

Dated **24th** NOVEMBER 2005

PARTIES

B. & T. NOMINEES PTY LTD
ACN 008 861 701
(Landlord)

MINISTER FOR WORKS
(Tenant)

LEASE
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SCANNED

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- (ii) any rent free period, financial contribution (including a contribution to fit out costs) or other inducement to lease given to the Tenant;
 - (iii) the costs of the Tenant moving to other premises;
 - (iv) the fact that the Tenant currently occupies the Premises;
 - (v) any partitions installed by or other alterations made by the Tenant;
 - (vi) any state of disrepair of the Premises if that condition results from any work carried out or not carried out on the Premises by the Tenant or from the Tenant's breach of any provision of this Lease; and
 - (vii) any increase in the value of the Land or the Building as a result of structural alterations or fit out works carried out by or for the Tenant; and
- (b) take into account:
- (i) the provisions of this Lease;
 - (ii) the full term of this Lease, irrespective of any part which has elapsed;
 - (iii) the rent and any other amounts paid or payable by tenants in respect of other premises of a quality, nature, size and location similar to the Premises;
 - (iv) any rent free period, financial contribution (including a contribution to fit out costs) or other inducement to lease given to tenants of other premises similar to the Premises;
 - (v) the use of the Premises permitted by law and the provisions of this Lease; and
 - (vi) the assumption that the Premises are vacant and available for fitting out;
 - (vii) the assumption that the Tenant has observed and performed all the provisions of this Lease; and
 - (viii) otherwise the proper and usual principles adopted by Valuers in Western Australia.
- (4) "review date" includes each of the dates (if any) stated in Item 9, Item 10 and Item 11 of the Schedule; and
- (5) "quarter" means a 3 month period.

3.3 CPI Rent Review

- (1) If Item 9 of the Schedule has been completed by inserting review dates, the rent must be reviewed on the basis in this clause 3.3 with effect from and including each date in Item 9.
- (2) The rent must be reviewed to an amount which is represented by A in the following formula:

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

Where

B = the index number released for the quarter ending immediately prior to the relevant review date;

C = the index number released for the quarter ending immediately prior to the later of the Commencement Date or the date from when the rent was last reviewed; and

D = the rent payable immediately prior to the relevant review date.

- (3) If the Consumer Price Index (All Groups) for Perth is suspended or discontinued, the words "index number" must mean the price index substituted by the ABS.
- (4) If no price index is substituted, the words "index number" must mean an index which the parties agree most closely reflects changes in the cost of living.
- (5) If the parties cannot agree on a substitute index, the president of the Australian Property Institute, at the request of either party, may appoint an expert to determine a substitute index which most closely reflects changes in the cost of living and the words "index number" must mean that index.

3.4 Market Rent Review

- (1) If Item 10 the Schedule has been completed by inserting review dates, the rent must be reviewed to the market rent for the Premises determined on the basis in this clause 3.4 with effect from and including each date in Item 10.
- (2) The Landlord must state the amount which the Landlord considers to be the market rent by notice to the Tenant at any time:
 - (a) no earlier than 3 months before the relevant review date; and
 - (b) no later than 6 months after the relevant review date.

Time is of the essence in respect of the Landlord's notice and a notice given other than within that period has no effect.

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- (3) Within 21 days after receiving the Landlord's notice, the Tenant may give the Landlord a notice either agreeing to or disputing the amount stated in the Landlord's notice.
 - (4) If the Tenant's notice states that the Tenant agrees to the amount stated in the Landlord's notice, the rent payable from the relevant review date will be the amount in the Landlord's notice.
 - (5) If the Tenant's notice states that the Tenant disputes the amount stated in the Landlord's notice (or if the Tenant does not give a notice) the rent payable from the relevant review date will be the market rent determined under clauses 3.5 - 3.8 inclusive.
 - (6) If the Landlord's notice is not given within the time required under clause 3.4(2) the Tenant may by notice to the Landlord require that the rent payable from the relevant review date will be determined under clauses - 3.5 - 3.8 inclusive.
 - (7) If neither the Landlord nor the Tenant gives a notice under this clause 3.4, the rent remains unchanged.

3.5 Determination of Market Rent

- (1) The Landlord and the Tenant must in good faith try to agree on the market rent.
- (2) If agreement is not reached within 14 days after the Tenant's notice is given, each party must appoint a Valuer to jointly determine the market rent and must notify the other party of its appointment.
- (3) Unless the Tenant otherwise specifies in the notice of appointment, the Tenant's Valuer is to be the Valuer General for the State of Western Australia.
- (4) The Valuers must make a determination of the market rent as at the relevant review date each acting as an expert and not as an arbitrator.
- (5) If the Valuers cannot agree on the market rent, any issue in dispute between them is to be determined by a third Valuer jointly appointed by the parties, or if they cannot agree on the appointment, nominated by the president of the Australian Property Institute at the request of either party.
- (6) If the Landlord has not appointed a Valuer within 28 days after the Tenant's notice is given, the Tenant's Valuer is to make the determination of the market rent.

3.6 Single Valuer

If the parties agree, they may jointly appoint a single Valuer to determine the market rent, in which case a reference to "Valuers" in this Lease is taken to be a reference to the single Valuer.

3.7 Rules Governing Valuer's Determination

The following rules apply to the determination made by the Valuers:

- (1) the Valuers must make a written determination containing reasons as soon as possible after their appointment (but no sooner than 30 days after their appointment);
- (2) irrespective of when made, the Valuers' determination is final and binding on the Landlord and the Tenant;
- (3) the costs of a Valuer appointed solely by one party must be paid by the appointing party. The costs of a jointly appointed Valuer or a third Valuer must be paid by the Landlord and the Tenant in equal shares;
- (4) any Valuer's costs must be paid within 30 days after the date of the Valuer's invoice. If a party defaults in the payment of any Valuer's costs, the other party may pay the amount owing and recover the amount paid as a debt from the defaulting party. If the defaulting party is the Landlord, the Tenant may set-off the debt against the rent and other money payable under this Lease;
- (5) a Valuer who accepts appointment may require either party to supply information which the Valuer considers relevant to the determination;
- (6) any request for information must be complied with promptly in writing by the party to whom it is directed and that party must make a copy of that information available to the other party;
- (7) either party may supply the Valuers with other information which that party considers relevant and must make a copy of that information available to the other party;
- (8) information may be provided on a confidential basis and, if so, the party receiving it and the Valuers must treat the information as confidential and must not use that information other than for the purpose of the market rent determination;
- (9) the Landlord and the Tenant may make written submissions to the Valuers in relation to the market rent within 21 days after the date of appointment of the last Valuer to be appointed;
- (10) a party making a written submission must at the same time give a copy of it to the other party; and
- (11) a party may within 7 days after receiving a copy of the other party's written submission, give the Valuers a written response to that submission and must give a copy of the response to the other party.

3.8 General

- (1) The market rent determined under this clause 3 may be lower, the same as or higher than the rent applying immediately before the relevant review date.
- (2) Until the determination of the reviewed rent has been made, the Tenant must continue to pay rent at the rate payable immediately before the relevant review date.
- (3) Any variation in rent as the result of review under this clause 3 takes effect from the relevant review date.
- (4) Within 14 days after the determination of the reviewed rent, the Landlord must refund any overpaid rent or the Tenant must pay any shortfall. The Tenant may set-off the amount of any refund due from the Landlord against the rent and other money payable under this Lease.

3.9 Fixed Percentage Review

- (1) If Item 11 of the Schedule has been completed by inserting review dates and a percentage number, the rent must be reviewed on the basis in this clause 3.9 with effect from and including each date in Item 11.
- (2) On each review date the rent applying immediately before the relevant review date must be increased by the percentage number specified in Item 11 of the Schedule and the increased amount will be the rent applying from and including the relevant review date.

4. Outgoings

4.1 Tenant's Share

The Tenant must pay the Landlord a proportion of the Outgoings for each Accounting Year. The proportion payable by the Tenant is the same proportion which the net lettable area of the Premises bears to the total net lettable area of the Building. That proportion is called the **Tenant's Share**.

4.2 Tenant's Share at Commencement

If figures are inserted in Item 13 of the Schedule, the net lettable area of the Premises, the total net lettable area of the Building and the Tenant's Share at the Commencement Date are as specified in Item 13 of the Schedule.

4.3 Estimates

At the beginning of the first Accounting Year and at least 28 days before the beginning of each subsequent Accounting Year the Landlord must give the Tenant an estimate of the Outgoings and the Tenant's Share of the Outgoings payable for the relevant Accounting Year.

4.4 Instalments

The Tenant must pay the amount of the estimate under the preceding clause by monthly instalments on the same day that rent is payable. The amount of each instalment must be set out in invoices given by the Landlord to the Tenant.

4.5 Benefit of Discounts

If the Landlord obtains the benefit of any discount or other concession in respect of any Outgoings, whether because of early payment or any other reason, only the amount actually paid or payable by the Landlord is to be included in the Outgoings in determining the amount of the Tenant's Share.

4.6 Fines etc

Except to the extent caused by the Tenant's failure to pay an amount by the due date under this Lease, the amount of any fine or other penalty, including interest, imposed in relation to any Outgoings is not to be included in the Outgoings in determining the amount of the Tenant's Share.

4.7 Late Inclusion in Outgoings

Any expenditure by the Landlord may not be included in the Outgoings later than 2 years from the date the expenditure occurred.

5. Outgoings Adjustment

5.1 Audited Statement

As soon as reasonably practicable after the end of each Accounting Year (but no later than 3 months after the end of the relevant Accounting Year) the Landlord must:

- (1) notify the Tenant of the actual amount of the Outgoings and the actual amount of the Tenant's Share of the Outgoings payable by the Tenant for that Accounting Year; and
- (2) give the Tenant statements (which must be audited, if required by the Tenant) relating to the Outgoings, containing full details of the nature of all Outgoings sufficient to enable the Tenant to verify the Landlord's expenditure on Outgoings.

5.2 Obligation to Pay suspended

If the Landlord does not comply with the preceding clause, the Tenant's obligation to pay the Tenant's Share of the Outgoings is suspended until the Landlord has complied with it.

5.3 Inspection of Records

If requested by the Tenant, the Landlord must allow the Tenant to inspect all the Landlord's records relating to the determination and calculation of the Outgoings for the relevant Accounting Year.

5.4 Estimate Less

If the amount of the Outgoings paid by the Tenant for the relevant Accounting Year based on the Landlord's estimate is less than the amount payable by the Tenant, the Tenant must pay the difference to the Landlord within 14 days after the Landlord requests payment.

5.5 Estimate More

If the amount of the Outgoings paid by the Tenant is more than the amount payable by the Tenant, the Landlord must give credit to the Tenant for the difference when the next payment of money is due by the Tenant under this Lease. If no further payment will become due the Landlord must pay the difference to the Tenant within 28 days after the difference has been calculated.

6. Services

6.1 Charges for Services

The Tenant must pay by the due date all charges for Services supplied to the Premises, as invoiced by the relevant supplier.

6.2 Amount Payable

If any Services are supplied to the Premises by the Landlord, the Tenant does not have to pay any more for them than the Tenant would have to pay if they were supplied directly by a supplier other than the Landlord (disregarding any GST in relation to those Services).

6.3 Electrical Installations

The Tenant must not :

- (1) make any alterations or additions to the electrical installations or wiring on the Premises without the Landlord's consent, which will not be unreasonably refused or delayed;
- (2) install any electrical equipment which overloads the cables, switchboards or sub-boards through which electricity is conveyed to the Premises; or
- (3) interfere with or obstruct access to the Air Conditioning Equipment or fire alarm or prevention system installed in the Premises.

7. Use of the Premises

7.1 Permitted Use

The Tenant may only use the Premises for office purposes unless the Landlord consents to another use.

7.2 Restrictions on Use

The Tenant must not:

- (1) carry on any noxious or offensive trade or business on the Premises;
- (2) cause any nuisance to occupiers of adjacent premises;
- (3) interfere with or obstruct the operation of or access to the Services or overload any Service; or
- (4) use any facilities in or near the Premises or in the Building, including the toilets and drains, for any improper purpose.

8. Maintenance and Repair

8.1 Repair of Premises

- (1) The Tenant must keep the interior of the Premises in good repair and condition except for fair wear and tear and damage by fire, storm, tempest and any other risk which a prudent owner can and usually does insure against, including damage to plate glass.
- (2) The second exception in clause 8.1(1) does not apply to the extent that insurance money is irrecoverable through the negligent act or default of the Tenant or the Tenant's Employees.
- (3) Nothing in clause 8.1(1) imposes responsibility on the Tenant for any maintenance, replacement, renovation or repair of a structural nature unless required because of:
 - (a) the act or default of the Tenant or the Tenant's Employees; or
 - (b) the Tenant's use of the Premises other than as permitted by this Lease.

8.2 Cleaning

The Tenant must keep the Premises clean and tidy.

9. Alterations

9.1 Alterations and Additions

The Tenant must not without the Landlord's consent, which will not be unreasonably refused or delayed, materially alter or add to the Premises or install any partitions or likely to disturb the efficient operation of the Services in the Premises or install any heavy article likely to overload the Premises.

10. Legal Obligations

10.1 Compliance with Laws and Official Requirements

The Tenant must comply with and observe any law or Official Requirement concerning the Tenant's use or occupation of the Premises or the gender or number of persons in the Premises.

10.2 Structural Alterations

The Tenant is not required under clause 10.1 to do or pay for structural alterations or additions except those arising from the nature of the Tenant's business.

11. Common Areas

11.1 Tenant May Use

The Tenant and the Tenant's Employees have the non-exclusive right to use the Common Areas for the purposes for which they are designed or intended in common with the Landlord and other persons authorised by the Landlord.

11.2 Control and Safety

The Landlord is responsible for the control of the Common Areas and any other parts of the Building not leased to a tenant. The Landlord must ensure that the Common Areas are properly maintained, safely lit and kept in a clean and safe condition at all times.

12. Management of the Building by Landlord

12.1 Management

The Landlord must properly manage and operate the Building. The Landlord may appoint a Managing Agent to manage and operate the Building and represent the Landlord in relation to this Lease. If the Landlord appoints a managing agent, the managing agent is taken to be authorised to exercise the rights and powers of the Landlord under this lease.

12.2 Safety and Security

The Landlord must comply with any reasonable request of the Tenant which is made for the purpose of ensuring the safety and security of the Premises.

12.3 Right to Enter

The Landlord may after giving at least 2 business days notice to the Tenant (or in an emergency, without notice) enter the Premises to do any one or more of the following things:

- (1) maintain or repair the Building and equipment in the Building ;
- (2) maintain, repair, alter or remove the Services; or
- (3) carry out structural work to the Building (including the Premises) or any other work required by an Authority.

12.4 Minimise disruption

If the Landlord does anything permitted by the preceding clause the Landlord must not disrupt the Tenant's use of the Premises and must promptly make good any damage to the Tenant's Property caused by the Landlord.

13. Tenant's Rights in relation to use of Building

13.1 After Hours Access

The Tenant may have access to the Premises at all times whether or not during normal business hours, but the Tenant must comply with the Landlord's reasonable requirements relating to safety and security in connection with access outside normal business hours.

13.2 Cabling

The Tenant may use risers or spaces within the Building provided for the running of computer and other electrical, data and communications cabling for the occupants' use, for the running of that cabling as long as the Tenant ensures that :

- (1) the running of the computer and other electrical, data and communications cables in the Building does not cause irreparable damage to the Building; and
- (2) the Building is secured where the computer and other electrical, data and communications cables are run; and
- (3) the use of the Building for the running of the computer and other cabling is reasonable, having regard to the needs of the other tenants or occupiers.

Schedule

Item 1 Landlord

B. & T. NOMINEES PTY LTD ACN 008 861 701 of 32 Halifax Road, Bunbury,
Western Australia

Item 2 Tenant

MINISTER FOR WORKS being a body corporate pursuant to the provisions of
the Public Works Act 1902 of care of 99 Plain Street, East Perth, Western
Australia

Item 3 Land

Portion of Leschenault Location 26 and being part of the land on diagram
17060 being the land comprised in Certificate of Title Volume 1151 Folio 16

Item 4 Premises

That portion of the Building erected on the Land known as 4B Spencer Street,
Bunbury comprising an area of approximately 120m² as shown hachured on
the plan annexed to this Lease.

Item 5 Term

The period of 4 years from the Commencement Date to the Expiry Date

Commencement Date:

1. On completion of the Tenant's fitout works; or
2. 1 December 2005,

whichever comes first.

Expiry Date:

30 SEPTEMBER 2009

~~← The fourth anniversary of the Commencement Date~~

[Signature]

Item 6 Option to Extend this Lease**(1) First Option Period:**

4 years

(2) Second Option Period:

Not applicable

14. Assignment and Subletting

14.1 Assignment and Subletting Permitted with Consent

The Tenant may assign this Lease or sublet all or part of the Premises with the Landlord's consent.

14.2 Requirements for Assignment

The Landlord will not refuse its consent to the assignment or unreasonably delay that consent if the Tenant first makes a written application to the Landlord for consent and:

- (1) the Tenant is not in default under this Lease (disregarding a default which has been remedied by the Tenant or waived by the Landlord);
- (2) the Tenant provides evidence that the incoming tenant is a respectable, responsible and solvent person; and
- (3) the Tenant and the incoming tenant sign a deed, in a form prepared or approved by the Landlord, requiring the incoming tenant to comply with the Tenant's obligations under this Lease.

14.3 Requirements for Subletting

The Landlord will not refuse its consent to the subletting or unreasonably delay that consent if the Tenant first makes a written application to the Landlord for consent and :

- (1) the Tenant is not in default under this Lease (disregarding a default which has been remedied by the Tenant or waived by the Landlord); and
- (2) the Tenant provides evidence that the incoming tenant is a respectable, responsible and solvent person.

14.4 Assignment to Government Tenant

Clause 14.1 does not apply to an assignment or subletting to any Government Tenant and the Tenant may assign this Lease or sublet the Premises to a Government Tenant at any time without the Landlord's consent, but the Tenant must promptly give the Landlord notice of any assignment to a Government Tenant.

14.5 Exclusion of Property Law Act

Sections 80 and 82 of the Property Law Act 1969 are excluded.

14.6 Tenant Released

From the date that the Tenant assigns this Lease, subject to compliance with clause 14.2, the Tenant is released from all its obligations under this Lease.

15. Indemnity

15.1 Indemnity

The Tenant is responsible for and indemnifies the Landlord against any liability resulting from:

- (1) any loss of or damage to property or any injury to or death of any person occurring in the Premises or caused by the Tenant wherever occurring; or
- (2) any reasonable action taken by the Landlord to remedy a default by the Tenant.

This indemnity does not apply to the extent that the liability is caused to by the Landlord.

16. Carpets

16.1 Replacement

Except for damage caused by the Tenant (which must be made good by the Tenant) the Landlord must replace the carpet in the Premises (or any part) with new carpet promptly after it becomes worn out or unsafe for any reason and the Tenant has given the Landlord a notice requiring that the carpet (or any part) be replaced at any time within the First Option Period. Any new carpet must not be of a lesser quality than the carpet it replaces. If part of the carpet is replaced it must be in a matching colour.

17. Landlord's Obligations Concerning Premises and Building

17.1 Suitability of Premises

The Landlord :

- (1) warrants that at the Commencement Date the Premises are fit for occupation and for the use permitted by this Lease and comply with all laws relating to the Premises; and
- (2) undertakes that during the Term (subject to the other provisions of this Lease), the Premises will remain fit for occupation and will continue to comply with all laws that were applicable at the Commencement Date.

17.2 Capacity of Electrical Supply

The Landlord must not reduce the capacity of the electrical supply available to the Premises below the level applying at the Commencement Date.

17.3 Maintenance of the Building

The Landlord must maintain the Building and the Common Areas in a good, clean and safe condition. Without limitation, the Landlord must properly maintain and repair:

- (1) the roof and structure of the Building and all electrical wires and water and sewerage pipes and drains;
- (2) the exterior surface, coating or fabric of the Building;
- (3) the surfaces of all core walls, including repainting them when necessary;
- (4) light switches and power points which cease to work;
- (5) all driveways and car parking areas on the Land and all crossovers providing access to the Land; and
- (6) all stairs and passageways and keep them safely lit.

17.4 Moisture Penetration

If there is moisture penetration into the Premises which causes the Tenant's use of the Premises to be prevented or interrupted, the Landlord must as soon as practicable (following notice by the Tenant of the moisture penetration) repair and, if necessary, modify the Building to stop the moisture penetration re-occurring.

17.5 Asbestos and Bacteria

- (1) The Landlord warrants that to the best of the Landlord's knowledge the Premises are at the Commencement Date (and will continue during the Term to be) free of asbestos and any bacteria of a type and in a quantity which may be hazardous or dangerous to health.
- (2) If the Air Conditioning Equipment is of a water cooled or evaporative nature the Landlord must on a regular basis (but at least quarterly) arrange for competent professional scientific testing of the Air Conditioning Equipment to verify compliance with paragraph (1) and must provide the Tenant with a certified copy of the result of each testing.
- (3) If:
 - (a) the Premises contain asbestos; or
 - (b) bacteria of a type and in quantity which is hazardous or dangerous to health are found in the Premises or in the Air Conditioning Equipment serving the Premises,

the Landlord must remove the asbestos or bacteria promptly as required by the Tenant or as directed by any public or local authority.

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- (4) If either asbestos or bacteria within the Premises or within any Air Conditioning Equipment serving the Premises causes a declaration by any public or local authority that the Premises are hazardous or dangerous to health and the Landlord does not take immediate steps to remedy the hazard or danger or does not effectively remove it within 1 month after the declaration, the Tenant may terminate this Lease within 4 months after the declaration.
 - (5) The Landlord at the cost of the Landlord must repair or reinstate the Premises to the extent that the Premises have been damaged or affected by the removal of any substances or as a result of any other action taken under this clause 17.5.

17.6 Other Hazardous Substances

If any other noxious, toxic, poisonous or hazardous substance in or forming part of the Premises, the Building or the Landlord's Property is found which is not asbestos or bacteria but which is dangerous to health, the Landlord must eliminate any danger caused by the substance as directed by any public or local authority or otherwise by removal of the substance.

17.7 Environmental Laws

The Landlord must comply with all Environmental laws.

17.8 Occupational Health

The Landlord warrants that the Premises conform to and are consistent with all applicable notices and directions of the Department of Occupational Health Safety and Welfare of the Government of Western Australia.

18. Landlord's Obligations Concerning Services

18.1 Air Conditioning and Elevator Services

The Landlord must use best endeavours to ensure all lifts in the Building and the Air Conditioning Equipment function properly at all times during normal business hours, except when shut down for maintenance or repairs.

18.2 Maintenance of Air Conditioning Equipment

The Landlord must :

- (1) clean, maintain and treat the Air Conditioning Equipment and any lifts servicing the Premises :
 - (a) in a proper and adequate manner; and
 - (b) to a suitable working standard and condition; and

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- (2) when asked by the Tenant, provide written information about that cleaning, maintenance and treatment .

18.3 Failure of Air Conditioning and Lifts

The Tenant is (subject to clause 18.4) entitled to a full day's rent abatement for each day that :

- (1) the Air Conditioning Equipment fails to maintain the air temperature within the Premises between 20.5° and 24.5° Celsius;
- (2) more than half of the total number of lifts servicing the Premises fail, unless the cause is a failure of the electricity supply beyond the Landlord's control; or
- (3) any of the Services to the Premises fail because of the Landlord's deliberate act or default.

18.4 Rent Abatement Conditions

For the Tenant to become entitled to abatement of rent:

- (1) the Tenant must have given notice to the Landlord of the occurrence of an event mentioned in clause 18.3;
- (2) the failure of the Airconditioning Equipment must have continued for 3 business days or the failure of the lifts or Services must have continued for 1 business day after giving of the notice; and
- (2) the failure must not have been caused by the Tenant's act or default.

18.5 Tenant's Right to Rectify Air Conditioning and Lifts

If the Tenant becomes entitled to abatement of rent under clause 18.3, the Tenant may, without affecting that entitlement :

- (1) arrange for the Air Conditioning Equipment, lifts or Services, as the case may be, to be repaired to normal operating condition; and
- (2) set-off against the rent and other money payable under this Lease the costs incurred by the Tenant in arranging for the repair to be done.

18.6 Termination of the Lease

The Tenant may terminate this Lease if :

- (1) the Air Conditioning Equipment; or
- (2) more than half of the total number of the lifts servicing the Premises, fail to operate for 14 days after the notice under clause 18.4(1) is given and the Landlord has not taken all reasonable steps (details of which must be given to the Tenant on request) to rectify the failure in that time except that the Tenant may not terminate this Lease if :

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- (3) the Landlord has rectified the failure during the 14 days; or
 - (4) the failure was caused by the Tenant's act or default.

19. Landlord's General Obligations

19.1 Insurance

The Landlord must insure the Building against damage by fire, storm, tempest and usual insurable risks including risk of damage to plate glass and providing for replacement of cracked or broken plate glass.

19.2 Rates and Taxes

The Landlord must by the relevant due date or dates pay all Rates and Taxes and any other outgoings relating to the Land.

19.3 Smoking

If after the Tenant executes of this Lease the Landlord grants a lease of premises located on the same floor or floors of the Building on which the Premises are located that lease must include a provision that the tenant and the tenant's employees contractors and agents are prohibited from smoking in those premises and in common areas located on the same floor or floors.

19.4 Grounds

If there are lawns, gardens or other landscaped areas on the Land, the Landlord must properly care for and maintain them.

20. Default and Termination

20.1 Tenant's Default

The Tenant is in default if :

- (1) the Tenant fails to comply with any of the Tenant's obligations under this Lease within 28 days after the Landlord has given the Tenant a notice specifying the default and requiring it to be remedied; or
- (2) an Insolvency Event occurs in relation to the Tenant; or
- (3) the Tenant repudiates this Lease.

20.2 Forfeiture of Lease

Subject to giving any prior demand or notice required by any law if the Tenant is in default in any manner specified in clause 20.1 the Landlord may:

-
- (1) re-enter and take possession of the Premises and this Lease terminates immediately that occurs; or
 - (2) by notice to the Tenant, terminate this Lease on the date of giving the notice or on any later date.

20.3 Interest on Overdue Money

The Tenant must pay interest to the Landlord on any rent or other money due to the Landlord and unpaid for 28 days. Interest is to be computed from (and including) the due date for payment until (but not including) the date of actual payment. The rate of interest is to be 2% per annum above the highest overdraft rate charged by the Commonwealth Bank for overdraft accommodation of amounts not exceeding \$100,000.00 at the date for payment of any money.

20.4 Essential Terms and Damages

Every obligation of the Tenant under this Lease:

- (1) to pay money; or
- (2) not to do something without the Landlord's consent; or
- (3) relating to damage to the Premises or to the state of repair or condition of the Premises,

is an essential term of this Lease. (This clause does not prevent other obligations being essential terms).

If the Tenant defaults by not performing or complying with any obligation which is an essential term, the Landlord is entitled to recover damages for losses over the whole Term, including losses caused by the non-payment of money by the Tenant over that period, even if this Lease is terminated by the Landlord as a result of the Tenant's default before the Expiry Date.

This clause is not to be taken as relieving the Landlord of any duty to mitigate losses which is imposed by law.

20.5 Insolvency of Landlord

If an Insolvency Event occurs in relation to the Landlord, the Tenant may by notice to the Landlord, terminate this Lease on the date of giving the notice or on any later date.

20.6 Tenant may rectify Landlord's Default

If :

- (1) the Tenant becomes entitled to terminate this Lease under any provision of this Lease; or

-
- (2) the Landlord defaults under this Lease and has not remedied the default or taken reasonable steps to remedy it by 14 days after the Tenant has given the Landlord notice of the default,

the Tenant may (without affecting the Tenant's entitlement to terminate this Lease or any other remedy) itself remedy the default. The Landlord must pay the Tenant's costs of remedying the default on demand or those costs may, at the Tenant's election, be set-off against the rent and other money payable by the Tenant under this Lease.

21. Termination of Term

- (1) On termination of this Lease the Tenant must leave the Premises in good repair, order and condition in accordance with this Lease, fair wear and tear excepted.
- (2) The Tenant may remove the Tenant's Property from the Premises at any time before termination of this Lease and must repair any damage to the Premises caused by removal of the Tenant's Property.
- (3) If the Tenant does not remove the Tenant's Property or any part before termination, the Landlord must give the Tenant notice of any Tenant's Property which has not been removed and allow the Tenant access to the Premises for the purpose of removing it within 7 days after the notice is given. If any of the Tenant's Property has not been removed within that time, the Landlord may treat that Tenant's Property as if it has become the Landlord's Property.

22. Damage and Destruction

22.1 Definitions

In this clause 22 :

- (1) "**abatement notice**" means a notice given under clause 22.2;
- (2) "**reinstatement notice**" means a notice given by the Landlord to the Tenant of the Landlord's intention to carry out the reinstatement works; and
- (3) "**reinstatement works**" means the work necessary to:
 - (a) reinstate the Premises; and
 - (b) make the Premises fit for occupation and use and accessible by the Tenant.

22.2 Abatement

If at any time the Premises are wholly or partly:

-
- (1) unfit for occupation and use by the Tenant; or
 - (2) inaccessible having regard to the nature and location of the Premises and the normal means of access to them;

as a result of :

- (3) destruction or damage;
- (4) the presence of or the removal of asbestos;
- (5) the existence of bacteria of a type or in a quantity harmful to the health of persons in the Premises; or
- (6) major construction, rebuilding or alteration of the Premises, the Building or any adjoining building owned or partly owned by the Landlord,

then from the date that the Tenant notifies the Landlord of the relevant event the rent and any other money payable by the Tenant are to abate according to the circumstances.

22.3 Either Party May Terminate

If clause 22.2 applies, then at any time after 2 months from the date the abatement notice is given either party may terminate this Lease by notice to the other unless the Landlord has within that period of 2 months :

- (1) given the Tenant a reinstatement notice; and
- (2) diligently started to carry out the reinstatement works.

22.4 Tenant May Terminate

If the Landlord gives a reinstatement notice to the Tenant and does not commence the reinstatement works within a reasonable time, the Tenant may terminate this Lease by giving not less than 1 month's notice to the Landlord and, at the expiration of the notice period, this Lease terminates.

22.5 Dispute Resolution

- (1) Any dispute arising under this clause 19 is to be determined by a properly qualified member of the Australian Property Institute appointed by the president at the request of either the Landlord or the Tenant.
- (2) In making a determination, the appointed member must act as an expert and not as an arbitrator.
- (3) The appointed member must make a written determination containing reasons as soon as possible after appointment, but the member must give each party the opportunity to make written submissions.

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- (4) The rent and any other money remains payable without abatement pending the determination. Any necessary adjustment is to be made immediately after the determination is made.
 - (5) The cost of the determination must be paid by both parties in equal shares unless otherwise decided by the member.

23. Miscellaneous

23.1 Notices

- (1) Any notice by any party under this Lease is valid if signed by any authorised representative or the solicitor of that party.
- (2) Any notice to any party under this Lease is valid if given to a managing agent appointed by that party to manage the Premises.
- (3) Any notice by the Tenant to the Landlord is taken to be properly given if:
 - (a) served personally;
 - (b) sent to any facsimile number used by the Landlord; or
 - (c) forwarded by prepaid post addressed to the Landlord's address.
- (4) Any notice by the Landlord to the Tenant must be given by being sent to :

**Assistant Director
Commercial Property Branch
Department of Housing and Works
99 Plain Street
East Perth WA 6004**

Facsimile number : (08) 9222 8137

- (5) All notices sent by post may be addressed to the address stated in this Lease or, if another address is used by the Landlord, to that other address.
- (6) Any notice sent by:
 - (a) post is taken to be given on the 3rd business day after the day it was posted; or
 - (b) facsimile is taken to be given at the time that the notice was transmitted unless the sender's facsimile machine indicates a malfunction in the transmission.

(3) **Third Option Period:**

Not applicable

Item 7	Rent
	\$16,800 per annum plus GST
Item 8	Rent Commencement Date
	1 December 2005
Item 9	CPI Review Dates
	During the Term – the first, second and third anniversaries of the Commencement Date.
	During the First Option Period – the fifth, sixth and seventh anniversaries of the Commencement Date.
Item 10	Market Review Dates
	The fourth anniversary of the Commencement Date
Item 11	Fixed Percentage Review Dates
	Not applicable
Item 12	Car Parking Bays
	2 bays on the Land
Item 13	Outgoings
	Net lettable area of the Premises at the Commencement Date: 120m ²
	Net lettable area of the Building at the Commencement Date: 186.5m ²
	Tenant's Share at the Commencement Date: 64.35%
Item 14	Additional Provisions
1.	Early Possession
(a)	The Landlord grants to the Tenant a licence to access the Premises prior to the Commencement Date on execution of this Lease for the purpose of conducting its fitout at its expense.
(b)	The Tenant is not required to pay Rent or outgoings during the period of the licence to the Commencement Date, however the

23.2 Caveat and Registration

- (1) The Tenant may lodge a subject to claim caveat in respect of the Premises in relation to the Tenant's interests under this Lease, but must withdraw that caveat after the Tenant has ceased to have any interest in the Premises under this Lease.
- (2) If the Tenant requires, this Lease is to be registered on the title to the Land. The costs of registration must be paid by the Tenant. The Landlord must do everything required of the Landlord to enable this Lease to be registered as soon as reasonably possible after the Commencement Date.

23.3 Costs and Expenses arising on Default

A party who is in default must pay to or reimburse the other party on demand the amount of all costs and expenses (including legal costs and expenses) arising as a result of enforcing any right under this Lease including giving a notice under section 81 of the Property Law Act.

23.4 Other Costs and Expenses

Unless otherwise stated in this Lease, each party will pay its own costs and expenses (including legal costs and expenses) in connection with this Lease or anything done or to be done under this Lease.

23.5 Duties and Fees

The Tenant must pay or reimburse the Landlord on demand the amount of all stamp duty and fees (but not including fines and penalties not attributable to the Tenant) payable in connection with this Lease.

24. GST

24.1 Definitions

In this Lease:

- (1) "GST" has the meaning given in section 195-1 of the GST Act;
- (2) "GST Act" means A New Tax System (Goods and Services Tax) Act 1999;
- (3) "Input Tax Credit" has the meaning given in section 195-1 of the GST Act;
- (4) "Primary Payment" means any payment by the Tenant to the Landlord under this Lease;
- (5) "Taxable Supply" has the meaning given in section 195-1 of the GST Act; and

-
- (6) “**Tax Invoice**” has the meaning given in section 195-1 of the GST Act and in the A New Tax System (Goods and Services Tax) Regulations 1999.

24.2 Payments exclusive of GST

The amount of all Primary Payments specified in this Lease is exclusive of GST.

24.3 Primary Payment Increased

If GST is payable by the Landlord in respect of a Primary Payment or any part in connection with a Taxable Supply provided under this Lease:

- (1) the Primary Payment is increased by an amount equal to the applicable GST; and
- (2) the Tenant must pay the amount of the increase in the same manner and on the same date as the Tenant is required to pay the Primary Payment.

24.4 Adjustment

If the Primary Payment consists (wholly or partly) of the recovery by the Landlord of all or a portion of the Landlord's costs, the Primary Payment is to be reduced by the amount (or corresponding proportion) of the Input Tax Credits available to the Landlord in respect of these costs and then increased by any applicable GST payable under clause 23.3.

24.5 Tax Invoice

If a Primary Payment is to be increased to account for GST under clause 24.3 the Landlord must, by the date on which the increased Primary Payment is to be paid, issue a Tax Invoice to the Tenant. Clause 24.6 applies unless the Landlord warrants that the amounts referred to in any Tax Invoice given to the Tenant are correct.

24.6 Recipient Created Tax Invoices

- (1) This clause 24.6 applies if at any time the Tenant gives the Landlord a notice stating that the Tenant will issue recipient created tax invoices in relation to any Taxable Supply by the Landlord to the Tenant.
- (2) During any period:
 - (a) after the Tenant gives a notice under clause 24.6(1) and
 - (b) while the requirements in relation to the giving of recipient created tax invoices under the GST Act are satisfied in relation to this Lease, the Landlord must not issue a Tax Invoice to the Tenant, but instead the Tenant will issue recipient created tax invoices in relation to any Taxable Supply by the Landlord under this Lease and the Tenant will give the Landlord a copy of each recipient created tax invoice which is issued.

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- (3) During any period referred to in the preceding subclause, the Tenant will issue to the Landlord an adjustment note if a Taxable Supply by the Landlord is subject to an adjustment event.
 - (4) This clause 24.6 ceases to apply if at any time the requirements in relation to the giving of recipient created tax invoices under the GST Act cease to be satisfied in relation to this Lease.

25. Option to Extend

25.1 First Option Period

If a period is stated in Item 6(1) of the Schedule ("First Option Period") the Tenant has the option to extend this Lease for the First Option Period, if the Tenant is not in default under this Lease when the option is exercised. This option may be exercised by the Tenant notifying the Landlord in writing that the Tenant wants to extend this Lease for that period at least 3 months before the Expiry Date.

25.2 Second Option Period

If a period is stated in Item 6(2) of the Schedule ("Second Option Period") the Tenant has the option to extend this Lease for the Second Option Period, if the Tenant is not in default under this Lease as extended when the option is exercised. This option may be exercised by the Tenant notifying the Landlord in writing that the Tenant wants to extend this Lease for that period at least 3 months before the last day of the First Option Period; and

25.3 Third Option Period

If a period is stated in Item 6(3) of the Schedule ("Third Option Period") the Tenant has the option to extend this Lease for the Third Option Period, if the Tenant is not in default under this Lease as extended when the option is exercised. This option may be exercised by the Tenant notifying the Landlord in writing that the Tenant wants to extend this Lease for that period at least 3 months before the last day of the Second Option Period.

25.4 Terms and Conditions

If this Lease is extended under clause 25.1 all the provisions of this Lease continue to apply, except the option in clause 25.1. If this Lease is further extended under clause 25.2 all the provisions of this Lease continue to apply, except the options in clauses 25.1 and 25.2. If this Lease is further extended under clause 25.3, all the provisions of this Lease continue to apply, except the options in clauses 25.1, 25.2 and 25.3.

25.5 Rent during Option Term

The rent payable by the Tenant from the beginning of any extended term of this Lease is to be the same rent payable immediately before the date of commencement of the extended term unless that date is a rent review date, in which case the rent is

to be reviewed with effect from that date in accordance with this Lease, and the rent is subject to further review during the extended term as provided in this Lease.

25.6 Tenant's Right to Terminate

Notwithstanding anything else in this Lease, if :

- (1) The date of commencement of an extended term is a review date; and
- (2) The reviewed rent payable from that date has not been determined before the Tenant gave a notice exercising the option to extend this Lease for the relevant term,

Then the Tenant has the right to terminate this Lease as extended by notice to the Landlord given in accordance with clause 25.7.

25.7 Notice of Termination

A notice of termination under clause 25.6 must :

- (1) be given no later than 21 days after the reviewed rent is determined;
- (2) specify the date of termination, which may not be earlier than 3 months from the date of the notice or later than 9 months from the date of the notice.

26. Car Parking

- (1) The Landlord grants to the Tenant, during the Term of this Lease and any renewed or extended term, a licence to :
 - (a) use (on an exclusive basis) the car parking bays (if any) specified in Item 12 of the Schedule ("Car Bays"); and
 - (b) in common with all other persons having the same right, use the driveways, entrances and exits necessary for access to and from the Car Bays.
- (2) No licence fee is payable by the Tenant for the rights granted by the Landlord under this clause 26.
- (3) The Tenant must comply with any reasonable rules made by the Landlord relating to the reasonable use, safety, care and cleanliness of the Car Bays.

27. Mortgagee's Consent

27.1 Landlord to Obtain

If the Land is at the Commencement Date subject to a mortgage, charge or other encumbrance, then unless this Lease is already binding on the holder of the

mortgage, charge or other encumbrance, the Landlord must at the Landlord's cost obtain and give to the Tenant the written consent to this Lease of the holder of the mortgage, charge or other encumbrance.

27.2 Failure to Obtain

If the Landlord has not complied with clause 27.1 within 60 days from the date the Tenant gives the Landlord notice of the non-compliance, the Tenant may terminate this Lease at any time by notice to the Landlord, except that the Tenant may not give that notice of termination at any time after the Landlord has complied with clause 27.1.

Appendix 1

Definition of "Outgoings"

Outgoings means the total of all amounts properly and reasonably paid or payable by the Landlord in respect of an Accounting Year in connection with:

- (1) Rates and Taxes;
- (2) premiums and any other costs or expenses relating to any insurance which the Landlord reasonably takes out in connection with the Building;
- (3) the appointment of a managing agent for the management of the Building (except to the extent that the amounts payable to the managing agent exceed 6% of the rent payable under this Lease during the relevant Accounting Year);
- (4) administration and operation of the Building including the auditing of statements relating to the Outgoings;
- (5) cleaning the Common Areas and keeping them free of waste and vermin and pests;
- (6) gardening and maintenance of the landscaping of the Common Areas;
- (7) supplying Services to the Building, except Services which are separately metered and charged to the person to whom they are supplied;
- (8) maintaining and repairing the Building and plant and equipment in the Building, including the cost of spare or replacement parts which are needed or maintenance and repair and including the cleaning of exterior windows;
- (9) security and safety for the Building and all persons using the Building, including providing fire protection equipment and all types of alarms;
- (10) cleaning, maintaining and repairing car parking areas, toilets, rest rooms, and similar other public amenities in the Building;

The Outgoings do not include any capital costs (including the replacement of parts, except for minor replacements required in the course of normal maintenance and repair) or any expenditure for structural work.

EXECUTED as a Deed.

EXECUTED by B. & T. NOMINEES)
PTY LTD ACN 008 861 701 in)
accordance with section 127 of the)
Corporations Act)


.....
Director/Company Secretary

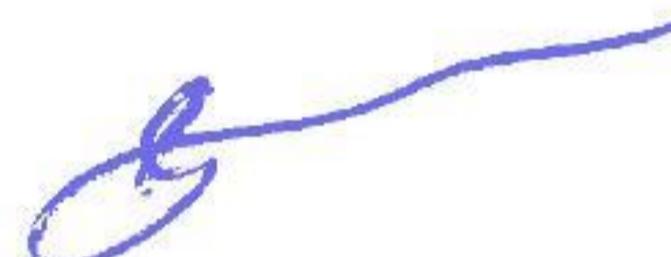

.....
Name of Director/Company Secretary
(BLOCK LETTERS)




.....
Director


.....
Name of Director (BLOCK LETTERS)

SIGNED for and on behalf of the)
MINISTER FOR WORKS by ROBERT)
FREDERICK THOMAS, Director General)
for the time being of the Department of)
Housing and Works acting)
under delegated authority pursuant to)
Section 5A of the *Public Works Act 1902*)
in the presence of:)


.....
Signature


.....
(Witness to sign)

MORTGAGEE'S CONSENT TO THIS LEASE

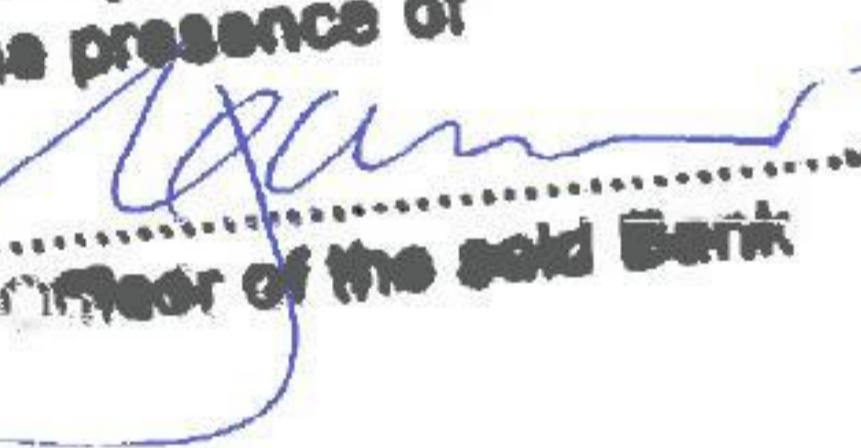
COMMONWEALTH BANK OF AUSTRALIA LIMITED ACN 123 123 124 150 St George's Terrace, Perth, Western Australia being the Mortgagee under Mortgage Number H405075 registered as an encumbrance against Certificate of Title Volume 1151 Folio 16 CONSENTS to this Lease.



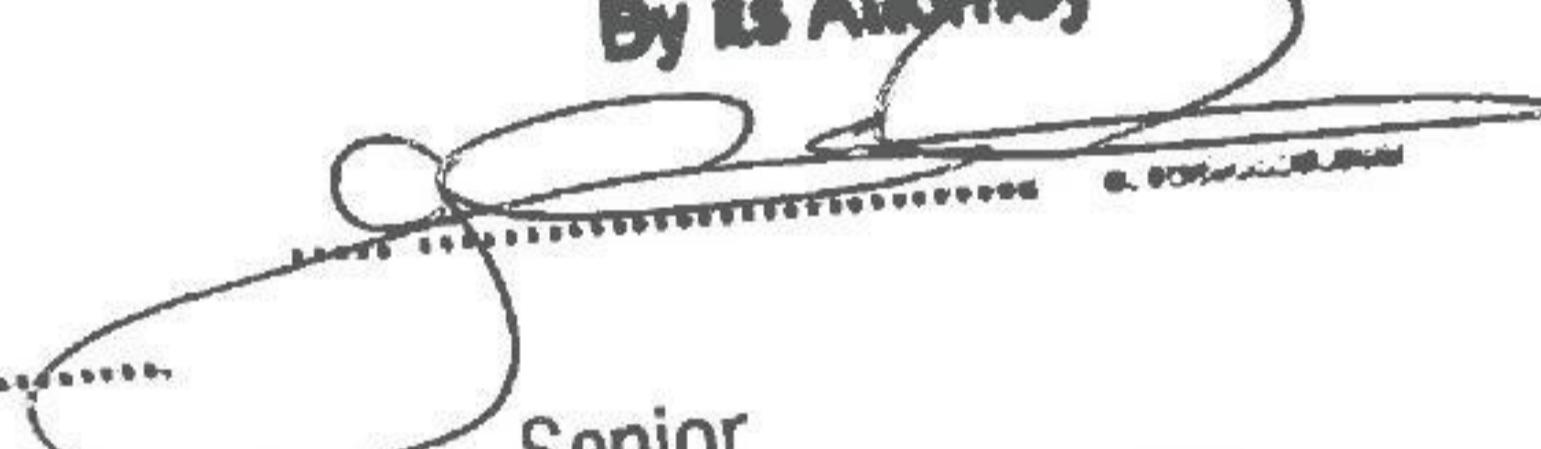
Dated 21 NOVEMBER.

2005

LYNETTE SAUNDERS

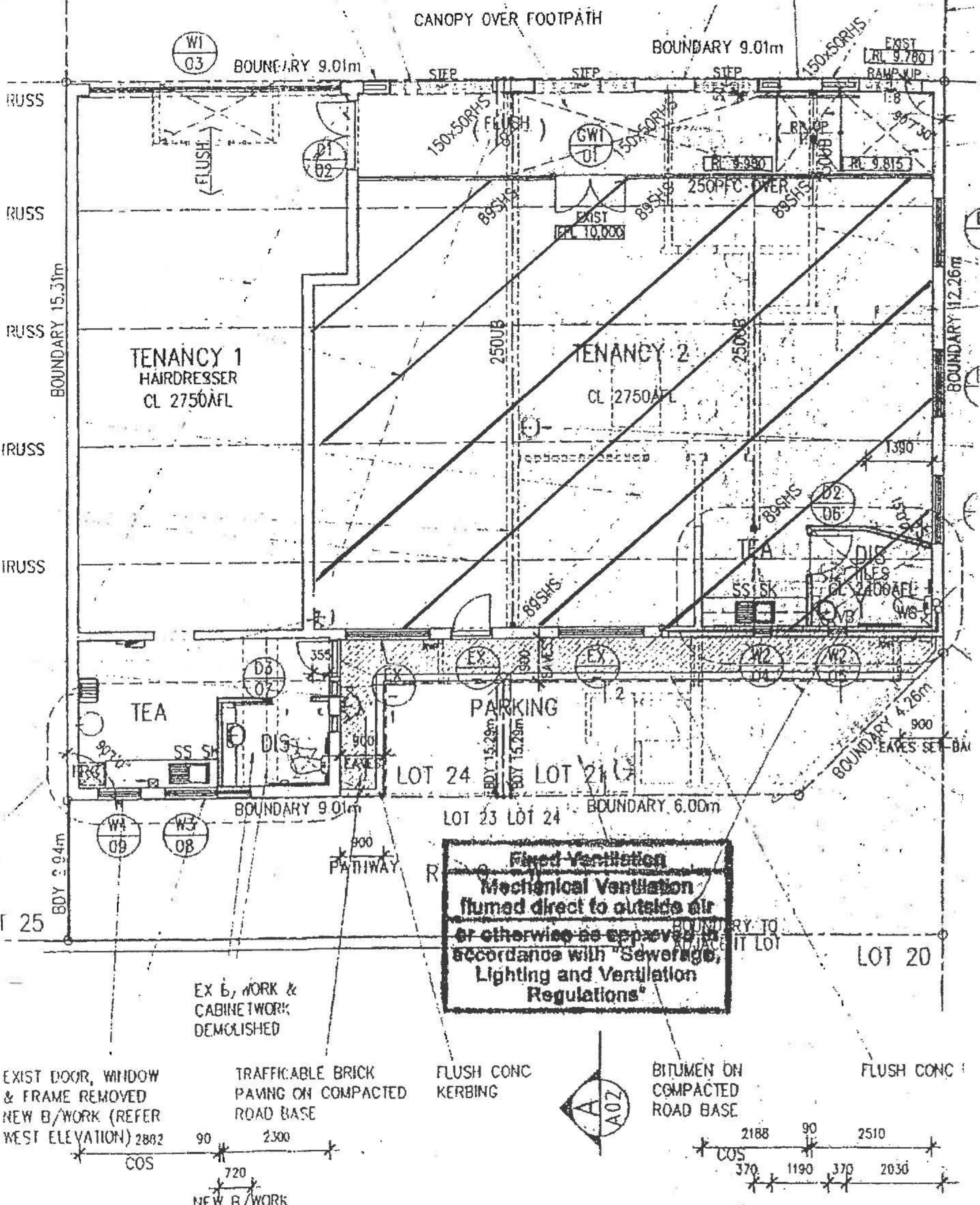
SIGNED BY
The Attorney of
COMMONWEALTH BANK OF AUSTRALIA
A.C.N. 123 123 124 and signed as
Attorney on behalf of the said Bank
in the presence of

An Officer of the said Bank

COMMONWEALTH BANK
OF AUSTRALIA
By its Attorney


Senior
Conveyancing Officer
P/A H662979

PLAN

SPENCER STREET



Tenant will be responsible for the payment of all Services consumed by it during this period.

- (c) If the terms of this Lease have not been agreed between the parties by the date the Tenant is granted possession then the terms of the Lease the subject of dispute shall be finally determined by a senior legal practitioner admitted in Western Australia, nominated at the request of either party by the President for the time being of the Law Society of Western Australia (Inc) having regard to the terms of the offer to lease and acceptance of the offer to lease. The costs of any such expert determination shall be borne equally by the Landlord and the Tenant.

2. **Landlord's Works**

Subject to the Landlord obtaining any necessary approvals from the City of Bunbury, the Landlord is to carry out the following works to the Premises at the Landlord's expense prior to the Tenant being granted access to the Premises:

- (a) paint and patch all existing walls;
- (b) supply and install loop pile wool carpet (40oz – 80/20 blend);
- (c) supply and install additional flush mounted fluorescent lighting to meet the Tenant's office layout design;
- (d) supply and install 2 new reverse air-conditioning units to suit the Tenant's office layout design; and
- (e) ensure that the Premises meets the Australian Standards access criteria for disabled persons.

3. **Signage**

The Tenant may display signage on the window front and streetscape subject to the approval of the City of Bunbury and the Landlord (the Landlord's approval shall not be unreasonably withheld).

LEASE made

2005

BETWEEN: The party or parties named in item 1 of the Schedule.
("Landlord")

AND: The party named in item 2 of the Schedule.
("Tenant")

AGREEMENT

1. Definitions and Interpretation

1.1 Definitions

In this Lease :

- (1) "**Accounting Year**" means each period of 12 months ending on 30 June in each year disregarding any part of that period falling outside the Term;
- (2) "**Air Conditioning Equipment**" means the plant, chilled water piping, electrical installations, ductwork and diffusers used to heat, cool, circulate and extract air throughout the Building;
- (3) "**Australian Property Institute**" means the Australian Property Institute (Inc.) Western Australian Division;
- (4) "**Authority**" includes any governmental or public authority of any kind;
- (5) "**Building**" means the building in which the Premises are situated including any modifications, extensions or alterations to the Building and the Landlord's Property;
- (6) "**Commencement Date**" means the date specified in Item 5 of the Schedule;
- (7) "**Common Areas**" means those parts of the Land and Building set aside or designated for the use of the occupiers of the Building or members of the public generally in common with each other and the Landlord;
- (8) "**Environmental Laws**" means all laws regulating or otherwise relating to the environment including laws relating to land use planning, heritage, pollution, contamination, public and occupational health and safety, or any other aspect of protection of the environment;
- (9) "**Expiry Date**" means the date specified in Item 5 of the Schedule;
- (10) "**Government Tenant**" includes any corporation or other legal entity owned or controlled by a state or federal Government, and any person, agent, authority or other instrumentality acting for or exercising the power of a state or federal Government;

-
- (11) "**Insolvency Event**" means the happening of any of the following events in relation to a party:
- (a) the party is unable to pay all the party's debts as and when they become due and payable or the party has failed to comply with a statutory demand as provided in section 459F of the Corporations Law, or the party is deemed to be unable to pay the party's debts under section 585 of the Corporations Law;
 - (b) a meeting is convened to place the party in voluntary liquidation or to appoint an administrator;
 - (c) an application is made to a court for the party to be wound up;
 - (d) the appointment of a controller (as defined in section 9 of the Corporations Law) of any of the party's assets;
 - (e) the party proposes to enter into or enters into any form of arrangement (formal or informal) with the party's creditors or any of them, including a deed of company arrangement;
 - (f) the party becomes an insolvent under administration, as defined in section 9 of the Corporations Law; or
 - (g) anything else or having a similar effect to the events described happens to a party, including a party who is a natural person.
- (12) "**Land**" means the land described in item 3 of the Schedule;
- (13) "**Landlord**" includes:
- (a) in the case of a person, that person's executors, administrators and assigns; and
 - (b) in any other case, the Landlord's successors and assigns;
- (14) "**Landlord's Property**" means the plant, equipment, fixtures, fittings and any other Landlord's property in the Premises;
- (15) "**Managing Agent**" means any agent appointed by the Landlord to manage the Premises;
- (16) "**Official Requirement**" means any requirement, notice, order or direction properly given by any Authority;
- (17) "**Outgoings**" has the meaning set out in Appendix 1;
- (18) "**Premises**" means the premises described in item 4 of the Schedule;
- (19) "**Property Council**" means the Property Council of Australia Limited;

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- (20) "**Rates and Taxes**" includes all rates, taxes, land taxes calculated on the basis that the Land is the only land owned by the Landlord, and other charges of any kind imposed by an Authority in relation to the Land or the Building.
 - (21) "**Rent Commencement Date**" means the date stated in Item 8 of the Schedule;
 - (22) "**Schedule**" means the schedule at the beginning of this Lease;
 - (23) "**Services**" means all gas, electricity, telephone, water, sewerage, fire prevention, ventilation, air conditioning, hydraulic, elevator and security services grease traps, communications equipment and all other services or systems provided in the Building or available for the Tenant's use whether provided by the Landlord or any Authority;
 - (24) "**Tenant**" includes the Tenant's successors and permitted assigns;
 - (25) "**Tenant's Employees**" means each of the Tenant's employees, contractors and agents and those persons over whom the Tenant exercises control at the Premises;
 - (26) "**Tenant's Property**" means the property of the Tenant brought into, installed or erected in the Premises (and includes any property acquired from a former occupier of the Premises);
 - (27) "**Term**" means the term of this Lease stated in Item 5 of the Schedule;
 - (28) "**Valuer**" means a person who is:
 - (a) is a fellow or an associate, of not less than 5 years' standing, of the Australian Property Institute and is practising and registered under the *Land Valuers Licensing Act 1978* at the time of appointment; and
 - (b) has at least 5 years' experience in valuing the kind of premises leased by this Lease.

1.2 Interpretation

In this Lease :

- (1) a reference to a statute, code or other written law includes State and Federal statutes, codes or other written laws and any regulations and other instruments under them and consolidations, amendments, re-enactments or replacements of any of them occurring at any time before or after the Commencement Date;
- (2) a reference to "law" includes any statute, rule, regulation, proclamation, ordinance or by-law, whether state, federal or otherwise;
- (3) a reference to the termination of this Lease includes the expiry of the Term; and

-
- (4) a reference to "rent" means the amount stated in Item 7 of the Schedule as varied at any time under this Lease.

1.3 Schedule and Appendices

All the provisions in the Schedule at the front of this Lease are incorporated in and form part of this Lease.

1.4 Areas and Measurement

- (1) If any area of the Premises or the Building is to be calculated or measured for the purposes of this Lease, those calculations and measurements must be in accordance with:
 - (a) the relevant method for the measurement of buildings as recommended by the Property Council;
 - (b) if there is no relevant method, the method or criteria which the Landlord and the Tenant agree is the most appropriate; or
 - (c) if the Landlord and the Tenant cannot agree, the method or criteria specified by a Valuer appointed by the President of the Australian Property Institute at the request of either the Landlord or the Tenant. Each party must pay half the costs of the Valuer.
- (2) The Landlord is responsible for calculating or measuring any area for the purposes of this Lease and must pay the costs incurred.
- (3) If any calculation or measurement required in relation to this Lease is not completed within 60 days after the Commencement Date, the Tenant may arrange for it to be done and the reasonable and proper costs incurred by the Tenant must be paid by the Landlord on demand or, if not paid within 30 days after demand, may be set-off against the rent and other money payable under this Lease.

2. Term and Holding Over

2.1 Term

The Landlord leases to the Tenant and the Tenant takes a lease of the Premises for the Term commencing on the Commencement Date and terminating on the Expiry Date subject to the provisions of this Lease.

2.2 Quiet Enjoyment

If the Tenant complies with the Tenant's obligations under this Lease, the Tenant may use the Premises without interruption or disturbance from the Landlord or any person claiming by, through or under the Landlord.

2.3 Holding Over

- (1) If the Tenant continues to occupy the Premises after the Expiry Date or after any extended term without objection by the Landlord (except under a lease arising from the valid exercise of an option to renew) the following provisions apply.
- (2) The Tenant occupies the Premises as a monthly tenant at a total rent equal to 1/12th of the aggregate of the rent and other money payable by the Tenant to the Landlord under this Lease immediately before the monthly tenancy commenced, payable monthly in advance the first of the monthly payments to be made on the day following the Expiry Date.
- (3) As far as applicable, the monthly tenancy otherwise continues on the terms and conditions of this Lease.
- (4) The monthly tenancy may be terminated at any time by either the Landlord or the Tenant giving to the other not less than 1 month's notice ending on any date.

3. Rent and Rent Reviews

3.1 Rent

The Tenant must pay the rent to the Landlord by equal monthly instalments in advance. The first instalment must be paid on the Rent Commencement Date. Subsequent instalments must be paid on the first day of each month. If necessary, the first and last instalments will be apportioned on a daily basis.

3.2 Definitions

In this Lease :

- (1) "**ABS**" means the Australian Bureau of Statistics;
- (2) "**index number**" means the Consumer Price Index (All Groups) for Perth published from time to time by the ABS; if the ABS updates the reference base of the index number, the index number must be appropriately adjusted so as to preserve the intended continuity of calculation by using the appropriate arithmetical factor determined by the ABS;
- (3) "**market rent**" means the current market rental value of the Premises on the relevant review date determined on the basis that the Valuer must:
 - (a) disregard:
 - (i) any goodwill attributable to the Premises by reason of the trade, business or activity carried on by the Tenant and the value of the Tenant's Property;