s) appear(s) below pursuant to the authority specified.

CORPORATION: AIQUA PTY LTD

ABN: 49 619 433 359

Authority: Section 127 of the Corporations Act 2001

Signature of authorised person: *[Signature]*

Name of authorised person: *BRAND HOOKE*

Office held: *DIRECTOR*

Attestation for Company without Seal

Certified correct for the purposes of the Real Property Act 1900 and executed on behalf of the corporation named below by the authorised person(s) whose signature(s) appear(s) below pursuant to the authority specified.

CORPORATION: MUSIC EDU PTY LTD

ABN: 74 150 741 076

Authority: Section 127 of the Corporations Act 2001

Signature of authorised person: *[Signature]*

Name of authorised person: *KATHY HARGREAVES*

Office held: *DIRECTOR*

Attestation clauses for Guarantors

SIGNED SEALED AND DELIVERED by the
said KATHRYN JANE HARGREAVES
in the presence of:

[Signature]
KATHRYN JANE HARGREAVES

RENAE BOYER
WITNESS NAME

[Signature]
WITNESS SIGNATURE