



ACT
Government

SUBLEASE

Date

19 December 2014

Parties

AUSTRALIAN CAPITAL TERRITORY-
LAND DEVELOPMENT AGENCY 

CANBERRA TRADESMEN'S UNION
CLUB LIMITED ACN 098 615 760

CITEA, 3 ROSEVEAR DICKSON ACT
2602

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PARTIES:

LAND DEVELOPMENT AGENCY, established by section 31 of the Planning & Development Act 2007 (Lessor).

~~AUSTRALIAN CAPITAL TERRITORY, the body politic established by section 7 of the Australian Capital Territory (Self-Government) Act 1988 (Cth) (Lessor) represented by Economic Development Directorate.~~

CANBERRA TRADESMEN'S UNION CLUB LIMITED ACN 098 615 760 of 2 Badham Street DICKSON ACT 2602 (Lessee).

IT IS AGREED by the parties as follows:

1. Interpretation

1.2 Definitions

In this Sublease unless the context otherwise requires:

Air-Conditioning System	means the plant, equipment, machinery or ducting for heating, cooling and/or circulating air supplied by the Lessor.
Building	means any building on the Land in which the Premises are located.
Bond	means a bond provided by the Lessee in the amount specified in Item 16.
Commencement Date	means the date set out in Item 5.
Common Area	means those parts of the Building and Land which are not let or licensed and are intended by the Lessor to be for the common use of occupiers of the Land.
Contact Officer	means, in relation to each party, the representative whose name and contact details are specified in Item 15, or as notified in writing from time to time by one party to the other.
Disclosure Statement	means a disclosure statement referred to in the Leases Act.
General Charges	means those items set out in section 3 of Schedule 2.
Insolvency Event	means: <ul style="list-style-type: none">(a) in respect of a natural person:<ul style="list-style-type: none">(i) any orders or agreements made in respect of the affairs of the person in accordance with

the *Bankruptcy Act 1966*; or

- (ii) in the reasonable opinion of the Territory the person is likely to be declared bankrupt or lose control of the management of their financial affairs; or

(b) in respect of all other entities:

- (i) any of the events listed in s 459C of the *Corporations Act 2001* occur in respect of the entity; or

- (ii) any other event occurs which, in the reasonable opinion of the Territory is likely to result, or has resulted, in the:

(a) insolvency;

(b) winding up; or

- (c) appointment of a controller (as that term defined in the *Corporations Act 2001*) in respect of part or all of the assets.

Item means an item in Schedule 1.

Land means the land described in Item 2.

Leases Act means the *Leases (Commercial and Retail) Act 2001* (ACT) as amended or varied from time to time.

Lessee means the person or organisation named in Item 1 and, if a natural person or persons, their respective executors, administrators and permitted assigns, and if a company or incorporated association, its successors and permitted assigns.

Lessee's Property means each of the following, as applicable:

- (1) any improvements including buildings or other structures:
 - (a) constructed or placed in or on the Premises by the Lessee; or
 - (b) constructed or placed in or on the Premises at the Lessee's expense and/or direction;
- (2) any fittings, fixtures or goods erected, installed or placed in or on the Premises by the Lessee including any partitions or devices for heating or cooling or fire prevention;
- (3) any light bulbs, light fittings, fluorescent tubes or

- (4) other illuminating devices in the Premises; or anything in or on the Premises which is not Lessor's Property.

Lessor	means the Territory, its successors and assigns.
Lessor's Property	means each of the following, as applicable: <ol style="list-style-type: none">(1) the physical structure of the Buildings comprising the Premises supplied by the Lessor, including the roof, walls, ceilings and lifts;(2) any improvements forming part of the Premises erected at the expense of the Lessor;(3) any fittings, fixtures, or goods in or on the Premises erected, installed or placed by the Lessor; or(4) any systems installed in the Premises by the Lessor including the Air-Conditioning System and fire and sprinkler systems.
Option Term	means a sublease for a further term for the period set out in Item 13.
Premises	means the premises described in Item 3.
Prescribed Insurer	means an insurer that is authorised by the Australian Prudential Regulation Authority to conduct new or renewal insurance business in Australia and is rated AA or better by Standard and Poors.
Rent	is the rent per annum in Item 7 as varied from time to time in accordance with this Sublease.
Rent Review Dates	means the dates set out in Item 8(a).
Rules	means the rules attached in Schedule 3.
Schedule	means any schedule forming part of this Sublease.
Service Charges	means those items set out in section 2 of Schedule 2.
Statutory Outgoings	means those items set out in section 1 of Schedule 2.
Sublease	means this agreement and all Schedules and attachments.
Term	means the term specified in Item 4, or if extended under clause 2.2, the initial term and the extended term.
Territory	means:

- (2) when used in a geographical sense, the Australian Capital Territory; and
- (3) when used in any other sense, the body politic established by section 7 of the *Australian Capital Territory (Self-Government) Act 1988* (Cth).

1.3 General

In this Sublease, unless a contrary intention is expressed:

- (1) references to legislation or to provisions in legislation include references to amendments or re-enactments of them and to all regulations, determinations and instruments issued under the legislation;
- (2) words importing a gender include the others; words in the singular number include the plural and vice versa; and where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;
- (3) “include” is not to be construed as a word of limitation;
- (4) headings have no effect on the interpretation of the provisions;
- (5) an obligation imposed by this Sublease on more than one person binds them jointly and severally;
- (6) words and expressions importing natural persons include body corporates, associations, government and local authorities and agencies;
- (7) any provisions in a Schedule form part of this Sublease; and
- (8) the parties will not be bound by the standard provisions referred to in section 20(3) of the Leases Act.

2. Sublease

2.1 Grant

From the Commencement Date, the Lessor grants a Sublease over the Premises to the Lessee for the Term, at the Rent on the terms set out in this Sublease.

2.2 Holding Over

- 2.2.1 If the Lessee continues to occupy the Premises after the expiration of the Term, with the consent of the Lessor, the Lessee:

- (1) is a monthly lessee;

- (2) at the monthly Rent applying at the end of the Term, reviewed annually on the day referred to in Item 8(a) in accordance with the method of review set out in Item 8(b), and calculated in accordance with the formula set out in Schedule 4; and
- (3) occupies the Premises upon the conditions of this Sublease.

2.2.2 The monthly tenancy may be ended by either party giving one month's written notice to the other and the notice may be given at any time.

3. Option to renew

3.1.1 This clause applies if Item 13 has been completed with an Option Term and the Lessee wishes to take a further sublease of the Premises for that Option Term after the expiry of the Term.

3.1.2 The right to exercise the option under this clause is conditional upon the Lessee:

- (1) punctually paying the Rent and observing the covenants throughout the Term;
- (2) not being in breach of the sublease at the time of exercise of the option; and
- (3) serving on the Lessor, written notice no more than six months but no less than three months before the date of expiry of the Term.

3.1.3 Subject to clause 3.1.2, the Lessee may, by service of the notice referred to in this clause, accept the offer by the Lessor to grant a renewal of a sublease and the new sublease will issue for the Option Term, at a rental to be reviewed to market in accordance with the provisions of Schedule 4 and upon terms and conditions then appearing in any standard sublease issued by the Lessor at that time, provided that the new sublease will not include this clause.

4. Rent

4.1 Rent

4.1.1 The Lessee must pay the Rent by equal monthly instalments in advance from the Commencement Date and thereafter on the first day of every month for the Term.

4.1.2 If an instalment is for a period of less than one month, then that instalment is equal to the amount calculated by dividing the Rent by the number of days in the sublease year in which the period commences and multiplying the result by the number of days in the period.

4.2 Review of Rent

The Rent will be reviewed on the Rent Review Dates in accordance with the corresponding method of rent review in Item 8(b) and in accordance with Schedule 4.

4.3 Interest on Overdue Monies

4.3.1 If the Rent or any other monies payable by the Lessee are not paid by the due date, then the Lessee must pay to the Lessor interest at the rate per annum shown in Item 14 on those monies from the date on which they fall due until the date of payment or recovery.

4.3.2 The Lessor is entitled to recover the interest from the Lessee as if it was Rent in arrears. Nothing in this clause restricts or prejudices any right of the Lessor in respect of the monies due.

5. Other Payments

5.1 Statutory Outgoings, Service Charges, General Charges

5.1.1 The Lessee must promptly pay;

- (1) all charges for gas, electricity, oil and water separately metered or supplied and consumed in or on the Premises;
- (2) all charges in respect of any telephone or other communication services connected to the Premises; and
- (3) all other charges for the supply of any service separately supplied to the Premises.

5.1.2 If water and/or electricity consumption is not separately metered to the Premises, the Lessee must pay a proportion of the amount of consumption charges metered to the Land as the Lessor deems appropriate, acting reasonably, having regard to the size of the Premises, other occupants on the Land, the respective use by all occupants on the Land (including the Lessee) and any other factor which is relevant.

5.1.3 The Lessee must, within 30 days of receipt of a written request from the Lessor, pay to the Lessor all charges and expenses for Statutory Outgoings, Service Charges and General Charges that are payable by the Lessee as set out in Schedule 2. For convenience, the respective percentage of contributions to be met by each party is specified in Schedule 2. Where there is any discrepancy between the provisions of this clause and Schedule 2, the provisions of Schedule 2 will apply.

5.2 Lessor's report

The Lessor must, if required by the Leases Act, give the Lessee a report, within three months after the end of each accounting period in accordance with the Leases Act, which:

- (1) details the Lessor's expenditure for that accounting period on account of applicable Services Charges or General Charges to which the Lessee is required to contribute; and
- (2) complies with the provisions of section 66 of the Leases Act.

5.3 After hours use of Air-Conditioning System

If the Lessee uses the Air-Conditioning System outside the hours stated in the Rules, the Lessee must pay the Lessor, on demand, the Lessor's costs of operating the Air-Conditioning System during those additional hours, such costs to be calculated using the hourly rate notified by the Lessor to the Lessee from time to time and reflecting the Lessor's reasonable costs of operating the Air-Conditioning System including, without limitation, allowances for maintenance, repair and replacement of the Air-Conditioning System.

6. Air-Conditioning and Heating

6.1 No interference

The Lessee will at all times comply with the reasonable requirements of the Lessor in relation to the Air-Conditioning System. The Lessee will not do or permit or suffer to be done, anything which, in the reasonable opinion of the Lessor, might interfere with or impair the efficient operation of the Air-Conditioning System including the use of any heating or cooling devices or any other devices.

6.2 Failure of Air-Conditioning System

Should the Air-Conditioning System fail to function for any reason, the Lessee will not, by reason of any such failure, be entitled to terminate this Sublease, nor will the Lessee have any right of action or claim for compensation or damages against the Lessor, except in accordance with section 81 of the Leases Act.

6.3 Maintenance and repair of Air-Conditioning System

The Lessor must maintain and repair the Air-Conditioning System.

6.4 Lessee air-conditioning or heating

The obligations imposed on the Lessor by this clause will not apply to any plant, machinery, ducting or unit for air-conditioning and/or heating purposes installed by the Lessee.

7. Legal Costs and Disbursements

7.1 Cost of Sublease preparation

The Lessor and Lessee will each bear their own costs (including legal costs and disbursements) in relation to the negotiation, preparation and execution of this Sublease.

7.2 Stamp duty

The Lessor will pay all stamp duty (if any is payable) assessed with respect to the Sublease.

7.3 Lessee's additional costs

In addition to all costs and expenses for which the Lessee is liable at law or in equity to pay, the Lessee will pay to the Lessor, on demand, the Lessor's reasonable costs and expenses (including reasonable legal costs assessed on a solicitor and client basis and registration fee and taxes, which may be payable):

- (1) for, and incidental to, any variation, surrender or termination of this Sublease;
- (2) in respect of any consent by the Lessor required under this Sublease;
- (3) incurred by or on behalf of the Lessor in consequence of, or arising out of, any default in the due observance or performance of any covenant or obligation on the part of the Lessee;
- (4) incurred by the Lessor in consequence of any request of, or application by, the Lessee; or
- (5) incurred by the Lessor as a result of the exercise, or attempted exercise, of any of the Lessor's rights or powers.

7.4 Registration costs

The Lessee must pay the cost of registration of this Sublease.

8. Bond

8.1 Provision of Bond

If the Lessor requires payment of a Bond, the Lessee must deliver the Bond to the Lessor on or before the Commencement Date.

8.2 Use of Bond

The Lessor may use the Bond if the Lessee does not comply with any of its obligations under this Sublease (including any extension or holding over), and the Lessor may have recourse to the Bond without notice to the Lessee.

8.3 Return of bond

Within 30 days of the expiry of this Sublease (or any holding over, renewal or extension of this Sublease) or the Lessee vacating the Premises, whichever is the later, the Lessor must repay to the Lessee, the Bond (or so much as the Lessor has not previously called upon).

8.4 Bank guarantee

In substitution for the Bond, the Lessee may elect to provide an unconditional and irrevocable written undertaking by a bank, in favour of the Lessor and containing terms and conditions reasonably required by the Lessor for the same amount.

8.5 Additional bond or bank guarantee

If the Lessor has recourse to any amount of the Bond or calls on the bank guarantee, then, no later than seven days after the Lessor gives the Lessee a notice asking for it, the Lessee must deliver to the Lessor an amount equal to the Bond moneys called upon or a replacement or additional bank guarantee so that the amount guaranteed is equal to the amount of the original Bond or bank guarantee.

9. Use of Premises

9.1 Use of Premises

The Lessee must not use or occupy the Premises except for the use set out in Item 9 or any such other purpose consented to by the Lessor in writing.

9.2 Crown lease

The Lessee must not use the Premises for any purpose other than as permitted by the Crown lease for the Land or any superior lease of the Premises.

9.3 No interference

The Lessee must not do anything in or about the Premises or the Building which, in the reasonable opinion of the Lessor:

- (1) is noisy, obnoxious, immoral, offensive or a nuisance or disturbance to the Lessor or other persons using the Building;
- (2) may be the cause of damage or excessive vibration; or

- (3) interferes with the orderly operation of the Building.

9.4 No warranty as to suitability

- 9.4.1 The Lessee acknowledges that no promise, representation, warranty or undertaking has been given by or on behalf of the Lessor as to the suitability of the Premises, the Building or the Land for any purposes or as to the fittings, finishing, facility and amenities of the Premises, the Building or the Land, except as contained in this Sublease. The Lessee must satisfy itself in respect to the use to which the Premises may be put and acceptance of this Sublease acknowledges full knowledge of any prohibitions or restrictions on the use of the Premises, including any imposed by law.
- 9.4.2 Where the permitted use of the Premises requires the consent of any authority, the Lessee must obtain that consent at its own expense. The Lessee must keep current the licenses and permits required to carry on its activities from the Premises.

9.5 Signs

The Lessee must not fix or place any sign, notice, advertisement or other thing on any part of the Premises or the Building without the consent in writing of the Lessor and then only in such colour, size and style and in such places as approved by the Lessor, such approval not to be unreasonably withheld.

9.6 Compliance with laws

The Lessee must comply, at its expense, with all laws and the requirements of any authority in connection with the Lessee's use or occupation of the Premises.

9.7 Keep clean

The Lessee must:

- (1) keep the Premises and immediate surroundings clean and tidy, and free from refuse and vermin; and
- (2) allow reasonable access to the Premises by the Lessor and its employees, agents and contractors to enable it to carry out any obligation required by this Sublease.

9.8 Statutory notices

- 9.8.1 If the Lessee receives a notice from any authority in respect of the Premises, the Lessee must immediately notify the Lessor in writing.
- 9.8.2 The Lessee must comply promptly with all notices received from any authority in respect of the Premises except such notices as would have been given irrespective of the Lessee's use and occupation of the Premises.

9.9 Notice of defect

The Lessee must immediately give notice to the Lessor of any damage to the Premises and any accident affecting water, gas or oil pipes, electrical wiring, the Air-Conditioning System or any defect in them and any other fittings, fixtures or facilities provided by the Lessor.

9.10 Infectious illnesses

If any infectious illness occurs in the Premises, the Lessee must immediately notify the Lessor and have the Premises fumigated and disinfected by a suitably certified contractor, at the expense of the Lessee, to the satisfaction of any relevant authority.

9.11 Rubbish

The Lessee will keep the Premises free from rubbish including placing all rubbish in proper receptacles that the Lessee will install. The Lessee will arrange for the regular clearing of the receptacles and the regular removal of all rubbish. The Lessee will not create any rubbish or deposit any rubbish on the Common Area except for collection in such proper receptacles as are approved by the Lessor from time to time.

9.12 Flammable liquids and substances

9.12.1 The Lessee must not store or use chemicals or flammable, volatile or explosive substances on the Premises except for substances used in the normal course of the Lessee's business and must not in any way create any actual or potential fire hazard in the Premises.

9.12.2 If the Lessee stores or uses chemicals or flammable, volatile or explosive substances in the normal course of the Lessee's business, the Lessee must keep those substances in a safe and secure manner consistent with all laws and guidelines of all relevant authorities.

9.12.3 The Lessee must permit the Lessor to enter the Premises at any time to control any actual or potential fire hazard and if the hazard, in the reasonable opinion of the Lessor, results from the use of the Premises by the Lessee, the Lessee must pay to the Lessor immediately on notification, the costs of the Lessor in carrying out that work.

10. Alterations and Fitout

10.1 No alterations without consent

10.1.1 The Lessee will not, without the prior written consent of the Lessor, make any alterations or additions in or to the Premises or permit or suffer the same to be made. The Lessor may, in its absolute discretion, refuse to consent to any proposed alterations or additions.

10.1.2 The Lessee will not mark, paint, drill or in any way deface or damage the walls, partitions, ceiling, floor or surrounds of the Premises without the Lessor's consent.

10.1.3 The Lessee must, in the course of any alterations or additions:

- (1) comply with the requirements of the Lessor and all relevant authorities;
- (2) if required, use persons nominated or approved by the Lessor to carry out the work; and
- (3) not interfere with the quiet enjoyment of any other users of the Land.

10.2 Installing equipment

The Lessee will not, without the prior written consent of the Lessor, install any water, electrical or gas fixture or appliance or any apparatus for light, air, heating or cooling.

10.3 Heavy installation

The Lessee will not bring in or on the Premises any fixtures or goods:

- (1) of such nature, weight or size; or
- (2) creating such noise or vibration in their operation,

such as to cause or, in the reasonable opinion of the Lessor, be likely to cause, any structural or other damage to the floors or walls or any other part of the Premises. Any damage to the Premises caused by the movement or placement of any such items will be made good at the Lessee's expense.

10.4 Grease trap

10.4.1 If the Premises are at any time connected to a grease trap or a triple interceptor, the Lessor must regularly clean, service, maintain, repair and empty it. The Lessee must pay the Lessor the cost of any cleaning, servicing, maintenance, repair or emptying of the grease trap or triple inceptor within 14 days of receiving a request for payment from the Lessor.

10.4.2 If the Premises are not connected to a grease trap, triple interceptor or similar device and the Lessee's use of the Premises requires them to be connected to such a device, then the Lessee must, at its' expense, promptly install such a device, upon receiving the consent of the Lessor (which may be reasonably withheld where installation is, in the opinion of the Lessor, impractical or may interfere with other users of the Land) and otherwise comply with this clause.

10.4.3 The Lessor will not be liable for any loss or damage sustained by the Lessee arising from the Lessor's decision not to consent to the installation of a grease trap, triple inceptor or similar device.

10.5 No obstruction of light or air

The Lessee must not obstruct the flow of air to or from or the admission of light to the Premises except for curtains or blinds approved by the Lessor, which approval will not be unreasonably withheld.

11. Repairs, Maintenance and Replacement

11.1 Inconsistency

Where there is an inconsistency between this clause and Schedule 2, Schedule 2 will prevail.

11.2 Acknowledgement

The Lessee acknowledges that, at the Commencement Date and the date of first occupation of the Premises by the Lessee (if applicable), the Premises and the Lessor's Property in it were in good repair and condition.

11.3 Repair obligations

11.3.1 Subject to clauses 11.3.3, 11.3.4 and 11.3.5, the Lessor must keep the Lessor's Property in good and tenantable repair and condition having regard to the condition of the Premises at the Commencement Date.

11.3.2 The Lessee must maintain and keep the Lessee's Property in good and tenantable repair.

11.3.3 The Lessor's obligation to repair under subclause 11.3.1 will not apply when the requirement for repair arises as a result of the negligence or act or omission of the Lessee or the Lessee's employees, agents, contractors or invitees. The Lessee must repair or replace any item of Lessor's Property requiring repair or replacement as a result of the negligence or act or omission of the Lessee or the Lessee's employees, agents, contractors or invitees.

11.3.4 The Lessor may require the Lessee to contribute an amount for each item of repair of the Lessor's Property as set out in Item 12. The Lessor will be under no obligation to repair unless and until the required contribution is made by the Lessee to the Lessor.

11.3.5 The Lessee must maintain the Lessor's Property to a standard equivalent to that at the date of first occupation by the Lessee (or, if the Lessor has upgraded the Lessor's Property, to the upgraded standard).

11.4 Replacement obligations

11.4.1 Subject to subclause 11.4.2, the Lessor will replace any Lessor's Property which, in the Lessor's reasonable opinion, requires replacement.

11.4.2 The Lessor's obligation to replace the Lessor's Property will not apply when the requirement to replace arises as a result of the negligence or act or omission of the Lessee, or the Lessee's employees, agents, contractors or invitees or the failure of the Lessee to maintain the Lessor's Property.

11.4.3 The Lessee will be responsible for the replacement of the Lessee's Property.

11.5 Make Good

The Lessee must, at the time of, or immediately before, the expiration of the Lessee's occupancy (and in this regard time is of the essence):

- (1) carry out repairs as required by this clause;
- (2) paint the inside of the Premises, if reasonably required by the Lessor;
- (3) reinstate all floor coverings, light and power outlets, switches, telephone outlets, fire sprinklers and air-conditioning and any other fixtures or fittings of the Lessor (fair wear and tear excepted);
- (4) remove all signs, notices, advertisements, ornaments or other things placed by the Lessee on the Premises;
- (5) remove the Lessee's Property and make good any damage arising as a result of the removal;
- (6) leave the Premises in a clean and tidy condition, free from all rubbish; and
- (7) peaceably surrender and yield up the Premises.

11.6 Notices to repair

11.6.1 The Lessor may, at any time, serve on the Lessee a notice in writing of any defect which the Lessee is required to repair. The Lessee will repair the defect within 21 days of the date of service of the notice (or such other period as agreed). The Lessor may specify a period of less than 21 days within which to repair the defect if the defect is likely to cause damage to the Premises or Building or may cause injury to any person.

11.6.2 Where the Lessor is required to repair, due to the default of the Lessee, the Lessee must pay to the Lessor the cost of those repairs and any associated expenses within 7 days of notification of the amount.

11.7 Leaving Lessee's Property goods or fixtures behind

To the extent permitted by law, if the Lessee leaves any Lessee's Property, goods or fixtures in the Premises for more than 21 days after the expiry or termination of this Sublease, the Lessor may dispose of them in any way the Lessor sees fit. In addition, any such Lessee's Property, goods or fixtures will,

at the Lessor's election, become the Lessor's property absolutely and the Lessor may deal with them without accounting to the Lessee or being required to compensate the Lessee.

11.8 Leaving Lessee's Property goods or fixtures behind

To the extent permitted by law, if the Lessee leaves any Lessee's Property, goods or fixtures in the Premises for more than 21 days after the expiry or termination of this Sublease, the Lessor may dispose of them in any way the Lessor sees fit. In addition, any such Lessee's Property, goods or fixtures will, at the Lessor's election, become the Lessor's property absolutely and the Lessor may deal with them without accounting to the Lessee or being required to compensate the Lessee.

11.9 Other services

11.9.1 During the Term, and any extension or renewal of it, the Lessor must maintain in good working order the lifts, fire services and any other services within the Premises and the Building which are the responsibility of the Lessor.

11.9.2 If any of the services specified in this subclause:

- (1) malfunction;
- (2) become unsafe; or
- (3) are otherwise incapable of being operated as a result of any cause,

the Lessor will, within a reasonable time after receipt of written notification from the Lessee, repair or replace the services (or part of the services) with services of an equivalent type and quality.

11.9.3 The Lessor will not be required to repair or replace any of the services referred to in subclause 11.9.1 where the repair or replacement arises as a result of the negligence or default of the Lessee or the Lessee's employees, agents, contractors or invitees unless the Lessee has first paid to the Lessor, the estimated cost of the repair or replacement.

11.10 Lessor's right to enter

The Lessor and persons authorised by the Lessor have the right to enter the Premises with necessary materials and equipment at reasonable times, and on reasonable notice (but without any notice in any case which the Lessor considers an emergency):

- (1) to view the state of repair and condition of the Premises and conduct investigations;
- (2) to carry out any work or make any repairs or alterations or additions to the Premises or the Building;

- (3) to carry out repairs as the Lessor thinks fit;
- (4) where the Lessee has failed to repair any defect in accordance with any notice served by the Lessor; or
- (5) to comply with the terms of any present or future law affecting the Premises or any notice served on the Lessor or the Lessee by the Territory or any competent authority.

12. Insurance

12.1 Public Liability

The Lessee, during the Term and any holding over under this Sublease, must keep current a public risk liability policy with a Prescribed Insurer for an amount for any single occurrence of not less than the amount referred to in Item 11. The policy must indemnify the Lessor against all actions and demands of any kind arising from the use and occupation by the Lessee and/or the Lessee's employees, agents, contractors and invitees of the Premises. The policy must note the Lessor's interest.

12.2 Other Insurance

The Lessee will be responsible for insuring the Lessee's Property and all other property of the Lessee in the Premises.

12.3 General obligations not to increase Lessor's insurance

The Lessee must not do, or permit to be done, anything that would result in any insurance in relation to the Premises being:

- (1) unenforceable;
- (2) voidable; or
- (3) likely to increase the rate of premium on any insurance taken out by the Lessor (except with the approval of the Lessor in writing).

12.4 Fire Regulations

12.4.1 The Lessee must comply with the insurance, sprinkler and fire alarm regulations in relation to any partitions and other permitted fixtures or fittings which may be erected by or on behalf of the Lessee on the Premises.

12.4.2 The Lessee must pay the Lessor the cost of any alterations to the sprinkler or fire alarm installations which may become necessary by reason of a non-compliance by the Lessee with the relevant Australian Standards (determined by Standards Australia or any substituted body), the directions or orders of any relevant authority or the requirements of the insurer.

12.5 Production of policy

The Lessee, in respect of any policy of insurance to be taken out by the Lessee, must, on request, produce to the Lessor either a:

- (1) policy of insurance; or
- (2) certificate of currency for the policy.

13. Indemnity and Release

13.1 Risk

The Lessee will occupy, use and keep the Premises at its own risk.

13.2 Indemnity

The Lessee indemnifies the Lessor, its employees, agents and contractors against liability in respect of all claims, costs and expenses and for all loss, damage, injury or death to persons or property caused or contributed to by the Lessee and/or its employees, agents, contractors or invitees in connection with this Sublease, except to the extent that the Lessor, through negligence or unlawful act or omission, has caused the relevant loss, damage or injury.

13.3 Claims to be made good

The Lessee must, at its expense, make good the amount of all claims, loss, damage, costs and expenses, the subject of the indemnity in clause 13.2.

13.4 Release

To the full extent permitted by law, the Lessee hereby releases the Lessor, its employees, agents and contractors from all claims and demands of every kind and from all liability which may arise in respect of any death or injury to any person or any accident or damage to property of any kind or nature, in or near the Premises or the Land other than as may be caused by the wilful or negligent act of the Lessor, its employees, agents or contractors.

14. Quiet Enjoyment

If the Lessee pays the Rent and other monies payable under this Sublease and observes the covenants and terms of this Sublease, the Lessee may use the Premises without interruption or disturbance from the Lessor or any person claiming under the Lessor, save as specifically provided for in this Sublease.

15. Damage or Destruction to the Premises

15.1 Damage or destruction to the Premises

If the Premises or the Building or both are materially damaged or destroyed, and as a result, the Lessee cannot use or access the Premises, then the Lessor must, within 2 months, tell the Lessee whether or not the Lessor proposes to repair the Premises or the Building and if so, the approximate start and finish dates for the work. Meanwhile the Lessee must continue to use any part of the Premises that is useable, safe and accessible, and to obey this Sublease as far as possible.

15.2 Termination by Lessor

If:

- (1) the Lessor gives the Lessee a notice under subclause 15.1 that the Lessor does not intend to repair the Premises or Building; and
- (2) one of the following applies:
 - (a) the Premises or Building has to be, or has been, demolished because of the damage;
 - (b) the damage extends to more than 50% of the Premises or Building;
 - (c) it is impracticable to repair or reinstate the Premises or Building within one year of the date of damage; or
 - (d) the Lessee cannot use the Premises and this Sublease expires within 2 years of the damage occurring and there is no option for a further term;

then the Lessor may terminate this Sublease by 30 days' written notice to the Lessee.

15.3 Termination by Lessee

If one of the following applies:

- (1) the Lessor gives the Lessee a notice under subclause 15.1 that the Lessor does not intend to repair the Premises or Building;
- (2) the Lessor gives the Lessee a notice under subclause 15.1 that the Lessor does intend to repair the Premises or Building but the Lessor unreasonably departs from the proposed start and finish dates; or
- (3) the Lessee will not be able to use the Premises within a reasonable period or for more than one year after the day, or last day, the damage happened;

then the Lessee may give a written notice terminating the Sublease on 30 days' notice and specifying the reason for that termination.

15.4 No payment of Rent

While the Lessee cannot use the Premises due to damage to the Premises or the Building, the Lessee is not required to pay Rent and any other money payable under this Sublease unless the Lessor and the Lessee otherwise agree or unless the Court orders otherwise.

15.5 Payment of Rent continues

If the Premises or the Building are damaged but the Lessee is still able to use the Premises (in full or in part), then the Lessee must continue to pay Rent and other money payable under this Sublease unless the Lessor and the Lessee otherwise agree or unless the Court orders otherwise.

15.6 Agreement to end Sublease

The Lessor and the Lessee may also agree to end this Sublease without the Lessor giving the notice under subclause 15.1.

15.7 Obligation to repair or reconstruct

Other than as set out in this clause, nothing in this Sublease imposes an obligation upon the Lessor to repair or reconstruct the Premises or the Building in the event of damage to or destruction as described in this clause.

16. Assignment

16.1 No assignment

The Lessee must not assign or transfer its rights in respect of this Sublease or the Premises.

16.2 Underletting or mortgage

The Lessee may only underlet the Premises or grant a mortgage over this Sublease with the written consent of the Lessor and may not license or otherwise part with possession of the Premises.

16.3 Lessee to seek consent

Where the Lessee wishes to underlet or grant a mortgage, the Lessee must notify the Lessor in writing of the intention and apply for consent. The procedure for assessing any request to underlet or mortgage will be in accordance with Part 11 of the Leases Act.

16.4 Planning Act Application

In addition, where any restriction on subletting or underletting under the *Planning and Development Act 2007* applies to the Crown lease for the Land, the Lessor must obtain the consent of the ACT Planning and Land Authority to any proposed subletting or underletting of the Premises. If the ACT Planning and Land Authority does not grant consent either this Sublease will be of no force and effect or the Lessee must not sublet or underlet, as applicable.

17. Default and Re-entry

17.1 Default by Lessee

Where the Lessee is in breach of any condition in this Sublease, the Lessor may remedy the breach at any time without notice to the Lessee and without limiting the rights of the Lessor as a consequence of that breach. Where the Lessor so acts, all reasonable costs and expenses incurred by the Lessor (including reasonable legal costs on a solicitor and client basis) in remedying any breach, must be paid by the Lessee to the Lessor immediately upon written notification of the amount and, in default, the amount may be recovered in a court of competent jurisdiction.

17.2 Termination for breach

Where:

- (1) any instalment of the Rent or other money payable by the Lessee to the Lessor is 21 days in arrears (in case of the Rent whether or not demand has been made for it);
- (2) a notice has been served on the Lessee by, or on behalf of, the Lessor specifying a breach of this Sublease and, if applicable, that breach has not been remedied or compensated for in accordance with the notice, provided the notice has allowed at least 21 days in which to remedy or compensate; or
- (3) the Lessee:
 - (a) becomes bankrupt or is subject to an Insolvency Event;
 - (b) makes any assignment for the benefit of creditors, or makes any arrangement with creditors for liquidation of the debts of the Lessee by composition or otherwise; or
 - (c) being a company or an incorporated association, goes into liquidation either voluntarily or compulsorily, (except for the purpose of reconstruction or amalgamation), or is wound up dissolved or placed under official management or a receiver or manager any of its assets is appointed or an inspector is appointed under the *Corporations Act 2001* (Cth),

the Lessor may, at any time thereafter give written notice to the Lessee that the Lessor intends to terminate this Sublease (the "Termination Notice").

17.3 Date of termination

17.3.1 The termination referred to in the Termination Notice takes effect on the earlier of:

- (1) the date that the Lessee agrees to the termination by notice in writing to the Lessor; or
- (2) the date 14 days after the service of the Termination Notice (the "time period") provided that the Lessee does not contest the termination by application to the Magistrate's Court within the time period.

17.3.2 If the Lessee contests the termination in accordance with subclause 17.3.1(2), the termination has effect on the date ordered to be the date on which the termination takes effect by the Magistrate's Court.

18. Fixtures Remaining after Breach

18.1 Application

This clause applies:

- (1) where this Sublease has been terminated or the Lessor has re-entered the Premises; and
- (2) in relation to any fixtures or goods in the Premises which do not, on termination or re-entry, pass to the Lessor and which remain in the Premises for 14 days after the date of termination or re-entry.

18.2 Removal by Lessor

The Lessor may:

- (1) remove any fixtures or goods to which this clause applies from the Premises and store them in such place and manner as the Lessor thinks fit;
- (2) on reasonable notice to the Lessee, place any fixtures or goods outside the Premises; and/or
- (3) sell the fixtures and goods and deduct from the proceeds, the Lessor's costs in removing, storing and selling them, and account to the Lessee for the balance.

18.3 Payment of costs

The Lessee must pay to the Lessor, on demand, all reasonable costs and expenses of the Lessor in removing or storing fixtures or goods.

19. Essential Terms

19.1 Essential Terms

Each of the following covenants by the Lessee is an essential term of this Sublease:

- (1) subclause 4.1 relating to payment of Rent and subclauses 5.1 and 5.3 regarding other payments to be made by the Lessee;
- (2) clauses 9.1 and 9.2 relating to use of the Premises;
- (3) clause 10.1 relating to alterations and additions;
- (4) clauses 11.3 and 11.5 relating to repair, maintenance and make good;
- (5) clauses 12.1 and 12.3 relating to insurance;
- (6) clause 16.1 relating to assignment, underletting and mortgaging; and
- (7) clause 24.2 relating to payment of GST.

19.2 Acceptance of arrears

The acceptance by the Lessor of arrears or the late payment of Rent or other monies does not constitute a waiver of the essential and continuing obligation of the Lessee to pay Rent and other moneys during the Term on the dates specified in the Sublease.

19.3 Breach of an essential term

The Lessee must compensate the Lessor in respect of any breach of an essential term of this Sublease and the Lessor is entitled to recover damages from the Lessee in respect of such breaches. The Lessor's entitlement under this clause is in addition to any other remedy or entitlement (including the right to terminate this Sublease).

19.4 Loss on repudiation or breach

Where the Lessee's conduct (whether acts or omissions) constitutes:

- (1) a repudiation of the Sublease; or
- (2) a breach of any covenant contained in the Sublease,

the Lessee will compensate the Lessor for the loss or damage suffered by reason of the repudiation or breach.

19.5 Quantum of damages recoverable

The Lessor is entitled to recover damages against the Lessee in respect of repudiation or breach of covenant for the damage suffered by the Lessor during the entire Term.

19.6 Certain events of no effect

The Lessor's entitlement to recover damages is not affected or limited by any of the following:

- (1) if the Lessee abandons or vacates the Premises;
- (2) if the Lessor elects to re-enter or to terminate the Sublease;
- (3) if the Lessor accepts the Lessee's repudiation; or
- (4) if the party's conduct constitutes a surrender by operation of law.

19.7 Lessor may remedy defaults

The Lessor may remedy without notice, any default by the Lessee under this Sublease and whenever the Lessor elects to do so, all costs and expenses incurred by the Lessor (including legal costs and expenses) are to be paid by the Lessee immediately on notification.

20. Early Termination

This Sublease may be terminated, without cause, by either party giving the other party six months' written notice or notice for such shorter period as agreed by the parties in writing. Subject to clause 11.5, neither party will have any action against the other in respect of termination of this Sublease pursuant to this clause. The right to terminate early will not prejudice a claim by a party in respect of any breach of the Sublease arising prior to termination.

21. Rules

21.1 Rules

The Lessee must comply with the Rules and the Lessee acknowledges that, if it fails to comply with any of the Rules, the failure constitutes a breach of this Sublease.

21.2 Compliance with Rules

The Lessee must take all reasonable steps to ensure that its employees, agents, contractors and invitees comply with the Rules.

21.3 Variation of Rules

The Lessor may delete, vary or add to the Rules provided that the Lessor notifies the Lessee of the changes within 30 days of making the changes.

22. Common Area

22.1 Common Area

Subject to subclause 22.2, the Lessee and all persons authorised by it, will, at all times, have the right to use the Common Area as ancillary to its occupation of the Premises and, in common with other persons having rights to be on the Land:

- (1) to enter and leave the Premises;
- (2) to load or unload vehicles in any area designated for the purpose by the Lessor;
- (3) to park private motor vehicles or cycles in such a place and for such a time as the Lessor designates from time to time;
- (4) to use the toilets and washrooms as allocated by the Lessor from time to time; and
- (5) to place rubbish in such proper receptacles as are approved by the Lessor from time to time.

22.2 Control of Common Area

The Common Area will, at all times, be subject to the control of the Lessor who has, subject to this Sublease, the right from time to time to establish, modify and enforce reasonable rules in this regard.

23. Superior Lease

23.1 Sublease

Where the Lessor is the Crown Lessee;

- (1) this Sublease will be read and construed as a sublease;
- (2) the Lessor covenants punctually to make all payments due and owing under the Crown lease and to observe the covenants contained in the Crown lease;
- (3) subject to the terms and conditions of this Sublease, the Lessee covenants to observe the covenants contained in the Crown lease on the part of the

lessee named in that Crown lease, except for the payment of money by the lessee required by the Crown lease.

23.2 Underlease

Where the Lessor is a sublessee:

- (1) this Sublease will be read and construed as an underlease;
- (2) the Lessor covenants punctually to make all payments due and owing under the sublease and to observe the covenants in the sublease and the Crown lease;
- (3) The Lessee covenants to observe the covenants contained in the sublease and the Crown lease on the part of the lessee named in the sublease and the Crown lease, except for the payment of money by the lessee as required by the sublease or Crown lease.

24. GST

24.1 GST definitions

24.1.1 In this clause:

Act means the *A New Tax System (Goods and Services Tax) Act 1999* (as amended) and any regulation made under that Act;

GST, Taxable Supply, Input Tax Credit, Supply and Tax Invoice have the same meaning as in the Act;

GST Rate means 10% or if the rate at which GST is calculated under the Act changes, the rate applicable at the relevant time.

Payment includes consideration in the form of money given or received and in a form other than money given or received.

24.2 Payment of GST

A party making Payment to another party for a Taxable Supply under this Sublease must pay to the other party at the same time, an additional amount equal to the amount of the Payment multiplied by the GST Rate.

24.3 Reimbursements

When calculating the amount of:

- (a) any reimbursement to a party under this Sublease; and
- (b) the indemnification under this Sublease of an expense, loss or liability incurred or to be incurred by that party,

the other party may include the GST paid or payable on the Supply giving rise to the amount, but if that party includes the GST that party must deduct the amount of any Input Tax Credit from the amount paid.

24.4 Tax invoice

A party receiving a Payment of GST under this clause must provide a Tax Invoice to the party making the Payment before or at the same time as the Payment is received.

25. Application of Leases Act

25.1 Disclosure Statement

The Lessee warrants that a Disclosure Statement complying with the Leases Act, was supplied to the Lessee at least 14 days before the Sublease was entered into.

25.2 Approved handbook

The Lessee warrants that the Lessee was advised of the existence of the approved handbook and of its availability, as early as practicable in negotiations relating to this Sublease.

25.3 Standard provisions

The standard provisions in any regulations prescribed under the Leases Act do not apply to this Sublease.

25.4 Term of Lease less than 5 years

Where the Term (including any prior option period or option contained in this Sublease) is less than 5 years (as is otherwise required by the Leases Act), the Lessee warrants:

- (1) that it has been independently advised by a lawyer (as defined in the Leases Act and not acting for the Lessor) of the Lessee's rights pursuant to section 104 of the Leases Act; and
- (2) that the lawyer has provided a certificate as required by section 104 of the Leases Act.

26. Special conditions

26.1 Variation of provisions

The parties agree that the provisions of this Sublease may be varied as set out in Item 17.

26.2 Inconsistency

Where there is any inconsistency between the terms of this Sublease and Item 17, the provisions of Item 17 will prevail.

27. Miscellaneous

27.1 No waiver

Failure or omission by the Lessor at any time to enforce or require strict or timely compliance with any provision of this Sublease will not:

- (1) affect or impair that provision in any way;
- (2) affect the right or remedy that the Lessor may have in respect of that provision; or
- (3) act as a waiver of any other breach by the Lessee.

27.2 Entire Agreement

This Sublease contains the entire agreement between the parties in relation to the Premises and supersedes any prior representation, negotiations, writing, memoranda and agreements.

27.3 Variation

This Sublease may be varied only by the written agreement of the parties prior to the expiration of this Sublease.

27.4 Severability

Any provision of this Sublease that is illegal, void or unenforceable will not form part of this Sublease to the extent of that illegality, voidness or unenforceability. The remaining provisions of this Sublease will not be invalidated by an illegal, void or unenforceable provision.

27.5 Governing law

This Sublease is governed by and construed in accordance with the law for the time being in force in the Territory and the parties submit to the non-exclusive jurisdiction of the courts of the Territory.

27.6 Compliance with laws

The Lessee must comply with the laws from time to time in force in the Territory.

27.7 Notices

27.7.1 Any notice, including any other communication, required to be given or sent to

either party under this Sublease must be in writing. A notice will be deemed to have been given:

- (1) if delivered by hand, on delivery;
- (2) if sent by prepaid mail, on the expiration of two business days after the date on which it was sent; or
- (3) if sent by facsimile, on the sender's facsimile machine recording that the facsimile has been successfully and properly transmitted to the recipient's address.

27.7.2 In addition, where a notice is given by either party to repair or replace, the notice may be sent by electronic mail to an electronic mail address provided to the transmitting party and is deemed to be served at the time the email was sent.

27.8 Authority to complete

The Lessee authorises the Lessor and its solicitors to complete any blanks with a proper date or details and to make any formal correction necessary to this Sublease.

Schedule 1

- Item 1:** Lessee: Canberra Tradesmen's Union Club Limited
ACN 098 615 760
- Item 2:** Land: Block 6 Section 72 Division of Dickson
- Item 3:** Premises: Whole of the Land
- Item 4:** Term: 42 months
- Item 5:** Commencement Date: 19 December 2014
- Item 6:** Expiry Date: 18 June 2018
- Item 7:** Rent: \$1 per annum if and when demanded (inclusive of GST)
- Item 8:** Rent Review
- (a) Rent Review Date: At the expiry of the Term and commencement of any holding over period allowed by the Lessor
- (b) Method of Rent Review: Market Rent review refer to schedule 4
- Item 9:** Use of Premises: Uses consistent with the Crown lease for the Land
- Item 10:** Outgoings: Refer to schedule 2
- Item 11:** Public Liability Insurance: \$20 Million
- Item 12:** Repair contribution: Not Applicable
- Item 13:** Option Term: Not applicable
- Item 14:** Interest Rate: 10%
- Item 15:** Address for Notices: Lessor:
Land Development Agency
GPO Box 158
Canberra City ACT 2601
Contact Officer:
Director, Sales, Marketing & Land Management
- Lessee:
2 Badham Street
Dickson ACT 2602
Contact Officer: Chief Executive Officer
- Item 16:** Bond: Not applicable
- Item 17:** Variations: The standard terms of this Sublease are varied as

follows:

See Schedule 5

Schedule 2

DISTRIBUTION OF LESSOR AND LESSEE RESPONSIBILITIES IN RELATION TO STATUTORY OUTGOINGS, SERVICE CHARGES AND GENERAL CHARGES

Details of Charges	Percentage of Lessor responsibility (A)	Percentage of Lessee responsibility (B)
SECTION 1 - STATUTORY OUTGOINGS		
Land Tax	0%	100%
General rates	0%	100%
Water and Sewerage rates	0%	100%
SECTION 2 - SERVICE CHARGES		
Electricity	0%	100%
Gas	0%	100%
Water Usage	0%	100%
Telephone and Communications	0%	100%
Cleaning - General	0%	100%
Cleaning – Toilet requisites	0%	100%
Cleaning - windows Internal	0%	100%
Cleaning - windows external	0%	100%
Rubbish removal/tradewaste bins	0%	100%
Grease trap/triple inceptor – cleaning and emptying	0%	100%
Insurance - Plate glass	0%	100%
Insurance - Public Liability	0%	100%
Landscaping/Gardening	0%	100%
After hours Air-Conditioning	0%	100%
Air-Conditioning Repairs	0%	100%
Security system - Premises	0%	100%
Pest Control	0%	100%

SECTION 3 - GENERAL CHARGES		
Insurance - Building	0%	100%
Fire Brigade Monitoring	0%	100%
Fire Protection & Fire Extinguishers	0%	100%
Signage - Internal	0%	100%
Painting	0%	100%
Lifts	0%	100%
Locks and Keys	0%	100%
Floor coverings	0%	100%

Schedule 3 – Rules

1. All requests for consents or approvals required from the Lessor, all notices required to be given by the Lessee to the Lessor and all enquiries, complaints and suggestions which the Lessee may wish to communicate to the Lessor, are to be in writing to the Contact Officer named in Item 15.
2. The Lessee must keep all doors and other means of access to the Premises securely fastened when the Premises are left unoccupied. The Lessor reserves the right to enter the Premises and fasten them if they are left insecurely fastened.
3. The Lessee must ensure that, at all times, the Lessor has a current address and telephone number at which the Lessee, or a responsible representative of the Lessee, can be reached when the Lessee or representative is not in the Premises.
4. No curtains, window blinds, window screens or awnings may be erected without the approval of the Lessor.
5. The Lessee must not cause obstruction in the Common Area.
6. No rubbish or waste may, at any time, be burnt on the Premises or in the Building.
7. The Lessee may not conduct, or permit to be conducted, on the Premises any auction, bankrupt or fire sale.
8. The Lessee may not use or permit the Common Area to be used for any business or commercial purpose or the display or advertisement of any goods or services.
9. The Lessee must, at the Lessee's own expense, replace all electrical light bulbs and globes and tubes which may become damaged or broken or fail to light in the Premises.
10. The Lessee must not use the Premises as a residence or sleeping place.
11. The Lessee must not keep on the Premises any animals, fishes, reptiles or birds.
12. The Lessee may not smoke or permit any person to smoke any form of tobacco or similar substance in or within 15 metres of the Premises or the Building.
13. The Lessee must comply with any fire management plan produced by the Lessor which is made known to the Lessee or, if reasonably required by the Lessor, the Lessee will produce its own fire management plan.
14. The Lessee will participate in any fire management exercise conducted by the Lessor, of which the Lessee has received reasonable notice.

Schedule 4 – Rent Review

1. The Rent will be reviewed effective from each Rent Review Date in accordance with the method of rent review noted next to the relevant Rent Review Date in Item 8.
2. Each method of rent review will have the meaning and procedure set out in this Schedule.
- A. (1) **“WPI”** means a rent adjustment in accordance with the following Wage Price Index formula:

$$\text{NYLF} = \text{OYLF} \times \frac{\text{NWPI}}{\text{OWPI}}$$

Where:

- “NYLF” is the new Rent payable by the Licensee to the Licensor commencing from the Rent Review Date;
- “OYLF” is the Rent payable by the Licensee to the Licensor immediately preceding the Rent Review Date;
- “NWPI” is the last published Wage Price Index prior to the Rent Review Date;
- “OWPI” is the Wage Price Index as published prior to the date upon which the Rent was most recently reviewed, varied or set pursuant to the terms of the Sublease or any previous Sublease (or previous Subleases) which contained an option to renew (or a chain of options to renew) which gave rise to this Sublease.

- (2) **“Wage Price Index”** means the Wage Price Index for the Australian Capital Territory as published by the Australian Statistician (or such person or office which fulfils the relevant function fulfilled by the Australian Statistician at the commencement of the Sublease). In the event that the Wage Price Index is adjusted (for example by changing the base index number or changing the year of the base index number), or there is any suspension or discontinuance of the Wage Price Index by the Australian Statistician, then the Wage Price Index will mean such index figure or statistic published at the relevant dates in the Australian Statistician’s summary of Australian statistics which reflects fluctuations in the wages in Canberra and which the parties may mutually agree upon, and if they are unable to agree then such index figure or statistic as may be determined by the President for the time being of the Australian Property Institute or some person nominated by the President whose decision will be conclusive and binding. This definition will apply notwithstanding that there may be significant changes over time in the composition and weighting of the items by reference to which the Wage Price Index is calculated.
- (3) The Licensee must continue to pay the current instalments of the Rent due until the new Rent is determined. Within 21 days after the Licensor has notified the Licensee of the new Rent, the Licensee must adjust and pay the amount due to the Licensor as Rent from the Rent Review Date.

- (4) The Licensee must continue to pay the current instalments of the Rent due until the new Rent is determined. Within 21 days after the Licensor has notified the Licensee of the new Rent, the Licensee must adjust and pay the amount due to the Licensor as Rent from the Rent Review Date.

- B. (1) **“CPI Rent”** means a Rent adjustment in accordance with the following Consumer Price Index formula:

$$\text{NYR} = \text{OYR} \times \frac{\text{NCPI}}{\text{OCPI}}$$

Where:

- “NYR” is the new Rent payable by the Lessee to the Lessor commencing from the Rent Review Date;
“OYR” is the Rent payable by the Lessee to the Lessor immediately preceding the Rent Review Date;
“NCPI” is the last published Consumer Price Index prior to the Rent Review Date;
“OCPI” is the Consumer Price Index as published prior to the date upon which the Rent was most recently reviewed, varied or set pursuant to the terms of the Sublease or any previous sublease (or previous subleases) which contained an option to renew (or a chain of options to renew) which gave rise to this Sublease.

- (2) **“Consumer Price Index”** means the Consumer Price Index for Canberra (All Groups) as published by the Australian Statistician (or such person or office which fulfils the relevant function fulfilled by the Australian Statistician at the commencement of the Sublease). In the event that the Consumer Price Index is adjusted (for example by changing the base index number or changing the year of the base index number), or there is any suspension or discontinuance of the Consumer Price Index by the Australian Statistician, then the Consumer Price Index will mean such index figure or statistic published at the relevant dates in the Australian Statistician’s summary of Australian statistics which reflects fluctuations in the cost of living in Canberra and which the parties may mutually agree upon, and if they are unable to agree then such index figure or statistic as may be determined by the President for the time being of the Australian Property Institute or some person nominated by the President whose decision will be conclusive and binding. This definition will apply notwithstanding that there may be significant changes over time in the composition and weighting of the items by reference to which the Consumer Price Index is calculated.

- (3) The Lessee must continue to pay the current instalments of the Rent due until the new Rent is determined. Within 21 days after the Lessor has notified the Lessee of the new Rent, the Lessee must adjust and pay the amount due to the Lessor as Rent from the Rent Review Date.

- C. (1) **“Rent Increase by X%”** (where X% is a specified percentage figure) means a Rent adjustment in accordance with the following formula:

$$\text{NYR} = \text{OYR} \times \frac{100 + X}{100}$$

Where:

- “NYR” is the new Rent payable by the Lessee to the Lessor commencing from the Rent Review Date;
- “OYR” is the Rent payable by the Lessee to the Lessor immediately preceding the Rent Review Date;
- “X” is the specified percentage in Item 8.

- (2) The Lessee must continue to pay the current instalments of the Rent due until the new Rent is determined. Within 21 days after the Lessor has notified the Lessee of the new Rent, the Lessee will adjust and pay the amount due to the Lessor as Rent from the Rent Review Date.

D. (1) **“Market Rent”** means an adjustment to the Rent that could reasonably be expected to be paid for the Premises if unoccupied and offered for rent for the use set out in Item 9.

- (2) Either party may at any time, but not earlier than 4 months prior to the Rent Review Date to which Market Rent applies, give notice in writing to the other party stating the amount which, in that party’s opinion, is the Market Rent for the Premises as at that Rent Review Date.

(3) If:

- (a) 2 months after a party has given a notice under subclause (2), the parties have not agreed upon the Market Rent applicable from the Rent Review Date; or
- (b) 14 days after either party tells the other party that it disputes the proposed Rent applicable from the Rent Review Date;

either party may notify the Magistrates Court that that party wishes to have the matter referred to mediation under section 52(2) of the Leases Act.

- (4) If a Market Rent cannot be agreed, the parties agree to follow the procedure set out in Part 8 of the Leases Act regarding determination of the Market Rent.

- (5) If, 14 days after the Lessee tells the Lessor that the Lessee disputes the proposed Rent applicable from the Rent Review Date either party may ask the President of the Australian Property Institute (Canberra Chapter) to appoint a valuer with at least 5 years’ experience to determine the Market Rent having regard to the current market rental.

- (6) The valuer must act as an independent expert and not as an arbitrator, and give written reasons for the decision. The parties must share the valuer’s costs equally.

- (7) The valuation of the Market Rent must take into account:

- (a) the terms of the Sublease;

- (b) other matters relevant to the assessment of current market rental;
- (c) the use of the Premises under the Sublease; and
- (d) rent concessions or other benefits frequently or generally offered to prospective lessees of similar Premises,

and must assume that the Premises are unoccupied, but it must not take into account the value of any goodwill or the Lessee's Improvements.

- (8) Until the dispute is resolved, or a right is lost, the Lessee must pay the old Rent. Any adjustment is calculated from the Market Review Date. The Lessee must pay any adjustment, or the Lessor must credit the Lessee with it, when the next monthly payment is due.

Schedule 5 – Variations to standard terms of Sublease

1. Clause 6.3 is amended to read as follows:

6.3 The Lessee must maintain and repair the Air-Conditioning System.
2. Clause 7.2 is amended to read as follows:

7.2 The Lessee will pay all stamp duty (if any is payable) assessed with respect to the Sublease.
3. Clause 9.5 does not apply to any signs within the Premises which are not viable from outside the Building.
4. Clause 10.4 is deleted and replaced as follows:

10.4.3 If the Premises are at any time connected to a grease trap or a triple interceptor, the Lessee must regularly clean, service, maintain, repair and empty it at its own cost.

10.4.4 If the Premises are not connected to a grease trap, triple interceptor or similar device and the Lessee's use of the Premises requires them to be connected to such a device, then the Lessee must, at its' expense, promptly install such a device, upon receiving the consent of the Lessor (which may be reasonably withheld where installation is, in the opinion of the Lessor, impractical or may interfere with other users of the Land) and otherwise comply with this clause.

10.4.3 The Lessor will not be liable for any loss or damage sustained by the Lessee arising from the Lessor's decision not to consent to the installation of a grease trap, triple inceptor or similar device.
5. Clause 11 .2 is deleted and replaced as follows:

The Lessee accepts the Premises and the Lessor's Property in the condition and state of repair they are in at the commencement of this Sublease and will raise no claim in respect of the fitness, adequacy, safety or risk associated with any part of the Premises or Lessor's Property.
6. Clause 11.3.1 is amended to read as follows:

11.3.1 Subject to Clause 11.3.5, the Lessee must keep the Lessor's Property in good and tenantable repair and condition having regard to the condition of the Premises at the Commencement Date.
7. Clauses 11.3.3 - 11.3.4 are deleted.
8. Clause 11.4 is deleted.
9. Clause 11.5(1)-(5) is deleted.
10. Clause 11.6.2 is deleted.
11. Clause 11.9.1 is amended to read as follows:

11.9.1 During the Term, the Lessee must maintain in good working order the

lifts, fire services and any other services within the Premises and the Building.

12. Clause 11.9.2 is amended to read as follows:

11.9.2 If any of the services specified in this subclause:

- (1) malfunction;
 - (2) become unsafe; or
 - (3) are otherwise incapable of being operated as a result of any cause,
- the Lessee will, within a reasonable time, repair or replace the services (or part of the services) with services of an equivalent type and quality.

13. Clause 11.9.3 is deleted.

14. Clause 15.2 is amended to read as follows:

15.2 If the Lessor gives the Lessee a notice under subclause 15.1 that the Lessor does not intend to repair the Premises or Building then the Lessor may terminate this Sublease by 30 days' written notice to the Lessee.

Schedule 6

CERTIFICATE

I
of Clayton Utz Lawyers

certify:

1. I am a solicitor of the Supreme Court of the Australian Capital Territory.
2. I do not act for the Licensor.
3. Before the Licensee executed this Licence, at the request of the Licensee I explained:
 - a) the effect of this clause in this Licence and of this Certificate;
 - b) how section 30 of the Leases Act would apply in relation to the Licence if the Licence did not include this clause;
 - c) the effect of section 104 of the Leases Act and that the giving of this Certificate will result in the Licence being for a term (including any options for renewal) of less than five years.
4. The Licensee told me that:
 - a) the Licensee was not acting under coercion or undue influence in asking for or agreeing to the inclusion of this clause (including this Certificate) in this Licence;
 - b) the Licensee was not required by the Licensor to use a lawyer acting for or nominated by the Licensor; and
 - c) the Licensee was aware of, and had chosen to waive, the time limits under section 30 of the Leases Act.

DATED this 19th day of December 2017

Signed

.....
Solicitor, ACT.

.....

Executed as an Agreement

DATE OF THIS AGREEMENT 19 December 2014

SIGNED for and on behalf of the)

AUSTRALIAN CAPITAL TERRITORY)

in the presence of:)

LAND DEVELOPMENT
AGENCY

Signature of Territory delegate

DANIEL STEWART

Print name

Signature of witness

Print name

SIGNED by or for and on behalf of)

CANBERRA TRADESMEN'S UNION)

CLUB LIMITED ACN 098 615 760 in)

accordance with section 127 of the
Corporations Act 2001:

Signature of director*

*see note below

DEAN HALL - DIRECTOR

Print name

Signature of director/secretary*

*see note below

STEPHENS BRENNAN - SECRETARY

Print name and position

Note:

Date: Must be dated on the date the last party signs the Agreement or, if signed counterparts of the Agreement are exchanged, the date of exchange. Also date the cover page.

Individual: Must be signed by the individual and witnessed.

Incorporated Association: Must be signed in accordance with the Association's constitution, which may or may not require the common seal to be affixed. As a minimum, 2 authorised officers must sign.

Company: Must be signed in accordance with section 127 of the *Corporations Act 2001* (Cth), for example, by 2 directors or a director and a secretary. Common seal may be affixed if required under the constitution but is generally not required.