

Peter Zenni

From: Debbie Morris <debbie@merredincrc.com>
Sent: Saturday, 9 November 2019 4:25 PM
To: Peter Zenni
Subject: Merredin CRC - leases
Attachments: Summary for Council meeting November 2019.docx; Merredin Community Resource Centre.docx; Snapshot - CRC.pdf

Hi Peter

I have attached a couple of documents that provide a bit of background on the CRC and what we do, which will hopefully give all the Councillors a better understanding of the CRC. It also has a summary of the expenditure (on one page, so it is easier to see, than the History document, although this is still useful).

In essence the Proposal at the back of the History document is what the CRC are hoping the Council will support. ***That the Shire of Merredin acknowledge the Merredin CRC importance and value of the CRC to the community and support the CRC by way of charging the lease/licence fees for use of Shire premises that other community organisations have been charged: \$520 per annum for each of 108 and 110 Barrack Street - \$1040 in total, when the current leases are due to expire in February 2020, which also takes into consideration the improvements made to 110 Barrack Street to the value of \$13,885 which have not been credited in lieu of rent.***

Note: The Merredin CRC currently pays outgoings for both buildings.

I hope this information is sufficient Peter, sorry it has taken so long to get it to you, we have just been extremely busy lately and it continues with the Seniors Luncheon on Tuesday and Twilight Markets on Friday 22nd.

Thanks for you help and support.

Regards
Debbie

Debbie Morris

Manager
Merredin Community Resource Centre
110 Barrack St Merredin WA 6415
P: (08) 9041 1041
f: (08) 9041 1042
E: merredin@crc.net.au



Merredin Community and Regional News
THE PHOENIX

Peter Zenni

From: Debbie Morris <debbie@merredincrc.com>
Sent: Monday, 28 October 2019 9:41 AM
To: Peter Zenni
Subject: RE: Merredin CRC - Womens Rest Centre - Lot 200 (108) Barrack St - 2016-2020
Attachments: Signed sub lease and Addendum.pdf; 2018-19.pdf

Hi Peter

Sub Lease and Audit attached.

As you can see in our Audit, we only made a profit of \$2611 last financial year. This is because we have 4 full time staff and when you allocate the staffing costs to the Phoenix, it is not operating at a profit.

Basically we would be happy to pay \$520 per lease, along the same lines as other community organisations in Shire buildings.

Any questions, please contact me.

Thanks

Debbie

Debbie Morris Manager Merredin Community Resource Centre
110 Barrack St Merredin WA 6415
P: (08) 9041 1041
f: (08) 9041 1042
E: merredin@crc.net.au

-----Original Message-----

From: Peter Zenni <emds@merredin.wa.gov.au>
Sent: Friday, 25 October 2019 1:50 PM
To: Debbie Morris <debbie@merredincrc.com>
Cc: Greg Powell <ceo@merredin.wa.gov.au>; Jonelle Beck <adminofficer@merredin.wa.gov.au>
Subject: RE: Merredin CRC - Womens Rest Centre - Lot 200 (108) Barrack St - 2016-2020

Many thanks Debbie

I am preparing the agenda item relating to the CRC leases for Council consideration at the November meeting.

As discussed, would it be possible for you to provide me with details relating to the existing sublease that is currently in place for the Women's Rest Centre.

In addition is it possible for the Shire to obtain a copy of the CRC's audited financial statement for the last financial year.

Kind regards

Peter Zenni
EXECUTIVE MANAGER DEVELOPMENT SERVICES

Shire of Merredin
PO Box 42 MERREDIN WA 6415
P: (08) 9041 1611 F: (08) 9041 2379 E: emds@merredin.wa.gov.au
W: www.merredin.wa.gov.au shireofmerredin

-----Original Message-----

From: Debbie Morris [mailto:debbie@merredincrc.com]
Sent: Tuesday, 8 October 2019 5:39 PM
To: Peter Zenni <emds@merredin.wa.gov.au>
Subject: Merredin CRC - Womens Rest Centre - Lot 200 (108) Barrack St -
2016-2020

Hi Peter

Please find attached a copy of the signed Lease for 108 Barrack Street 2016
- 2020.

I will be on leave as from tomorrow and then at a conference in Perth next week, so wont be back until 21 October.

Regards
Debbie

Debbie Morris Manager Merredin Community Resource Centre
110 Barrack St Merredin WA 6415
P: (08) 9041 1041
f: (08) 9041 1042
E: merredin@crc.net.au

Your message is ready to be sent with the following file or link
attachments:

Merredin CRC - Womens Rest Centre - Lot 200 Barrack St - 2016-2020 - electronically signed

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file
attachments. Check your e-mail security settings to determine how attachments are handled.

Peter Zenni

From: Peter Zenni
Sent: Friday, 9 August 2019 9:35 AM
To: 'Debbie Morris'
Subject: RE: Merredin Community Resource Centre

Hi Debbie

Thank you for your email, Greg is away at the moment, I will discuss the proposal forming part of the attached document with him when he gets back next week and will be in contact with yourself thereafter with the best way to move forward.

Kind regards

Peter Zenni
EXECUTIVE MANAGER DEVELOPMENT SERVICES



Shire of Merredin
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From: Debbie Morris [mailto:debbie@merredincrc.com]
Sent: Thursday, 8 August 2019 3:41 PM
To: Peter Zenni <emds@merredin.wa.gov.au>
Cc: Greg Powell <ceo@merredin.wa.gov.au>; Kellie Bartley <dceo@merredin.wa.gov.au>
Subject: Merredin Community Resource Centre

Hi Peter

At our CRC Committee meeting this week, the Committee requested a summary of the history of the Merredin CRC (previously known as Telecentre) sent to you to provide some background on the locations/leases of the CRC and to put forward a proposal regarding the current two leases (110 and 108 Barrack Street) which are due to be reviewed in February 2020.

The information is attached. If you require any further information please let me know.

If you think it would be beneficial to have a meeting with some of the Committee and myself, please let me know a suitable date and time and I will organise this with the Committee.

I am not sure if this is a decision that can be made by staff or if the proposal or a recommendation needs to go to Council.

I look forward to hearing back from you.

Regards

Debbie

Debbie Morris

Manager
Merredin Community Resource Centre
110 Barrack St Merredin WA 6415
P: (08) 9041 1041
f: (08) 9041 1042

E: merredin@crc.net.au



Merredin Community and Regional News

THE PHOENIX

**Merredin Community Resource Centre (previously Merredin Telecentre)
Location History and Current Situation**

1993	CY O'Connor TAFE	
2002	110 Barrack Street	Collocation with WDC \$90,000 spent on building 5 years rent free

At the end of the 5 years (2007) the Shire advised that commercial rent will be introduced. The Telecentre was not in a position to be able to pay commercial rent and therefore needed to look for an alternative location.

The construction of the Recreation Centre was almost complete and so the Telecentre Committee met with the Shire to discuss the option of the Telecentre moving into the proposed Sports meeting room and assisting the Shire by providing a range of furniture (which the Shire had no budget for) including tables, chairs, display boards, desks etc as well as sourcing funding for cabling and internet, sharing of staff for administration duties and the availability of computers for sports to use. This was agreed to and the Telecentre moved into the meeting room in 2007.



2007

Merredin Recreation Centre

Meeting Room

Provided Rec Centre with tables, chairs, display boards, desks, cabling for computers and sharing of staff - administration duties
Rent free



In 2010 after 3 years, it was evident the size of room was too small and the CRC (renamed 2009) found it difficult to maintain its own identity, whilst located in a Shire facility, so the decision was made to look for another location.

108 Barrack Street had been vacant for a number of years, so the CRC sought Council support to relocate to this building rent free, which was granted on the condition that the CRC sourced funding to refurbish the building.

The CRC sourced \$37,000 grant funding in 2010 and commenced refurbishing 108 Barrack Street.



2015 110 Barrack Street
 \$73,000 spent on building
 (\$50,000 grant funding)
 5 years rent free

 \$42,052 spent on building and
 Fit out (\$29,229 on building and
 \$12,823 on fit out.
 (\$40,969 grant funding)

NOTE: \$29,229 refurbishment not levied to rent

In 2016 the CRC activities and services continued to expand, with the decision to produce *The Phoenix newspaper*, following the closure of the *Merredin Wheatbelt Mercury*.

108 Barrack Street had been vacant since the CRC moved out in 2015 and being in close proximity to current building, it would be opportune to put a proposal to Council to lease this building rent free up to lease date on 110 Barrack Street (February 2020).

The proposal was based on:

- One year of rent free on 108 Barrack Street not utilised (approx \$10,000)
- \$73,000 was spent on 110 Barrack Street, which was \$13,000 more than the 5 year commercial rent (\$60,000).
- In 2016 the CRC secured additional funding (\$40969) for further renovations and fit out of 110 Barrack Street, with \$29,229 being renovations on the building.

Total \$52,229

August 2016 Council agreed to leasing 108 Barrack Street, rent free, up until February 2020, in line with 110 Barrack Street lease. (approx. rental value of \$35,000)

In 2018 Wheatbelt Development Commission's lease for part of 110 Barrack Street ceased and the Shire leased this section to the CRC for rent of \$520 per annum, expiring February 2020, in line with the other leases.

Current situation

Merredin CRC leases

- 108 Barrack Street – Rent free;
- 110 Barrack Street – Rent free; and
- 110 Barrack Street (portion previously occupied by WDC) - \$520 rent per annum.

All leases expire on 29 February 2020. Merredin CRC pays for all utilities (power and water) and undertakes day to day maintenance.

In 2017, Merredin CRC sourced funding to upgrade kitchen, install air conditioners in kitchen and function room, purchase and install ceiling projector, WIFI and power points in function room at 110 Barrack Street and WIFI to 108 Barrack Street to an amount of \$13,885. This amount has not been factored in any of the leases.

The Merredin CRC provides a range of information, services, facilities and activities for the community as well as encourage, support and recognise volunteers. Our 2017/18 Annual Report outlines many of these.

The Merredin CRC is an incorporated community organisation that has a volunteer Management Committee who provide direction and guidance to ensure the CRC remains sustainable and has appropriate governance. The CRC currently employs four (4) full time staff, with equal to one full time position (spread over the four staff) allocated to the production of The Phoenix newspaper. This is a huge commitment by the CRC as The Phoenix runs at a loss, which means that income needs to be derived from other sources.

Our finances for 2018/19 indicate that Merredin CRC had an overall profit of around \$10,000, however there were not four full time staff for the full 12 months and we had the benefit of a Trainee Grant of \$43,000 within this financial year.

The Shire of Merredin has been very supportive of the CRC, which is greatly appreciated.

Proposal

That the Shire of Merredin acknowledge the Merredin CRC importance and value of the CRC to the community and support the CRC by way of charging the lease/licence fees for use of Shire premises that other community organisations have been charged, \$520 per annum, to each of 108 and 110 Barrack Street when the current leases are due to expire in February 2020, which also takes into consideration the improvements made to 110 Barrack Street to the value of \$13,885.

Background

Telecentres were an initiative of State Government in the early 1990's to assist rural communities with technology. Merredin Telecentre opened in 1993.

In 2009, through the Royalties for Regions funding, Telecentres were re-branded to Community Resource Centres (CRC) and in addition to providing technology, were tasked with delivering a range of community and economic development activities and were funded through a grants system.

In 2014, the grants system ceased and those CRCs deemed operating successfully were given 'Preferred Supplier' status to tender for the delivery of community services for the Department of Regional Development. Each CRC service provider is contracted to deliver services tailored to address Service Level Outcomes (SLO):

SLO 1 - Community members are provided with access to state government and community information and services.

SLO2 – Local businesses and the workforce have access to activities and initiatives that improve skills and capacity to foster economic growth in the local community.

SLO3 – Community members have access to activities and initiatives that create or improve community connectedness and capacity.

Each CRC submits to the Department a quarterly activity plan outlining the activities that deliver these outcomes for approval and then completes a quarterly statistics report, with annual detailed reports on outcomes of two activities. The Department also requires an Annual Report, an Audit and conducts a Health Check (Governance) to ensure the CRC is operating appropriately. Funding is paid quarterly and is dependent on meeting the contract requirements.

All CRCs operate differently as each community has different needs, wants and opportunities, although ALL CRCs contracts are for the same amount approx. \$100,000 each.

Merredin CRC

The State Government Contract equates to approximately one quarter of Merredin CRC's income, which means that the remaining three quarters of income has to be self-generated.

Merredin is larger than some of the other surrounding communities, which some say is an advantage as you have more opportunities to generate income. However, the Committee and Staff believe the smaller communities have more opportunities as many of them undertake and be paid for the Library services, Visitor services, Transport Licencing for Local Government and some are Australia Post Offices. Merredin CRC does not have the opportunity to do these services.

Merredin CRC Committee and Staff regularly consult with the community, Shire and other stakeholders to identify gaps in the community and define areas of responsibility, so that activities and services are not duplicated.

When the Merredin Wheatbelt Mercury closed at the end of 2015, there was a need for the community to be kept informed, hence the introduction of The Phoenix. This has been extremely well received and supported in 14 communities in the central Wheatbelt and the CRC is extremely proud of the publication however, it does not run at a profit, which means other activities and services are required to fund it.

A 'one page' summary of what the Merredin CRC does is attached, which gives a quick snapshot of our activities.

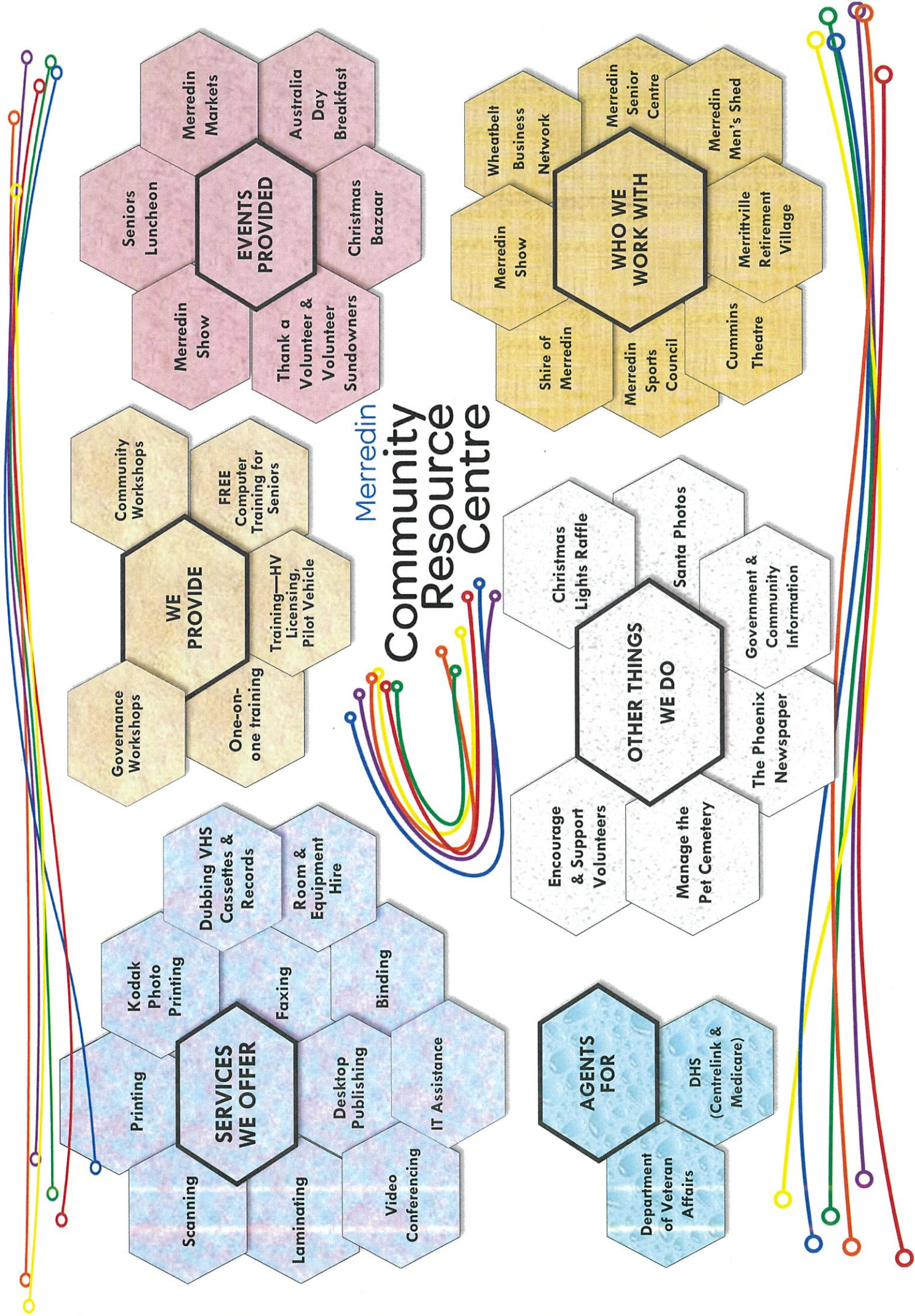
The CRC provides a vast array of information, services, facilities, training, volunteering support and opportunities and community events, along with the production of The Phoenix newspaper. The Merredin CRC are pleased to be able to deliver these activities and believe it reduces areas of responsibility that would otherwise generally be allocated to the Shire.

Merredin CRC has a great relationship with the Shire and work and support each other with events and projects.

Summary of Expenditure by Merredin Telecentre/CRC

Date	Location	Term	Amount spent by Telecentre/CRC	Other
2002	110 Barrack Street	5 years	\$45,000	\$45,000 was also contributed by WDC
2007	MRC&LC		Contribution to computer cabling. Use of furniture - tables, chairs in function room. Installation of office in meeting room - \$10,000. Staff assisted with MRCLC administration duties when required.	
2011	108 Barrack Street	5 years (only used for 4 years)	\$37,000	
2013	108 Barrack Street		\$17,732	Erection of shed at rear of building
2015	110 Barrack Street	5 years	\$60,000 (agreed amount by Council for 5 years rent free) Spent \$73,000	CRC does not have use/access to strong room area in building
2015	110 Barrack Street		\$42,052 (Painting, Disabled toilet, Blinds, Paving)	CRC does not have use/access to strong room area in building
2016	110 Barrack Street		\$1,012	Old toilets at rear changed into storeroom
2017	110 Barrack Street		\$13,885 (Air conditioners, upgrade to kitchen, installation of ceiling projector)	CRC does not have use/access to strong room area in building
2018 (August)	110 Barrack Street (ex WDC area)			\$520 paid - lease
2019	110 Barrack Street		\$1300	Purchase and installation of security lights and cameras – front and rear
		Total	\$230,981 plus use of furniture, staff assistance and installation of office at MRC&LC	

Merredin Community Resource Centre



SERVICES WE OFFER

Scanning

Printing

Kodak Photo Printing

Dubbing VHS Cassettes & Records

Faxing

Room & Equipment Hire

Binding

Laminating

Desktop Publishing

Video Conferencing

IT Assistance

WE PROVIDE

Governance Workshops

Community Workshops

One-on-one training

FREE Computer Training for Seniors

Training—HV Licensing, Pilot Vehicle

EVENTS PROVIDED

Seniors Luncheon

Merredin Show

Merredin Markets

Thank a Volunteer & Sundowners

Christmas Bazaar

Australia Day Breakfast

AGENTS FOR

Department of Veteran Affairs

DHS (Centrelink & Medicare)

OTHER THINGS WE DO

Encourage & Support Volunteers

Christmas Lights Raffle

Manage the Pet Cemetery

Santa Photos

The Phoenix Newspaper

Government & Community Information

WHO WE WORK WITH

Merredin Show

Wheatbelt Business Network

Shire of Merredin

Merredin Sports Council

Merredin Senior Centre

Merredin Men's Shed

Cummins Theatre

Merrittville Retirement Village

Peter Zenni

From: Ron Sawyer <ron@rvwa.com.au>
Sent: Friday, 25 October 2019 11:46 AM
To: Peter Zenni
Subject: RE: Initial enquiry relating to commercial rent valuation

G'Day Peter

Anecdotal evidence indicates that something in the order of \$75-100/sqm plus OG's & GST would be what the two buildings at 108 Barrack Street might achieve (based on floor plans provided).

Things to bear in mind is that the market is limited in Merredin and newer buildings may attract more interest.

Anyway indicative only and a formal valuation would need to be completed to verify an actual market rent.

Thanks & regards

Ron Sawyer

Urban & Rural Valuations

www.rvwa.com.au

Certified Practising Valuer

PO BOX 601, MOUNT HAWTHORN WA 6915

PH 0447 423 841

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From: Peter Zenni <emds@merredin.wa.gov.au>
Sent: Tuesday, 22 October 2019 11:11 AM
To: Ron Sawyer <ron@rvwa.com.au>
Cc: Greg Powell <ceo@merredin.wa.gov.au>; Jonelle Beck <adminofficer@merredin.wa.gov.au>
Subject: Initial enquiry relating to commercial rent valuation

Hi Ron

Thank you for speaking with myself earlier today, I am seeking an indication as to the applicable commercial rent for the properties located at Lot 200 (No 106 and 108) Barrack Street Merredin. As part of discussions relating to a proposed lease variation for the property.

The area in question is zoned 'Town Centre' under the LPS. The buildings are brick and tile construction and date back to then early 1960's. I am attaching a floor plan of each building for your information.

An indication of a commercial rental for the premises would be welcome. If the Shire decides to proceed with a commercial rental as part of the lease negotiations a formal valuation will need to be undertaken at that time.

Your assistance in this matter is very much appreciated

Kind regards


Peter Zenni

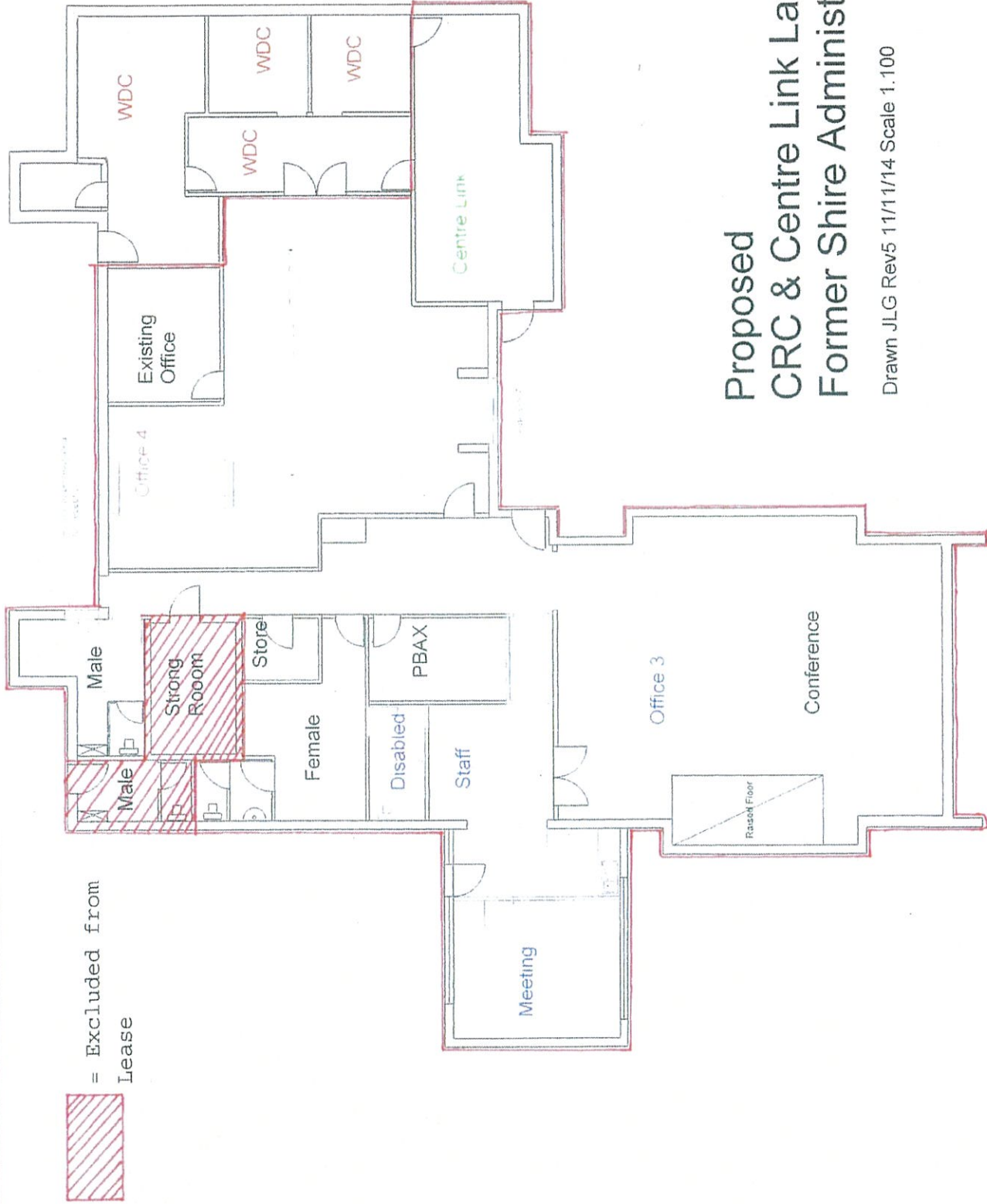
EXECUTIVE MANAGER DEVELOPMENT SERVICES



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Proposed CRC & Centre Link Layout Former Shire Administration

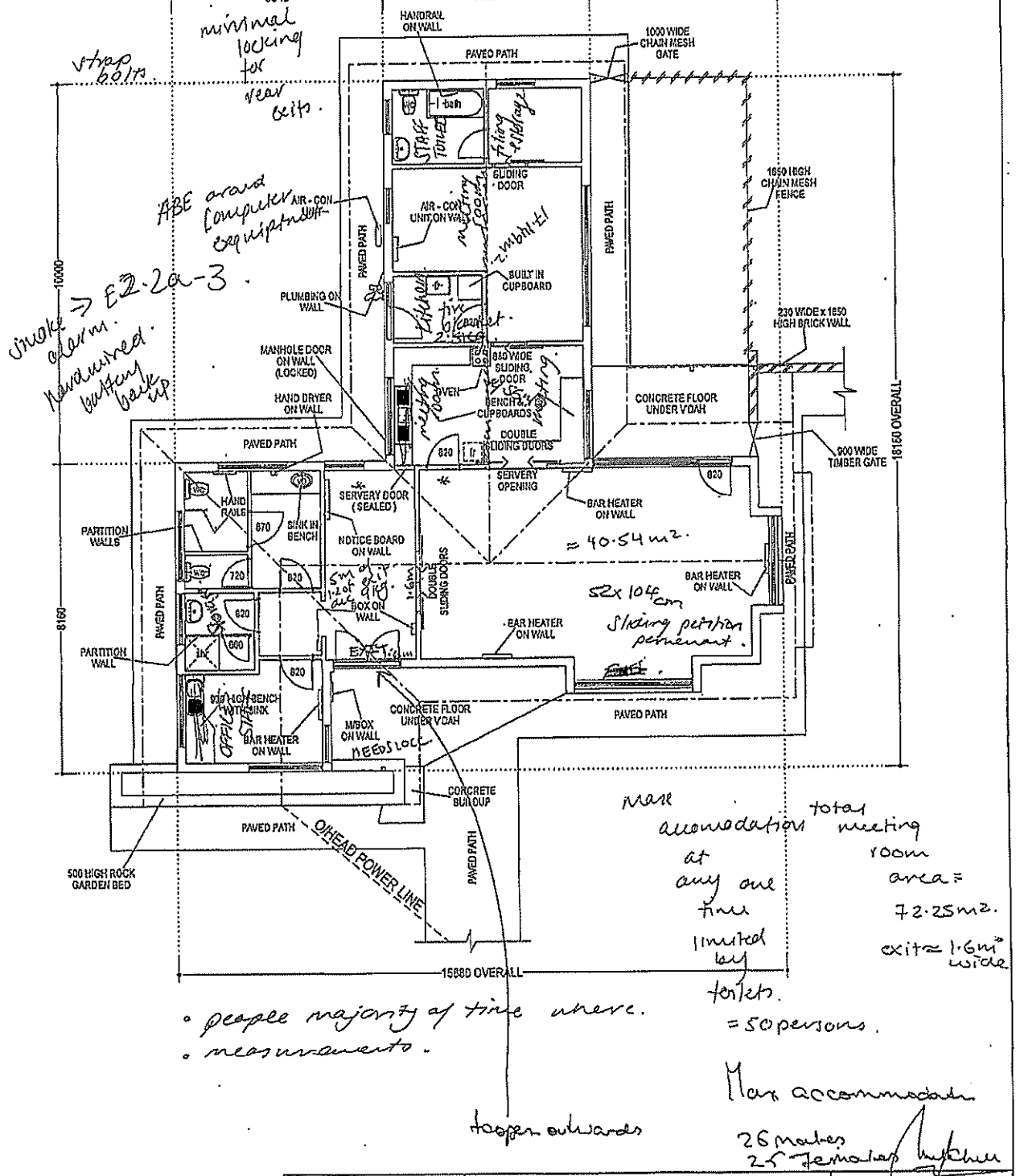
Drawn JLG Rev5 11/11/14 Scale 1:100

BUILDING AREA:
153.09m²
NOT INCLUDING VERANDAHS

NOTE:
ALL DIMENSIONS, LEVELS & MATERIALS TO BE CHECKED ON SITE PRIOR TO CONSTRUCTION.

- * FESA template to be provided
- * fire extinguisher
- * fire blankets x 2.
- * lighting
- * smoke alarms

→ kitchen:
no fixed seating or tables.



FLOOR PLAN
SCALE 1:100

JOB TITLE: FLOOR PLAN OF EXISTING BUILDING BEING THE WOMEN'S REST CENTRE, BARRACK STREET MERREDIN WA. MERREDIN SHIRE	DRAWING TITLE: FLOOR PLAN		WAYNE'S DESIGN & DRAFTING DRAFTSMAN: WAYNE BILL A.D.J.L. # 633 616 982 3 ELLIS ROAD MERREDIN W.A. 6416 PH/FAX (08) 92413 437
	DATE: JUNE '09	DRAWING NO.: 1	
JOB No: 08073	NO. IN SET: 1		

Further support for Community Resource Centres

Wednesday, 25 September 2019

- McGowan Government supporting security and sustainability for Community Resource Centres (CRCs) in regional WA
- Individual CRCs offered two-year contract extension

The McGowan Government is supporting Community Resource Centres (CRCs) to maximise service delivery and provide valuable community hubs in rural and regional areas around the State.

The State Government has offered a two-year contract extension for all 89 CRCs currently funded on a contract basis, and continued grant funding for 13 CRCs which operate on ongoing grants.

The Department of Primary Industries and Regional Development (DPIRD) will work with the CRC network on a future tender process that will provide longer-term contracts for individual CRCs. This work will commence mid-2020.

DPIRD will also continue to identify opportunities for CRC to support delivery of government services in regional and rural communities.

CRCs are not-for-profit organisations contracted to provide access to government and community services and information, and undertake community, business and economic development activities.

The McGowan Government has secured long-term funding for the CRC program.

Comments attributed to Regional Development Minister Alannah MacTiernan:

"CRCs are owned and operated by their local communities, and our government recognises the valuable services they provide, particularly in small regional communities.



Hon Alannah MacTiernan
MLC

Minister for Regional Development; Agriculture and Food; Ports; Minister Assisting the Minister for State Development, Jobs and Trade

"I have written to CRCs today offering an extension to their current contract from 1 July 2020 to 30 June 2022.

"We remain completely committed to funding the CRC program, and will continue to work with the CRC network to identify how we can support CRCs to better deliver services in their local communities.

"The aim is to work towards a longer contract for five years to allow for security and sustainability for these organisations."

Minister's office - 6552 6200

MERREDIN COMMUNITY RESOURCE CENTRE INC

**Financial Report
For The Year Ending
30 June 2019**

MERREDIN COMMUNITY RESOURCE CENTRE INC

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- Notes to and forming part of the financial report
- Statement by members of the committee
- Audit report

MERREDIN COMMUNITY RESOURCE CENTRE INC

COMMITTEE'S REPORT

Your committee members submit the financial report of the Merredin Community Resource Centre Incorporated for the financial year ended 30 June 2019.

Committee Members

The names of the committee members throughout the year and at the date of this report are:

Sue Olcorn	(1/7/18 to Current)	Wendy Porter	(1/7/18 to Current)
Romolo Patroni	(1/1/18 to Current)	Lesley Watson	(1/7/18 to Current)
Dean Bavich	(9/10/18 to Current)	Avril Parker	(1/7/18 to Current)
Dianne Sherwood	(20/2/19 to Current)		
Erica Carlson	(1/7/18 to 9/10/18)		

Principal Activities

The principal activities of the association during the financial year were

- To provide access to services and information that support capacity building within the community
- To provide access to services and information to address issues of disadvantaged within the community including but not limited to poverty, health, isolation and unemployment.
- Develop partnerships and business opportunities relevant to the needs of the community
- Work with stakeholders, other Community Resource Centres and all tiers of government to increase the profile of the WA Community Resource Network
- Provide members of the community with access to and training in the use of information technology.
- To ensure that all members of the community have access to information technology facilities.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The Profit after providing for income tax amounts to \$ 2,611 (2017: Profit \$ 20,123)

Signed in accordance with a resolution of the Members of the Committee.



Signature

P. ROMOLO PATRONI.

Print Name

CHAIR PERSON.

Print Position



Signature

WENDY PORTER

Print Name

TREASURER

Print Position

Dated this 23. day in JULY. 2019.

MERREDIN COMMUNITY RESOURCE CENTRE INC.

ASSET AND LIABILITIES STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

		2019	2018
CURRENT ASSETS			
Cash and cash equivalents	3	296,049.30	341,088.89
Trade and other receivables	4	15,594.59	15,111.60
TOTAL CURRENT ASSETS		<u>311,643.89</u>	<u>356,200.49</u>
NON-CURRENT ASSETS			
Fixed assets	5	64,080.41	72,585.19
TOTAL NON-CURRENT ASSETS		<u>64,080.41</u>	<u>72,585.19</u>
TOTAL ASSETS		<u>375,724.30</u>	<u>428,785.68</u>
CURRENT LIABILITIES			
Trade and other payables	6	18,860.85	26,152.83
Tax liabilities	7	13,830.85	20,661.78
Other liabilities	8	0.00	43,590.00
TOTAL CURRENT LIABILITIES		<u>32,691.70</u>	<u>90,404.61</u>
NON CURRENT LIABILITIES			
Trade and other payables	6	9,836.07	7,795.89
Other liabilities	8	0.00	0.00
TOTAL NON CURRENT LIABILITIES		<u>9,836.07</u>	<u>7,795.89</u>
TOTAL LIABILITIES		<u>42,527.77</u>	<u>98,200.50</u>
NET ASSETS		<u>333,196.53</u>	<u>330,585.18</u>
MEMBERS FUNDS			
Retained earnings	9	333,196.53	330,585.18
TOTAL EQUITY		<u>333,196.53</u>	<u>330,585.18</u>

MERREDIN COMMUNITY RESOURCE CENTRE INC.

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019**

INCOME	2019	2018
Administration	6,643.18	6,619.50
Advertising	78,120.31	92,504.70
Artwork	1,299.87	859.01
Catering	13,764.37	9,011.48
Contracts	166,470.24	155,842.15
Disputed transactions - Revenue	-	83.75
Distribution	28,326.65	30,010.89
Equipment Hire	830.53	1,194.50
Funding	61,984.46	53,998.61
Gift / Donation	2,488.00	-
Interest Income	4,135.00	2,509.72
Memberships	563.59	281.79
Office/Operational	15,768.92	16,669.79
Other Revenue	-	914.59
Postage Inc	3,818.59	49.80
Printing	16,641.50	10,971.55
Returns	(4,250.74)	(3,320.78)
Room Hire	19,429.28	14,125.88
Stalls	2,966.37	3,427.73
Subscriptions	829.16	487.23
	419,829.28	396,241.89

EXPENDITURE

Depreciation	8,504.78	8,504.78
Reconciliation Discrepancies	-	(2.61)
Carry Over Grant	-	4,200.00
Unbudgeted Expense (Project Acc)	4,552.00	5,372.03
Administration (Exp)	8,700.91	5,740.94
Advertising (Exp)	4,280.03	1,496.23
Assistance (Exp)	1,410.00	675.91
Bad Debts	300.53	-
Maintenance	887.87	-
Buildings (Exp)	-	1,768.25
Catering (Exp)	7,914.76	6,537.60
Cleaning	403.21	-
Commission (Exp)	2,454.07	2,466.83
Commission for Advertising	-	27.95
Disputed transactions - Expense	-	92.75
Entertainment (Exp)	1,484.23	623.27
Equipment (Exp)	2,213.68	5,335.17
Fees (Exp)	2,331.89	2,880.40

The accompanying notes form part of this special purpose financial report.
To be read in conjunction with the compilation report.

MERREDIN COMMUNITY RESOURCE CENTRE INC.

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019**

EXPENDITURE (Continued)	2019	2018
Fees ATO Interest Charge (Exp)	420.00	122.03
Funding (Exp)	2,579.04	5,820.91
Gift/donation	123.43	31.82
ICT - Information, Communication, Technology	20,357.21	10,505.52
Memberships (Exp)	881.36	781.36
Office/Operational (Exp)	22,499.07	16,608.42
Postage (Exp)	4,579.67	657.27
Power buildings	6,843.06	3,286.15
Presenteers	1,100.00	-
Printing (Exp)	54,426.36	55,041.04
Water Buildings	1,186.99	372.92
Professional Development	-	155.20
Wages	237,002.49	207,535.56
Superannuation expense account	21,757.33	19,184.16
Movement in Provision for Annual Leave	(4,016.22)	7,961.04
Movement in Provision for L.S.L.	2,040.18	2,335.51
TOTAL EXPENDITURE	<u>417,217.93</u>	<u>376,118.41</u>
Profit / (Loss) before income tax	<u>2,611.35</u>	<u>20,123.48</u>
Income tax expense	-	-
Profit / (Loss) after income tax	<u>2,611.35</u>	<u>20,123.48</u>

The accompanying notes form part of this special purpose financial report.
To be read in conjunction with the compilation report.

MERREDIN COMMUNITY RESOURCE CENTRE INC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Framework

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Act 2015 (WA)*. The committee has determined that the Association is not a reporting entity.

Statement of Compliance

The financial report has been prepared in accordance with *Associations Incorporation Act 2015 (WA)*, the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101: *Presentation of Financial Statements*, AASB 107: *Cash Flow Statements*, AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1031: *Materiality* and AASB 1054: *Australian Additional Disclosures*.

The committee has specifically determined that the application of the following standards is not applicable and due to the materiality of the Associations transactions and non reporting status:

- AASB 9 Financial Instruments,
- AASB15 Revenue from Contracts with Customers,
- AASB 16 Leases
- AASB1058 Income of Not-for-Profit Entities

Basis of Preparation

The financial statements have been prepared on an accrual basis and are based on historical costs. They do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

(a) INCOME TAX

The Community Resource Centre is exempt from income tax under section 51-15 of the Income Tax Assessment Act 1997 (As amended).

(b) CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short term highly liquid investments with original matures of less than 12 months.

MERREDIN COMMUNITY RESOURCE CENTRE INC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

(c) IMPAIRMENT OF ASSETS

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

(d) PROPERTY PLANT AND EQUIPMENT

All property plant and equipment that was acquired up to the financial year ended 30 June 2016, is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

As of 1 July 2016, all property, plant and equipment that are acquired are expensed within the financial year as opposed to being depreciated over the useful lives of the assets.

(e) EMPLOYEE BENEFITS

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured or recorded at the current value as if the liability was due at balance sheet date and not at when expected to be paid when the liability is due in the future.

(f) REVENUE AND OTHER INCOME

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the Association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

All revenue is stated net of the amount of goods and services tax.

MERREDIN COMMUNITY RESOURCE CENTRE INC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

(g) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the assets and liabilities statement are shown inclusive of GST.

(h) ACCOUNTS RECEIVABLE AND OTHER DEBTORS

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(I) ACCOUNTS PAYABLE AND OTHER PAYABLES

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(J) NEW AND AMENDED ACCOUNTING POLICIES

The Association has not applied the following standards

- AASB 9 Financial Instruments,
- AASB15 Revenue from Contracts with Customers,
- AASB 16 Leases
- AASB1058 Income of Not-for-Profit Entities

There were no financial assets/liabilities which the Association had previously designated as at fair value through profit or loss under AASB 139: *Financial Instruments: Recognition and Measurement* that were subject to reclassification/elected reclassification upon the application of AASB 9.

There were no financial assets/liabilities which the Association has elected to designate as at fair value through profit or loss at the date of initial application of AASB 9.

NOTE 2 GOING CONCERN AND ECONOMIC DEPENDENCY

The organisation is dependent upon the continued financial support of its members and government funding in order to remain a going concern and it is the committee's belief that such financial support will continue to be made available.

MERREDIN COMMUNITY RESOURCE CENTRE INC.

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
NOTE 3 CASH AND CASH EQUIVALENTS		
MCRC Cash Reserve	54,113.82	138,732.13
MCRC Debit Card	1,556.35	560.76
MCRC Project Account	7,774.28	14,145.42
MCRC Term Deposits	225,519.35	101,775.08
Westpac Business One	7,085.50	85,875.50
TOTAL CASH AND CASH EQUIVALENTS	<u>296,049.30</u>	<u>341,088.89</u>
NOTE 4 TRADE AND OTHER RECEIVABLES		
Accounts Receivable	15,594.59	15,111.60
TOTAL TRADE AND OTHER RECEIVABLES	<u>15,594.59</u>	<u>15,111.60</u>
NOTE 5 FIXED ASSETS		
Land & Buildings		
Fixed Assets - at cost	96,507.19	96,507.19
Less : Accum Depreciation	(32,426.78)	(23,922.00)
Computer Equipment		
TOTAL FIXED ASSETS	<u>64,080.41</u>	<u>72,585.19</u>
NOTE 6 TRADE AND OTHER PAYABLES		
Current		
Trade Creditors	883.41	(505.90)
Provision for Annual Leave	17,977.44	21,993.66
Superannuation Payable	0.00	4,665.07
TOTAL CURRENT TRADE AND OTHER PAYABLES	<u>18,860.85</u>	<u>26,152.83</u>
Non Current		
Provision for Long Service Leave	9,836.07	7,795.89
TOTAL NON CURRENT TRADE AND OTHER PAYABLES	<u>9,836.07</u>	<u>7,795.89</u>

MERREDIN COMMUNITY RESOURCE CENTRE INC.

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
NOTE 7 TAX LIABILITIES		
GST Payable / (Refundable)	7,834.85	11,349.78
PAYG	5,996.00	9,312.00
TOTAL TAX LIABILITIES	<u>13,830.85</u>	<u>20,661.78</u>
NOTE 8 OTHER LIABILITIES		
Current		
Unexpended Grant Money	0.00	43,590.00
TOTAL CURRENT OTHER LIABILITIES	<u>0.00</u>	<u>43,590.00</u>
Non Current		
- N/A	-	-
TOTAL NON CURRENT LIABILITIES	<u>-</u>	<u>-</u>
NOTE 9 RETAINED EARNINGS		
Retained earnings at the beginning of the financial year	330,585.18	310,461.70
Current year earnings / (losses)	2,611.35	20,123.48
TOTAL RETAINED EARNINGS	<u>333,196.53</u>	<u>330,585.18</u>

MERREDIN COMMUNITY RESOURCE CENTRE INC

STATEMENT BY MEMBERS OF THE COMMITTEE

Associations Incorporation Reform Act 2012
ss 94(2)(b), 97(2)(b) and 100(2)(b)

Annual Statements Give True and Fair View of Financial Position of Incorporated
Association

We, the undersigned, being members of the committee of Merredin Community Resource Centre Inc, certify that –

- The statements attached to this certificate give a true and fair view of the financial position and performance of Merredin Community Resource Centre Inc during and at the end of the financial year of the association ending on 30 June 2019.
- The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

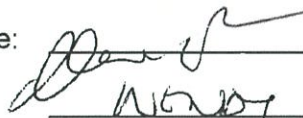
Chairperson's signature:



Chairperson's name:

P. R. PATRONI

Treasurer's signature:



Treasurer's name:

WENDY PORTUL

Dated this 23 day in JULY 2019.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MERREDIN COMMUNITY RESOURCE CENTRE INC**

Opinion

We have audited the financial report of Merredin Community Resource Centre Inc (the Association), which comprises the assets and liabilities statement as at 30 June 2019, the income and expenditure statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the Association.

In our opinion, the accompanying financial report presents fairly, in all material, the financial position of the Association as at 30 June 2019 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Act 2015 (WA).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of the *Associations Incorporation Act 2015 (WA)*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Committee for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Incorporation Act 2015 (WA)* and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Acnode Corporate Pty Ltd
Authorised Audit Company
PO Box 313, Dianella WA 6059



Toni Angelevski
Director

Dated this 26TH day of July 2019 in Dianella, WA

SHIRE OF MERREDIN

AND

MERREDIN COMMUNITY RESOURCE CENTRE

FREEHOLD LEASE

Portion of Old Council Administration Office
Lot 200, 110 Barrack Street
MERREDIN WA 6415

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This lease is made on the First day of March 2015 (01 March 2015)

Shire of Merredin

of Cnr Barrack & King Streets, PO Box 42, Merredin, Western Australia
(Lessor)

and

MERREDIN COMMUNITY RESOURCE CENTRE
110 BARRACK STREET
MERREDIN WA 6415
of Western Australia
(Lessee)

Recitals

The Lessor has agreed to grant to the Lessee a lease of the Premises on the provisions of this Lease.

Operative Part

The Parties agree:

1 Definitions

In this Lease, unless otherwise required by the context or subject matter:

“**Alterations**” means any of the acts referred to in clause 11(1)(a) to (c).

“**Amounts Payable**” means the Rent and any other money payable by the Lessee under this Lease;

“**Authorised Person**” means:

- (a) an agent, employee, licensee or invitee of the Lessee; and
- (b) any person visiting the Premises with the express or implied consent of any person mentioned in paragraph (a);

“**CEO**” means the Chief Executive Officer for the time being of the Lessor or any person appointed by the Chief Executive Officer to perform any of her or his functions under this Lease;

"Commencement Date" means the date of commencement of the Term specified in **Item 4** of the Schedule;

"CPI" means the Consumer Price Index (All Groups) Perth number published from time to time by the Australian Bureau of Statistics;

"Encumbrance" means a mortgage, charge, lien, pledge, easement, restrictive covenant, writ, warrant or caveat and the claim stated in the caveat or anything described as an encumbrance on the Certificate of Crown Land Title for the Land;

"Further Term" (if any) means the further term specified in **Item 3** of the Schedule;

"Interest Rate" means the rate at the time the payment falls due being 2% greater than the Lessor's general overdraft rate on borrowings from its bankers on amounts not exceeding \$100,000.00;

"Land" means the land described at **Item 1** of the Schedule;

"Lease" means this deed as supplemented, amended or varied from time to time;

"Lessee's Covenants" means the covenants, agreements and obligations set out or implied in this Lease or imposed by law to be performed and observed by any person other than the Lessor;

"Lessor's Covenants" means the covenants, agreements and obligations set out or implied in this Lease, or imposed by law to be performed and observed by the Lessor;

"Notice" means each notice, demand, consent or authority given or made to any person under this Lease;

"Party" means the Lessor or the Lessee according to the context;

"Permitted Purpose" means the purpose set out in **Item 8** of the Schedule;

"Premises" means the premises described in **Item 1** of the Schedule;

"Rent" means the rent specified in **Item 5** of the Schedule as varied from time to time under this Lease;

"Rent Period" means each period from the Commencement Date or a Rent Review Date to the next Rent Review Date or Termination;

"Schedule" means the Schedule to this Lease;

"Term" means the term of years specified in **Item 2** of the Schedule; and

"Termination" means the date of:

- (a) expiry of the Term or any Further Term by effluxion of time;

- (b) sooner determination of the Term or any Further Term; or
- (c) determination of any period of holding over.

2 Interpretation

In this Lease, unless expressed to the contrary:

- (1) Words importing:
 - (a) the singular include the plural;
 - (b) the plural include the singular; and
 - (c) any gender include each gender;
- (2) A reference to:
 - (a) a natural person includes a body corporate or local government;
 - (b) a body corporate or local government includes a natural person;
 - (c) a professional body includes a successor to or substitute for that body;
 - (d) a Party includes its legal personal representatives, successors and assigns and if a Party comprises two or more persons, the legal personal representatives, successors and assigns of each of those persons;
 - (e) a statute, includes an ordinance, code, regulation, award, town planning scheme, regulation, local law, by-law, requisition, order or other statutory instrument made under any of them and a reference to any of them, whether or not by name, includes any amendments to, re-enactments of or replacements of any of them from time to time in for
 - (f) a right includes a benefit, remedy, discretion, authority or power;
 - (g) an obligation includes a warranty or representation and a reference to a failure to observe or perform an obligation includes a breach of warranty or representation;
 - (h) this Lease or provisions of this Lease or any other deed, agreement, instrument or contract includes a reference to:
 - (a) both express and implied provisions; and
 - (b) that other deed, agreement, instrument or contract as varied, supplemented, replaced or amended;

- (i) writing includes any mode of representing or reproducing words in tangible and permanently visible form and includes facsimile transmissions;
 - (j) any thing (including, without limitation, any amount) is a reference to the whole or any part of it and a reference to a group of things or persons is a reference to any one or more of them; and
 - (k) a subparagraph, paragraph, subclause, clause, Item, Schedule, Annexure or Appendix is a reference to, respectively, a subparagraph, paragraph, subclause, clause, Item, Schedule, Annexure or Appendix of this Lease;
- (3) The covenants and obligations on the part of the Lessee not to do or omit to do any act or thing include:
- (a) covenants not to permit that act or thing to be done or omitted to be done by an Authorised Person; and
 - (b) a covenant to do everything necessary to ensure that that act or thing is not done or omitted to be done;
- (4) Except in the Schedule, headings do not affect the interpretation of this Lease; and
- (5) If a Party comprises two or more persons, the covenants and agreements on their part bind them and must be observed and performed by them jointly and each of them severally, and may be enforced against any one or more of them.

3 Grant of lease

- (a) The Lessor leases to the Lessee the Premises subject to all Encumbrances for the Term subject to:
 - (i) the payment of the Amounts Payable; and
 - (ii) the performance and observance of the Lessee's Covenants.
- (b) The Lessee accepts the Lease granted by the Lessor under this clause.

4 Quiet enjoyment

Except as provided in the Lease, and subject to the performance and observance of the Lessee's Covenants, the Lessee may quietly hold and enjoy the Premises during the Term without any interruption or disturbance from the Lessor or persons lawfully claiming through or under the Lessor.

5 Rent and other payments

(1) Amounts to be Paid by Lessee

The Lessee covenants with the Lessor:

(a) Rent

to pay to the Lessor the Rent in the manner set out at **Item 5** of the Schedule on and from the Commencement Date clear of any deductions.

(b) Outgoings

to pay to the Lessor or to such person as the Lessor may from time to time direct all of the outgoings or charges, assessed or incurred in respect of the Premises specified in **Item 6** of the Schedule.

(c) Interest

without affecting the rights, power and remedies of the Lessor under this Lease, to pay to the Lessor interest on demand on any Amounts Payable which are unpaid for 7 days computed from the due date for payment until payment is made and any interest payable under this paragraph will be charged at the Interest Rate.

(d) Costs

(i) to pay to the Lessor on demand:

- (A) any statutory duty or tax payable on or in connection with this Lease;
- (B) all registration fees in connection with this Lease; and
- (C) all legal costs of and incidental to the instructions for the preparation and execution of this Lease.

(ii) to pay to the Lessor all costs, legal fees, disbursements and payments incurred by or for which the Lessor is liable in connection with or incidental to:

- (A) the Amounts Payable or obtaining or attempting to obtain payment of the Amounts Payable under this Lease;
- (B) any breach of covenant by the Lessee or an Authorised Person;
- (C) the preparation and service of a notice under section 81 of the *Property Law Act 1969* requiring the Lessee to

remedy a breach even though forfeiture for the breach may be avoided in a manner other than by relief granted by a Court;

- (D) any work done at the Lessee's request; and
- (E) any action or proceedings arising out of or incidental to any matters referred to in **paragraph (d)** or any matter arising out of this Lease.

(2) Payment of Money

Amounts Payable to the Lessor under this Lease must be paid to the Lessor at the address of the Lessor referred to in this Lease or as otherwise directed by the Lessor by Notice from time to time.

6 Accrual of amounts payable

Amounts Payable accrue on a daily basis.

7 Insurance

(1) Insurances to be Effected

The Lessor will effect and maintain the insurance policies specified in **Item 7** of the Schedule as the responsibility of the Lessor and the Lessee must effect and maintain with insurers approved by the Lessor, and with the Lessor's interest noted on the policy, any insurance policy specified as the responsibility of the Lessee in **Item 7** of the Schedule.

(2) Details and Receipts

In respect of any insurances required to be effected and maintained by the Lessee, the Lessee must:

- (a) on demand supply to the Lessor details of the insurance and give to the Lessor copies of certificates of currency;
- (b) promptly pay all premiums and produce to the Lessor each policy or certificate of currency and each receipt for premiums paid or each certificate of currency issued by the insurers approved by the Lessor; and
- (c) notify the Lessor immediately when a policy of insurance is cancelled.

(3) Not to Invalidate

The Lessee must:

- (a) not do or omit to do any act or thing or bring or keep anything on the Premises which might:
 - (i) render the insurance on the Premises or any adjoining premises void or voidable; or
 - (ii) cause the rate of a premium to be increased for the Premises or any adjoining premises;
- (b) pay any increase in the rate of a premium referred to in paragraph (a) on the demand of the Lessor;
- (c) pay any excess in regard to any identified in **Item 7** of the Schedule and
- (d) notify the Lessor when an event occurs which gives rise or might give rise to a claim under, or which could prejudice, a policy of insurance.

(4) Report

Each Party must report to the other promptly in writing and in an emergency verbally:

- (a) any damage to the Premises of which they are or might be aware; and
- (b) any circumstances of which they are aware and which are likely to be a danger or cause any damage or danger to the Premises or to any person in or on the Premises.

(5) Settlement of Claim

The Lessor may, but the Lessee may not without prior written consent of the Lessor, settle or compromise any claims under any policy of insurance required by **subclause (1)**.

(6) Lessor as Attorney

The Lessee irrevocably appoints the Lessor as the Lessee's attorney during the Term:

- (a) in respect to all matters and questions which may arise in relation to any policy of insurance required by **subclause (1)**;
- (b) with full power to demand, sue for and recover and receive from any insurance company or society or person liable to pay the insurance money as are payable for the risks covered by the insurance policies required by **subclause (1)**;
- (c) to give good and effectual receipts and discharges for the insurance policies required by **subclause (1)**; and

- (d) to settle, adjust, arbitrate and compromise all claims and demands and generally to exercise all powers of absolute owner.

8 Indemnity

(1) Indemnity

The Lessee indemnifies the Lessor against any liability or loss arising from and any costs, charges and expenses incurred in connection with:

- (a) any damage to the Premises, or any loss of or damage to anything on it; and

- (b) any injury to any person on the Premises,

and for which the Lessor becomes liable.

(2) Indemnity Unaffected by Insurance

The Lessee's obligation to indemnify the Lessor under this Lease or at law is not affected by the Lessee's obligation to insure under **clause 7** or at law and the indemnity under **subclause (1)** is paramount.

(3) Receipt of Insurance Money

If insurance money is received by the Lessor for any of the obligations set out in this clause, then the Lessee's obligations under **subclause (1)** will be reduced by the extent of such payment.

9 Limit of lessor's liability

The Lessor will not be liable for loss, damage or injury to any person or property in or about the Premises however occurring and the Lessor will not be liable for any failure to perform and observe any of the Lessor's Covenants due to any cause beyond the Lessor's control.

10 Maintenance, repair and cleaning

(1) Maintenance

- (a) The Lessee must, at its own expense, undertake the maintenance of the Premises specified in **Appendix 1** to this Lease.

- (b) In addition to, and notwithstanding the specificity of the maintenance obligations provided for in **Appendix 1**, the Lessee must keep the Premises in good, safe, clean and tenantable repair at all times.

- (c) The Lessee must comply with all reasonable conditions that may be imposed by the Lessor from time to time in relation to any maintenance of the Premises required to be undertaken by the Lessee under subclause (1)(a) or (b); and
- (d) The Lessee must take such reasonable action as is necessary to:
 - (i) prevent, if it has occurred as a result of the Lessee's use of the Premises; and
 - (ii) rectify or otherwise ameliorate,

the effects of erosion, drift or movement of sand, soil, dust or water on or from the Premises.
- (e) The Lessor shall maintain any fire safety equipment on the Premises, which maintenance shall include undertaking all regular checks of equipment and ensuring that the Premises meets any prescribed standards, as required by any written law or as otherwise reasonable directed by the Lessor.
- (f) The Lessee must keep the Premises free of any vermin and termites and the cost of extermination will be borne by the Lessee.
- (g) If the Lessee fails to keep the Premises free from vermin or termite activity, the Lessor may arrange for extermination and the costs shall be borne by the Lessee.

(2) Repair

The Lessee must promptly repair at its own expense to the satisfaction of the Lessor any damage to the Premises, regardless of how it is caused, and replace any of the Lessor's fixtures and fittings which are or which become damaged.

(3) Cleaning

The Lessee must at all times keep the Premises clean, tidy, unobstructed and free from dirt and rubbish and must not leave rubbish bins or containers outside the Premises other than on official rubbish collections days.

(4) Acknowledgement of State of Repair of Premises

The Lessee acknowledges that it has inspected the structure of the Premises internally and externally prior to the execution of this Lease and enters into the Lease with full knowledge of the structural state and state of repair of the Premises.

11 Alterations

(1) Restriction

The Lessee must not:

- (a) make or allow to be made any alteration, addition or improvements to or demolish any part of the Premises;
- (b) erect or construct any building on the Premises;
- (c) remove, alter or add to any fixtures, fittings or facilities in or on the Premises; or
- (d) subject to the performance of any obligations under **clause 10**, remove any flora, trees or fauna, alter or cut down any flora, or sell, remove or otherwise dispose of any flora, sand, gravel, timber or other materials from the Premises,

unless the Lessee has obtained the prior written consent of:

- (e) of the Lessor;
- (f) of any other person from whom consent is required under this Lease;
- (g) of the insurers approved under **clause 7**,

and the Parties agree that any consent may be given upon certain conditions (“Conditions”).

(2) Consent

If the Lessor:

- (a) and all other persons whose consent is required under this Lease or at law consents to any matter referred to in **subclause (1)** the Lessor may:
 - (i) require that work be carried out in accordance with plans and specifications approved by the Lessor or any other person giving consent; and
 - (ii) require that any alteration be carried out to the satisfaction of the Lessor under the supervision of an engineer or other consultant; and
- (b) consents to any matter referred to in **subclause (1)**:

- (i) the Lessor gives no warranty that the Lessor will issue any consents, approvals, authorities, permits or policies under any statute for such matters; and
- (ii) the Lessee must apply for and obtain all such consents, approvals, authorities, permits or policies as are required at law before undertaking any alterations, additions, improvements or demolitions.

(3) Work to be at Lessee's Expense

All works undertaken under this clause will be carried out at the Lessee's expense.

(4) Conditions

- (a) Subject to clause 11(4)(b), if any of the persons referred to in clause 11(1)(e) to (g) impose Conditions with respect to the proposed Alterations, the Lessee must comply with the Conditions if it is entitled at law to proceed to make the Alterations and does so proceed.
- (b) If any of the Conditions require other works to be done by the Lessee, then the Lessee must at the option of the Lessor either:
 - (i) carry out those other works at the Lessee's expense; or
 - (ii) permit the Lessor to carry out those other works at the Lessee's expense,

in accordance with the Lessor's requirements.

12 Use

(1) Restrictions on Use

The Lessee must not and must not suffer or permit a person to:

- (a) use the Premises for any purpose other than for the Permitted Purpose;
- (b) use the Premises for any purpose which is not permitted under any town planning scheme or any law relating to health;
- (c) do or carry out on the Premises any harmful, offensive, or illegal act, matter or thing;
- (d) do or carry out on the Premises any thing which causes a nuisance, damage or disturbance to the Lessor or to owners or occupiers of adjoining properties;

- (e) store any dangerous compound or substance on or in the Premises;
- (f) do any act or thing which might result in excessive stress or harm to any part of the Premises; or
- (g) display from or affix any signs, notices or advertisements on the Premises without the prior written consent of the Lessor.

(2) No Warranty

The Lessor gives no warranty:

- (a) as to the use to which the Premises may be put; or
- (b) that the Lessor will issue any consents, approvals, authorities, permits or licences required by the Lessee under any statute for its use of the Premises.

(3) Premises Subject to Restriction

The Lessee accepts the Premises for the Term subject to any existing prohibition or restriction on the use of the Premises.

(4) Indemnity for Costs

The Lessee indemnifies the Lessor against any claims or demands for all costs, on a solicitor client basis, incurred by the Lessor by reason of any claim in relation to any matters set out in **subclauses (1) to (3)**.

13 Lessor's right of entry

(1) Entry on Reasonable Notice

The Lessee or any Authorised Person must permit entry by the Lessor or any person authorised by the Lessor, on reasonable notice, except in the case of an emergency, onto the Premises:

- (a) at all reasonable times;
- (b) with or without workmen and others;
- (c) with or without plant, equipment, machinery and materials; and
- (d) for each of the following purposes:
 - (i) to inspect the state of repair of the Premises and to ensure compliance with the provisions of this Lease;

- (ii) to carry out any survey or works which the Lessor considers necessary, however the Lessor will not be liable to the Lessee for any compensation for such survey or works provided they are carried out in a manner which causes as little inconvenience as is reasonably possible to the Lessee;
- (iii) to comply with the Lessor's Covenants under this Lease or to comply with any notice or order of any authority in respect of the Premises for which the Lessor is liable; and
- (iv) to do all matters or things to rectify any breach by the Lessee of any of the Lessee's Covenants, but the Lessor is under no obligation to rectify any breach and any rectification under this subparagraph is without prejudice to the Lessor's other rights, remedies or powers under this Lease.

(2) Costs of Rectifying Breach

All costs and expenses incurred by the Lessor as a result of any breach referred to in subclause (1)(iv) together with any interest payable on such sums, will be a debt due to the Lessor and payable to the Lessor by the Lessee on demand.

14 Statutory obligations & notices

(1) Comply with Statutes

The Lessee must:

- (a) comply promptly with all statutes relating to the Premises or to the Lessee's use of the Premises;
- (b) apply for, obtain and maintain in force all consents, approvals, authorities, licences and permits required under any statute for the use of the Premises for the Permitted Purpose;
- (c) ensure that all obligations in regard to payment for copyright or licensing fees are paid to the appropriate person for all performances, exhibitions or displays held on the Premises; and
- (d) comply promptly with all orders, notices, requisitions or directions of any competent authority relating to the Premises or to the business the Lessee carries on the Premises.

(2) Indemnity if Fails to Comply

The Lessee indemnifies the Lessor against:

- (a) failing to perform, discharge or execute any of the items referred to in subclause (1); and

- (b) any claims, demands, costs or other payments of or incidental to any of the items referred to in subclause (1).

15 Report to lessor

The Lessee must immediately report to the Lessor:

- (a) any act of vandalism or any incident which occurs on or near the Premises which involves or is likely to involve a breach of the peace or become the subject of a report or complaint to the police;
- (b) any occurrence or circumstances in or near the Premises, of which it becomes aware, which might reasonably be expected to cause, in or on the Premises, pollution of the environment; and
- (c) all notices, orders and summonses received by the Lessee and which affect the Premises and immediately give them to the Lessor.

16 Default

(1) Events of Default

A default occurs if:

- (a) any Amounts Payable remain unpaid for 7 days after becoming due whether or not a demand or Notice has been given to the Lessee;
- (b) the Lessee is in breach of any of the Lessee's Covenants (other than the covenant to pay the Amounts Payable) for 14 days after a Notice has been given to the Lessee to rectify the breach or to pay compensation in money;
- (c) an order is made or a resolution effectively passed for the winding up of the Lessee unless the winding up is for the purpose of amalgamation or reconstruction;
- (d) a controller, as defined by the *Corporations Act 2001*, is appointed in respect of the property of the Lessee under this Lease;
- (e) a mortgagee takes possession of the property of the Lessee under this Lease;
- (f) any execution or similar process is made against the Lessee's property on the Premises;
- (g) the Premises are vacated by the Lessee prior to Termination;

- (h) a person other than the Lessee or a permitted sublessee or assignee is in occupation or possession of the Premises or in receipt of rents or profits; or
- (i) any application is made or notice given or any other procedure started by which the registration of the Lessee is to be cancelled or dissolved under the *Corporations Act 2001*.

(2) Forfeiture

On the occurrence of any of the events of default specified in **subclause (1)** the Lessor may:

- (a) without Notice or demand at any time enter the Premises and on re-entry the Term will immediately determine;
- (b) by Notice to the Lessee determine this Lease and from the date of giving such Notice this Lease will be absolutely determined; and
- (c) by Notice to the Lessee elect to convert the unexpired portion of the Term into a tenancy from month to month, when this Lease will be determined as from the giving of the Notice, and until the tenancy is determined the Lessee will hold the Premises from the Lessor as a tenant from month to month under **clause 19**,

but without affecting the right of action or other remedy which the Lessor has in respect of any other breach by the Lessee of the Lessee's Covenants or releasing the Lessee from liability in respect of the Lessee's Covenants.

(3) Lessor May Remedy Breach

If the Lessee:

- (a) fails or neglects to pay the Amounts Payable by the Lessee under this Lease; or
- (b) does or fails to do anything which constitutes a breach of the Lessee's Covenants,

then the Lessor may without affecting any right, remedy or power arising from that default pay the money due or do or cease the doing of the breach as if it were the Lessee and the Lessee must pay to the Lessor on demand the Lessor's costs and expenses of remedying each breach or default.

(4) Acceptance of Amounts Payable By Lessor

Demand for or acceptance of the Amounts Payable by the Lessor after an event of default has occurred will not affect the exercise by the Lessor of the rights and powers conferred on the Lessor by the provisions of this Lease or at law

and will not operate as an election by the Lessor to exercise or not to exercise any right or power.

(5) Essential Provisions

Each of the Lessee's Covenants in **clauses 5** (Rent and Other Payments), **7** (Insurance), **8** (Indemnity), **10** (Maintenance, Repair and Cleaning), **12** (Use), **23** (Assignment, Subletting and Charging) and **34** (Goods and Services Tax) is an essential provision of this Lease, but this subclause does not mean or imply that there are no other essential provisions in this Lease.

(6) Breach of Essential Provisions

If the Lessee breaches an essential provision of this Lease then, in addition to any other remedy or entitlement of the Lessor:

- (a) the Lessee must compensate the Lessor for the loss or damage suffered by reason of the breach of that essential provision;
- (b) the Lessor will be entitled to recover damages against the Lessee in respect of the breach of an essential provision; and
- (c) the Lessee covenants with the Lessor that if the Term is determined:
 - (i) for breach of an essential provision or the acceptance by the Lessor of a repudiation of this Lease by the Lessee; or
 - (ii) following the failure by the Lessee to comply with any Notice given to the Lessee to remedy any default,

the Lessee must pay to the Lessor on demand the total of the Amounts Payable under this Lease which would have been payable by the Lessee for the unexpired balance of the Term as if the Term had expired by effluxion of time, together with the losses incurred or reasonably expected to be incurred by the Lessor as a result of the early determination including, but not limited to, the costs of reletting or attempting to re-let the Premises.

(7) Subclause (6)(c) to Survive Termination

The Lessee agrees that the covenant set out in **subclause (6)(c)** will survive Termination or any deemed surrender at law of the estate granted by this Lease.

(8) Lessee may Deduct Amounts for Re-letting

The Lessee may deduct from the amounts referred to in **subclause (6)(c)** the Rent and other money which the Lessor reasonably expects to obtain by re-letting the Premises between the date of the determination of this Lease and the date on which the Term would have expired by effluxion of time.

(9) Lessor to Mitigate its Losses

The Lessor must take reasonable steps to mitigate its losses and endeavour to relet the Premises at a reasonable rent and on reasonable provisions, but the Lessor is not required to offer or accept rent or provisions which are the same or similar to the Rent or provisions contained or implied in this Lease.

17 Damage or destruction

(1) Abatement of Rent

If the Premises are at any time during the Term, without neglect or default of the Lessee, destroyed or damaged by fire or other risk covered by insurance so as to render the same unfit for the occupation and use of the Lessee, then the Rent or a proportionate part thereof (according to the nature and extent of the damage) shall abate until the Premises have been rebuilt or made fit for the occupation and use of the Lessee, and in case of any dispute arising under this provision the same will be referred to arbitration under the provisions of the *Commercial Arbitration Act 1985* and the full Rent must be paid without any deduction or abatement until the date of the arbitrator's award whereupon the Lessor will refund to the Lessee any Rent which according to the award appears to have been overpaid.

(2) Termination

In the event that fifty per cent (50%) or more of the Premises are damaged or destroyed by fire or any like casualty the Lessor will have the option to be exercised by notice in writing delivered to the Lessee within sixty (60) days of such occurrence, to elect to cancel and terminate this Lease. The Term will terminate upon the third date after such notice is given and the Lessee must vacate the Premises and surrender the same to the Lessor but such termination will be without prejudice to the Lessor's rights in respect of any antecedent breach of this Lease.

18 Option to renew

(1) Exercise of Option

If:

- (a) there is a Further Term specified in **Item 3** of the Schedule;
- (b) at the date of exercise of the option in this clause and at the date of expiration of the Term the Lessee is not in arrears of payment of the Rent and there is no outstanding breach or non-observance of any of the Lessee's Covenants; and
- (c) the Lessee serves notice in writing on the Lessor not more than six (6) months nor less than three (3) months prior to the expiration of the Term of the Lessee's desire to renew the Term,

the Lessor will at the cost of the Lessee grant to the Lessee a further lease of the Premises for the further period specified in **Item 3** of the Schedule upon and subject to the same terms, covenants and conditions as are contained or implied in this Lease except this **clause 18**.

(2) Execution of Deed of Extension of Lease

Upon the valid exercise of any option to extend this Lease for a Further Term under **subclause (1)**, the Lessee shall prior to the expiration of the Term by effluxion of time, execute a deed recording the extension of this Lease prepared by the Lessor.

(3) Costs of Deed of Extension

The Lessee shall pay to the Lessor on demand any costs incurred in preparing the deed of extension of this Lease referred to in **subclause (2)**.

19 Holding over

If the Lessee remains in possession of the Premises after the expiry of the Term, and any Further Term granted, with the consent of the Lessor, the Lessee will be a monthly tenant of the Lessor at a rent equivalent to one twelfth of the Rent for the period immediately preceding expiry of the Term or Further Term and otherwise on the same provisions of this Lease, provided that all consents required under this Lease or at law have been obtained to the Lessee being in possession of the Premises as a monthly tenant.

20 Restore premises

Prior to Termination, the Lessee at the Lessee's expense must restore the Premises to a condition consistent with the observance and performance by the Lessee of the Lessee's Covenants under this Lease, fair wear and tear excepted.

21 Yield up the premises

(1) Peacefully Surrender

On Termination the Lessee must:

- (a) peacefully surrender and yield up to the Lessor the Premises in a condition consistent with the observance and performance of the Lessee's Covenants under this Lease; and
- (b) surrender to the Lessor all keys and security access devices and combinations for locks providing access to or within the Premises held by the Lessee, whether or not provided by the Lessor.

(2) Subclause (1) to Survive Termination

The Lessee's obligation under subclause (1) shall survive Termination.

22 Removal of property from premises

(1) Remove Property Prior to Termination

Prior to Termination, the Lessee must remove from the Premises all property of the Lessee including the Lessee's fixtures and promptly make good, to the satisfaction of the Lessor, any damage caused by the removal of that property or fixtures.

(2) Lessor can Remove Property on Re-Entry

On re-entry the Lessor will have the right to remove from the Premises any property of the Lessee, and the Lessee indemnifies the Lessor against all damage caused by the removal of and the cost of storing that property.

23 Assignment, subletting and charging

(1) No Assignment or Subletting without Consent

The Lessee must not assign the leasehold estate in the Premises nor sub-let, part with possession, or dispose of the Premises or any part of the Premises without the prior written consent of the Lessor and any other persons whose consent is required under this Lease or at law.

(2) Change in Ownership of Shares

If the Lessee is a corporation the shares in which are not quoted on any stock exchange in Australia, any change in the beneficial ownership, issue or cancellation of shares in that corporation or any holding company of that

corporation within the meaning of the *Corporations Act 2001* will be deemed to be an assignment of the leasehold estate created by this Lease.

(3) Lessor's Consent to Assignment and Subletting

Provided all parties whose consent is required under this Lease or at law to an assignment or subletting give their consent, then the Lessor may not unreasonably withhold its consent to the assignment or subletting of the leasehold estate created by this Lease if:

- (a) the proposed assignee or sublessee is a respectable and responsible person of good financial standing;
- (b) all Amounts Payable due and payable have been paid and there is no existing unremedied breach, whether notified to the Lessee or not, of any of the Lessee's Covenants;
- (c) the Lessee procures the execution by:
 - (i) the proposed assignee of a deed of assignment; or
 - (ii) the proposed sublessee of a deed of sublease,to which the Lessor is a party and which deed is prepared and completed by the Lessor's solicitors; and
- (d) the deed of assignment contains a covenant by the assignee with the Lessor to pay all Amounts Payable and to perform and observe all the Lessee's Covenants, or the deed of sublease contains a covenant by the sublessee with the Lessor, to pay all the Amounts Payable and to perform and observe all of the Lessee's Covenants in respect of the subleased area of the Premises.

(4) Consents of Assignee Supplementary

The covenants and agreements on the part of any assignee will be supplementary to the Lessee's Covenants and will not release the assigning lessee from the Lessee's Covenants.

(5) Property Law Act 1969

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

(6) Costs for Assignment and Subletting

If the Lessee wishes to assign or sublet the leasehold estate created by this Lease, the Lessee must pay all reasonable professional and other costs, charges and expenses, incurred by the Lessor or other person whose consent is required under this Lease, of and incidental to:

- (a) the enquiries made by or on behalf of the Lessor as to the respectability, responsibility and financial standing of each proposed assignee or sublessee;
- (b) any consents required under this Lease or at law; and
- (c) all other matters relating to the proposed assignment or subletting, whether or not the assignment or subletting proceeds.

(7) No Mortgage or Charge

The Lessee must not mortgage or charge the Premises.

24 Acts by agents

All acts and things which the Lessor is required to do under this Lease may be done by the Lessor, the CEO, an officer or the agent, solicitor, contractor or employee of the Lessor.

25 Governing law

This Lease is governed by and is to be interpreted in accordance with the laws of Western Australia and, where applicable, the laws of the Commonwealth of Australia.

26 Statutory powers

The powers conferred on the Lessor by or under any statutes are, except to the extent that they are inconsistent with the provisions of this Lease, in addition to the powers conferred on the Lessor in this Lease.

27 Notice

(1) Form of Delivery

A Notice to a Party must be in writing and may be given or made:

- (a) by delivery to the Party personally; or
- (b) by addressing it to the Party and leaving it at or posting it by registered post to the address of the Party appearing in this Lease or any other address nominated by a Party by Notice to the other.

(2) Service of Notice

A Notice to a Party is deemed to be given or made:

- (a) if by personal delivery, when delivered;

- (b) if by leaving the Notice at an address specified in **subclause (1)(b)**, at the time of leaving the Notice, provided the Notice is left during normal business hours; and
- (c) if by post to an address specified in **subclause (1)(b)**, on the second business day following the date of posting of the Notice.

(3) Signing of Notice

A Notice to a Party may be signed:

- (a) if given by an individual, by the person giving the Notice;
- (b) if given by a corporation, by a director, secretary or manager of that corporation;
- (c) if given by a local government, by the CEO;
- (d) if given by an association incorporated under the *Associations Incorporation Act 1987*, by any person authorised to do so by the board or committee of management of the association; or
- (e) by a solicitor or other agent of the individual, corporation, local government or association giving the Notice.

28 Severance

If any part of this Lease is, or becomes, void or unenforceable that part is or will be, severed from this Lease to the intent that all parts that are not, or do not become, void or unenforceable remain in full force and effect and are unaffected by that severance.

29 Disputes

(1) Appointment of Arbitrator

Except as otherwise provided, any dispute arising out of this Lease is to be determined by a single arbitrator under the provisions of the *Commercial Arbitration Act 1985* and the Lessor and the Lessee may each be represented by a legal practitioner.

(2) Payment of Amounts Payable to Date of Award

The Lessee must pay the Amounts Payable without deduction to the date of the award of the Arbitrator or the date of an agreement between the Parties whichever event is the earlier, and if any money paid by the Lessee is not required to be paid within the terms of the award of the Arbitrator or by agreement between the Lessor and the Lessee, then the Lessor will refund to the Lessee the money paid.

30 Variation

This Lease may be varied only by deed executed by the Parties subject to such consents as are required by this Lease or at law.

31 Moratorium

The provisions of a statute which would but for this clause extend or postpone the date of payment of money, reduce the rate of interest or abrogate, nullify, postpone or otherwise affect the provisions of this Lease do not, to the fullest extent permitted by law, apply to limit the provisions of this Lease.

32 Further assurance

The Parties must execute and do all acts and things necessary or desirable to implement and give full effect to the provisions of this Lease.

33 Waiver

(1) No General Waiver

A failure by the Lessor to exercise or its delay in exercising any right, power or privilege in this Lease does not operate as a waiver of or otherwise impair that right, power or privilege.

(2) Partial Exercise of Right Power or Privilege

A single or partial exercise of any right, power or privilege does not preclude any other or further exercise of that right, power or privilege or the exercise of any other right, power or privilege.

34 Goods and services tax

(1) Definitions

The following definitions apply for the purpose of this clause:

- (a) "Act" means the Commonwealth's *A New Tax System (Goods and Services Tax) Act 1999* and associated Acts and subsidiary legislation;
- (b) "Consideration" means the Amounts Payable or any other money payable to the Lessor under this Lease, but does not include the amount of the GST which may apply to the Amounts Payable or other money payable under the Act;
- (c) "GST" means a tax under the Act levied on a Supply including but not limited to the Amounts Payable or other money payable to the Lessor

for goods or services or property or any other thing under this Lease;
and

- (d) “Supply” means a good or service or any other thing supplied by the Lessor under this Lease and includes but is not limited to a grant of a right to possession of the Premises.

(2) Lessee to Pay GST

- (a) The Consideration will be increased by the amount of the GST, if any, which the Lessor is required under the Act to pay on any Supply made under this Lease;
- (b) The Lessee must pay any increase referred to at paragraph (a) whether it is the Lessee or any other person who takes the benefit of any Supply;
and
- (c) The Lessee must pay the amount of the GST to the Lessor at the same time and in the same manner as the Lessee is required to pay the Consideration under this Lease.

(3) Consideration in Kind

If consideration in kind is accepted by the Lessor for any Supply made under this Lease, the GST amount payable to the Lessor under **subclause (2)(b)** in respect of the consideration in kind will be calculated by using the prevailing market value of the consideration in kind as determined by the Lessor.

(4) No Contribution from Lessor

If the Lessee is required under this Lease to make any payment of money or give other consideration to a third party for outgoings, goods, services and benefits of any kind, the Lessee is not entitled to any contribution from the Lessor for any GST payable by it to any person.

(5) Statement of GST paid is Conclusive

A written statement given to the Lessee by the Lessor of the amount of the GST that the Lessor pays or is liable to pay or account for is conclusive as between the Parties except in the case of an obvious error.

(6) Tax Invoices

For each payment by the Lessee under this clause the Lessor agrees to promptly deliver to the Lessee, as required under the Act, tax invoices and adjustment notes in a form which complies with the Act, so as to enable the Lessee to claim input tax credits or decreasing adjustments for Supplies.

(7) Reciprocity

If the Lessee furnishes any Supplies to the Lessor under this Lease, then the requirements set out in this clause with respect to the Lessee will apply to the Lessor with the necessary changes.

35 Commercial Tenancy Act

If at any time the *Commercial Tenancy (Retail Shops) Agreements Act 1985* applies to this Lease and a provision of that Act conflicts with a provision of this Lease, then each conflicting provision of this Lease is deemed to be amended to the extent necessary to comply with that Act.

36 Caveat

(1) No Absolute Caveat

The Lessee nor any person on behalf of the Lessee will, without the prior written consent of the Lessor, lodge any absolute caveat at Landgate against the Certificate of Title for the Land, to protect the interests of the Lessee under this Lease.

(2) CEO & Lessor as Attorney

In consideration of the Lessor having granted this Lease to the Lessee, the Lessee irrevocably appoints the Lessor and the CEO of the Lessor jointly and severally:

- (a) for the Term of this Lease;
- (b) for any holding over under this Lease; and
- (c) for a period of 6 months after Termination,

to be the agent and attorney of the Lessee in its name and on its behalf to sign and lodge at Landgate:

- (d) a withdrawal of any absolute caveat lodged by or on behalf of the Lessee;
- (e) a withdrawal of any caveat lodged by or on behalf of the Lessee and not withdrawn on Termination; and
- (f) a surrender of the estate granted by this Lease,

and the costs of withdrawing any caveat or surrendering this Lease (including the Lessor's solicitor's costs and registration fees) will be borne by the Lessee.

37 Indemnity and ratification

(1) Ratification

The Lessee undertakes to ratify all the acts performed by or caused to be performed by the Lessor, its agent or attorney under **clause 36**.

(2) Indemnity

The Lessee indemnifies the Lessor against:

- (a) any loss arising from any act done under **clause 36**; and
- (b) all costs and expenses incurred in connection with the performance of any act by the attorney on behalf of the Lessee under **clause 36**.

38 Additional terms, covenants and conditions

Each of the terms covenants and conditions (if any) specified in **Item 9** of the Schedule shall be deemed part of this Lease and shall be binding upon the Lessor and Lessee as if incorporated in the body of this Lease.

SCHEDULE

Item 1: Premises

The Premises consists of a portion of the building known as the Old Council Administration located on Lot 200, 110 Barrack Street, Merredin WA 6415 and as highlighted in Red in Appendix 2.

Item 2: Term

Five (5) years from 1 March 2015 and expiring on 29 February 2020.

Item 3: Further Term

Five (5) years commencing on 1 March 2020 and expiring on 28 February 2025.

Item 4: Commencement Date

1 March 2015

Item 5: Rent

No rental applicable for the first term but a minimum of \$60,000 being expended on refurbishment of the building over the term or a sum that ensures refurbishment to the satisfaction of Council and that a rental on a sliding scale apply to the further term of five years to ensure 100% of a commercial rent is paid in the final year.

Item 6: Outgoings

- (a) The Lessee must pay all outgoings or charges of any kind, assessed or incurred in respect of the Premises, or the Lessee's use or occupation of the Premises, including but not limited to, any rate, installation, meter, rental or consumption charge.
- (b) If the Premises are not separately charged or assessed the Lessee will pay to the Lessor a proportionate part of any charges or assessments referred to in paragraph (a) being the proportion that the Premises bears to the total area of the land or premises included in the charge or assessment.

Item 7: Insurance

The Lessor will effect and maintain the following insurance policies in respect of the Premises:

- (a) insurance of the Premises to the full insurable value on a replacement or reinstatement value basis against damage arising from fire, tempest storm, earthquake, explosion, aircraft or other aerial device including items dropped from any device, riot, strike, commotion, flood, lightning, act of God, fusion, smoke, flood, water damage, leakage, impact by vehicle, machinery breakdown, malicious acts or omissions and other standard insurable risks.

The Lessee must effect and maintain the following insurance policies in respect of the Premises:

- (a) adequate public liability insurance for not less than ten million dollars (\$10m) in respect of any one claim or such greater amount as the Lessor may from time to time reasonably require;
- (b) insurance against all risks as the Lessor may require, of all plate glass windows, doors and display show cases forming part of or within the Premises for a sum which is not less than its full insurable value.

Item 8: Permitted Purpose

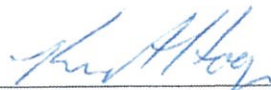
The Premises shall be utilised as a Community Resource Centre as defined from time to time by the State Government.

Item 9 Special Conditions

- (a) Further to **Item 5(a)** the refurbishment of the Premises is to include the works as listed and detailed in **Appendix 1**.
- (b) The Wheatbelt Development Commission will have shared access to all kitchen and ablution facilities located at the Premises.

Executed by the Parties as a Deed:

The Common Seal of the
Shire of Merredin
was hereunto affixed in the
presence of:



PRESIDENT

KEN HOOPER
PRINT FULL NAME



CHIEF EXECUTIVE OFFICER

GREG POWELL
PRINT FULL NAME

SIGNED by:



SIGNATURE OF CHAIR
MERREDIN COMMUNITY RESOURCE CENTRE

DIANE O'DOWD
PRINT FULL NAME

in the presence of:

Witness signature: 

Witness name: Kirsty Rockford

Witness address: 30 Bates Street
Merredin

Witness occupation: Administration Officer

SHIRE OF MERREDIN

AND

MERREDIN COMMUNITY RESOURCE CENTRE

FREEHOLD LEASE

Women's Rest Centre
Lot 200, 108 Barrack Street
MERREDIN WA 6415

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This lease is made on the first day of August 2016 (01/08/2016)

Shire of Merredin

of Cnr Barrack & King Streets, PO Box 42, Merredin, Western Australia
(Lessor)

and

MERREDIN COMMUNITY RESOURCE CENTRE
110 BARRACK STREET
MERREDIN WA 6415
of Western Australia
(Lessee)

Recitals

The Lessor has agreed to grant to the Lessee a lease of the Premises on the provisions of this Lease.

Operative Part

The Parties agree:

1 Definitions

In this Lease, unless otherwise required by the context or subject matter:

“**Alterations**” means any of the acts referred to in clause 11(1)(a) to (c).

“**Amounts Payable**” means the Rent and any other money payable by the Lessee under this Lease;

“**Authorised Person**” means:

- (a) an agent, employee, licensee or invitee of the Lessee; and
- (b) any person visiting the Premises with the express or implied consent of any person mentioned in **paragraph (a)**;

“**CEO**” means the Chief Executive Officer for the time being of the Lessor or any person appointed by the Chief Executive Officer to perform any of her or his functions under this Lease;

“**Commencement Date**” means the date of commencement of the Term specified in **Item 4** of the Schedule;

“**CPI**” means the Consumer Price Index (All Groups) Perth number published from time to time by the Australian Bureau of Statistics;

“**Encumbrance**” means a mortgage, charge, lien, pledge, easement, restrictive covenant, writ, warrant or caveat and the claim stated in the caveat or anything described as an encumbrance on the Certificate of Crown Land Title for the Land;

“**Further Term**” (if any) means the further term specified in **Item 3** of the Schedule;

“**Interest Rate**” means the rate at the time the payment falls due being 2% greater than the Lessor’s general overdraft rate on borrowings from its bankers on amounts not exceeding \$100,000.00;

“**Land**” means the land described at **Item 1** of the Schedule;

“**Lease**” means this deed as supplemented, amended or varied from time to time;

“**Lessee’s Covenants**” means the covenants, agreements and obligations set out or implied in this Lease or imposed by law to be performed and observed by any person other than the Lessor;

“**Lessor’s Covenants**” means the covenants, agreements and obligations set out or implied in this Lease, or imposed by law to be performed and observed by the Lessor;

“**Notice**” means each notice, demand, consent or authority given or made to any person under this Lease;

“**Party**” means the Lessor or the Lessee according to the context;

“**Permitted Purpose**” means the purpose set out in **Item 8** of the Schedule;

“**Premises**” means the premises described in **Item 1** of the Schedule;

“**Rent**” means the rent specified in **Item 5** of the Schedule as varied from time to time under this Lease;

“**Rent Period**” means each period from the Commencement Date or a Rent Review Date to the next Rent Review Date or Termination;

“**Schedule**” means the Schedule to this Lease;

“**Term**” means the term of years specified in **Item 2** of the Schedule; and

“**Termination**” means the date of:

- (a) expiry of the Term or any Further Term by effluxion of time;

- (b) sooner determination of the Term or any Further Term: or
- (c) determination of any period of holding over.

2 Interpretation

In this Lease, unless expressed to the contrary:

- (1) Words importing:
 - (a) the singular include the plural;
 - (b) the plural include the singular: and
 - (c) any gender include each gender:
- (2) A reference to:
 - (a) a natural person includes a body corporate or local government;
 - (b) a body corporate or local government includes a natural person:
 - (c) a professional body includes a successor to or substitute for that body:
 - (d) a Party includes its legal personal representatives, successors and assigns and if a Party comprises two or more persons, the legal personal representatives, successors and assigns of each of those persons:
 - (e) a statute, includes an ordinance, code, regulation, award, town planning scheme, regulation, local law, by-law, requisition, order or other statutory instrument made under any of them and a reference to any of them, whether or not by name, includes any amendments to, re-enactments of or replacements of any of them from time to time in for
 - (f) a right includes a benefit, remedy, discretion, authority or power:
 - (g) an obligation includes a warranty or representation and a reference to a failure to observe or perform an obligation includes a breach of warranty or representation:
 - (h) this Lease or provisions of this Lease or any other deed, agreement, instrument or contract includes a reference to:
 - (a) both express and implied provisions: and
 - (b) that other deed, agreement, instrument or contract as varied, supplemented, replaced or amended:

- (i) writing includes any mode of representing or reproducing words in tangible and permanently visible form and includes facsimile transmissions;
 - (j) any thing (including, without limitation, any amount) is a reference to the whole or any part of it and a reference to a group of things or persons is a reference to any one or more of them; and
 - (k) a subparagraph, paragraph, subclause, clause, Item, Schedule, Annexure or Appendix is a reference to, respectively, a subparagraph, paragraph, subclause, clause, Item, Schedule, Annexure or Appendix of this Lease;
- (3) The covenants and obligations on the part of the Lessee not to do or omit to do any act or thing include:
- (a) covenants not to permit that act or thing to be done or omitted to be done by an Authorised Person; and
 - (b) a covenant to do everything necessary to ensure that that act or thing is not done or omitted to be done;
- (4) Except in the Schedule, headings do not affect the interpretation of this Lease; and
- (5) If a Party comprises two or more persons, the covenants and agreements on their part bind them and must be observed and performed by them jointly and each of them severally, and may be enforced against any one or more of them.

3 Grant of lease

- (a) The Lessor leases to the Lessee the Premises subject to all Encumbrances for the Term subject to:
 - (i) the payment of the Amounts Payable; and
 - (ii) the performance and observance of the Lessee's Covenants.
- (b) The Lessee accepts the Lease granted by the Lessor under this clause.

4 Quiet enjoyment

Except as provided in the Lease, and subject to the performance and observance of the Lessee's Covenants, the Lessee may quietly hold and enjoy the Premises during the Term without any interruption or disturbance from the Lessor or persons lawfully claiming through or under the Lessor.

5 Rent and other payments

(1) Amounts to be Paid by Lessee

The Lessee covenants with the Lessor:

(a) Rent

to pay to the Lessor the Rent in the manner set out at **Item 5** of the Schedule on and from the Commencement Date clear of any deductions.

(b) Outgoings

to pay to the Lessor or to such person as the Lessor may from time to time direct all of the outgoings or charges, assessed or incurred in respect of the Premises specified in **Item 6** of the Schedule.

(c) Interest

without affecting the rights, power and remedies of the Lessor under this Lease, to pay to the Lessor interest on demand on any Amounts Payable which are unpaid for 7 days computed from the due date for payment until payment is made and any interest payable under this paragraph will be charged at the Interest Rate.

(d) Costs

(i) to pay to the Lessor on demand:

(A) any statutory duty or tax payable on or in connection with this Lease;

(B) all registration fees in connection with this Lease; and

(C) all legal costs of and incidental to the instructions for the preparation and execution of this Lease.

(ii) to pay to the Lessor all costs, legal fees, disbursements and payments incurred by or for which the Lessor is liable in connection with or incidental to:

(A) the Amounts Payable or obtaining or attempting to obtain payment of the Amounts Payable under this Lease;

(B) any breach of covenant by the Lessee or an Authorised Person;

(C) the preparation and service of a notice under section 81 of the *Property Law Act 1969* requiring the Lessee to

remedy a breach even though forfeiture for the breach may be avoided in a manner other than by relief granted by a Court;

- (D) any work done at the Lessee's request; and
- (E) any action or proceedings arising out of or incidental to any matters referred to in **paragraph (d)** or any matter arising out of this Lease.

(2) Payment of Money

Amounts Payable to the Lessor under this Lease must be paid to the Lessor at the address of the Lessor referred to in this Lease or as otherwise directed by the Lessor by Notice from time to time.

6 Accrual of amounts payable

Amounts Payable accrue on a daily basis.

7 Insurance

(1) Insurances to be Effected

The Lessor will effect and maintain the insurance policies specified in **Item 7** of the Schedule as the responsibility of the Lessor and the Lessee must effect and maintain with insurers approved by the Lessor, and with the Lessor's interest noted on the policy, any insurance policy specified as the responsibility of the Lessee in **Item 7** of the Schedule.

(2) Details and Receipts

In respect of any insurances required to be effected and maintained by the Lessee, the Lessee must:

- (a) on demand supply to the Lessor details of the insurance and give to the Lessor copies of certificates of currency;
- (b) promptly pay all premiums and produce to the Lessor each policy or certificate of currency and each receipt for premiums paid or each certificate of currency issued by the insurers approved by the Lessor; and
- (c) notify the Lessor immediately when a policy of insurance is cancelled.

(3) Not to Invalidate

The Lessee must:

- (a) not do or omit to do any act or thing or bring or keep anything on the Premises which might:
 - (i) render the insurance on the Premises or any adjoining premises void or voidable; or
 - (ii) cause the rate of a premium to be increased for the Premises or any adjoining premises;
- (b) pay any increase in the rate of a premium referred to in **paragraph (a)** on the demand of the Lessor;
- (c) pay any excess in regard to any identified in **Item 7** of the Schedule and
- (d) notify the Lessor when an event occurs which gives rise or might give rise to a claim under, or which could prejudice, a policy of insurance.

(4) Report

Each Party must report to the other promptly in writing and in an emergency verbally:

- (a) any damage to the Premises of which they are or might be aware; and
- (b) any circumstances of which they are aware and which are likely to be a danger or cause any damage or danger to the Premises or to any person in or on the Premises.

(5) Settlement of Claim

The Lessor may, but the Lessee may not without prior written consent of the Lessor, settle or compromise any claims under any policy of insurance required by **subclause (1)**.

(6) Lessor as Attorney

The Lessee irrevocably appoints the Lessor as the Lessee's attorney during the Term:

- (a) in respect to all matters and questions which may arise in relation to any policy of insurance required by **subclause (1)**;
- (b) with full power to demand, sue for and recover and receive from any insurance company or society or person liable to pay the insurance money as are payable for the risks covered by the insurance policies required by **subclause (1)**;
- (c) to give good and effectual receipts and discharges for the insurance policies required by **subclause (1)**; and

- (d) to settle, adjust, arbitrate and compromise all claims and demands and generally to exercise all powers of absolute owner.

8 Indemnity

(1) Indemnity

The Lessee indemnifies the Lessor against any liability or loss arising from and any costs, charges and expenses incurred in connection with:

- (a) any damage to the Premises, or any loss of or damage to anything on it; and
- (b) any injury to any person on the Premises.

and for which the Lessor becomes liable.

(2) Indemnity Unaffected by Insurance

The Lessee's obligation to indemnify the Lessor under this Lease or at law is not affected by the Lessee's obligation to insure under **clause 7** or at law and the indemnity under **subclause (1)** is paramount.

(3) Receipt of Insurance Money

If insurance money is received by the Lessor for any of the obligations set out in this clause, then the Lessee's obligations under **subclause (1)** will be reduced by the extent of such payment.

9 Limit of lessor's liability

The Lessor will not be liable for loss, damage or injury to any person or property in or about the Premises however occurring and the Lessor will not be liable for any failure to perform and observe any of the Lessor's Covenants due to any cause beyond the Lessor's control.

10 Maintenance, repair and cleaning

(1) Maintenance

- (a) The Lessee must, at its own expense, undertake the maintenance of the Premises specified in **Schedule Item 9** to this Lease.
- (b) In addition to, and notwithstanding the specificity of the maintenance obligations provided for in **Schedule Item 9**, the Lessee must keep the Premises in good, safe, clean and tenantable repair at all times.

- (c) The Lessee must comply with all reasonable conditions that may be imposed by the Lessor from time to time in relation to any maintenance of the Premises required to be undertaken by the Lessee under **subclause (1)(a) or (b)**; and
- (d) The Lessee must take such reasonable action as is necessary to:
 - (i) prevent, if it has occurred as a result of the Lessee's use of the Premises; and
 - (ii) rectify or otherwise ameliorate,

the effects of erosion, drift or movement of sand, soil, dust or water on or from the Premises.
- (e) The Lessor shall maintain any fire safety equipment on the Premises, which maintenance shall include undertaking all regular checks of equipment and ensuring that the Premises meets any prescribed standards, as required by any written law or as otherwise reasonable directed by the Lessor.
- (f) The Lessee must keep the Premises free of any vermin and termites and the cost of extermination will be borne by the Lessee.
- (g) If the Lessee fails to keep the Premises free from vermin or termite activity, the Lessor may arrange for extermination and the costs shall be borne by the Lessee.

(2) Repair

The Lessee must promptly repair at its own expense to the satisfaction of the Lessor any damage to the Premises, regardless of how it is caused, and replace any of the Lessor's fixtures and fittings which are or which become damaged.

(3) Cleaning

The Lessee must at all times keep the Premises clean, tidy, unobstructed and free from dirt and rubbish and must not leave rubbish bins or containers outside the Premises other than on official rubbish collections days.

(4) Acknowledgement of State of Repair of Premises

The Lessee acknowledges that it has inspected the structure of the Premises internally and externally prior to the execution of this Lease and enters into the Lease with full knowledge of the structural state and state of repair of the Premises.

11 Alterations

(1) Restriction

The Lessee must not:

- (a) make or allow to be made any alteration, addition or improvements to or demolish any part of the Premises;
- (b) erect or construct any building on the Premises;
- (c) remove, alter or add to any fixtures, fittings or facilities in or on the Premises; or
- (d) subject to the performance of any obligations under **clause 10**, remove any flora, trees or fauna, alter or cut down any flora, or sell, remove or otherwise dispose of any flora, sand, gravel, timber or other materials from the Premises.

unless the Lessee has obtained the prior written consent of:

- (e) of the Lessor;
- (f) of any other person from whom consent is required under this Lease;
- (g) of the insurers approved under **clause 7**.

and the Parties agree that any consent may be given upon certain conditions ("**Conditions**").

(2) Consent

If the Lessor:

- (a) and all other persons whose consent is required under this Lease or at law consents to any matter referred to in **subclause (1)** the Lessor may:
 - (i) require that work be carried out in accordance with plans and specifications approved by the Lessor or any other person giving consent; and
 - (ii) require that any alteration be carried out to the satisfaction of the Lessor under the supervision of an engineer or other consultant; and
- (b) consents to any matter referred to in **subclause (1)**:

- (i) the Lessor gives no warranty that the Lessor will issue any consents, approvals, authorities, permits or policies under any statute for such matters: and
- (ii) the Lessee must apply for and obtain all such consents, approvals, authorities, permits or policies as are required at law before undertaking any alterations, additions, improvements or demolitions.

(3) Work to be at Lessee's Expense

All works undertaken under this clause will be carried out at the Lessee's expense.

(4) Conditions

- (a) Subject to **clause 11(4)(b)**, if any of the persons referred to in **clause 11(1)(e) to (g)** impose Conditions with respect to the proposed Alterations, the Lessee must comply with the Conditions if it is entitled at law to proceed to make the Alterations and does so proceed.
- (b) If any of the Conditions require other works to be done by the Lessee, then the Lessee must at the option of the Lessor either:
 - (i) carry out those other works at the Lessee's expense: or
 - (ii) permit the Lessor to carry out those other works at the Lessee's expense.

in accordance with the Lessor's requirements.

12 Use

(1) Restrictions on Use

The Lessee must not and must not suffer or permit a person to:

- (a) use the Premises for any purpose other than for the Permitted Purpose;
- (b) use the Premises for any purpose which is not permitted under any town planning scheme or any law relating to health;
- (c) do or carry out on the Premises any harmful, offensive, or illegal act, matter or thing;
- (d) do or carry out on the Premises any thing which causes a nuisance, damage or disturbance to the Lessor or to owners or occupiers of adjoining properties;

- (e) store any dangerous compound or substance on or in the Premises;
- (f) do any act or thing which might result in excessive stress or harm to any part of the Premises; or
- (g) display from or affix any signs, notices or advertisements on the Premises without the prior written consent of the Lessor.

(2) No Warranty

The Lessor gives no warranty:

- (a) as to the use to which the Premises may be put; or
- (b) that the Lessor will issue any consents, approvals, authorities, permits or licences required by the Lessee under any statute for its use of the Premises.

(3) Premises Subject to Restriction

The Lessee accepts the Premises for the Term subject to any existing prohibition or restriction on the use of the Premises.

(4) Indemnity for Costs

The Lessee indemnifies the Lessor against any claims or demands for all costs, on a solicitor client basis, incurred by the Lessor by reason of any claim in relation to any matters set out in **subclauses (1) to (3)**.

13 Lessor's right of entry

(1) Entry on Reasonable Notice

The Lessee or any Authorised Person must permit entry by the Lessor or any person authorised by the Lessor, on reasonable notice, except in the case of an emergency, onto the Premises:

- (a) at all reasonable times;
- (b) with or without workmen and others;
- (c) with or without plant, equipment, machinery and materials; and
- (d) for each of the following purposes:
 - (i) to inspect the state of repair of the Premises and to ensure compliance with the provisions of this Lease;

- (ii) to carry out any survey or works which the Lessor considers necessary, however the Lessor will not be liable to the Lessee for any compensation for such survey or works provided they are carried out in a manner which causes as little inconvenience as is reasonably possible to the Lessee;
- (iii) to comply with the Lessor's Covenants under this Lease or to comply with any notice or order of any authority in respect of the Premises for which the Lessor is liable; and
- (iv) to do all matters or things to rectify any breach by the Lessee of any of the Lessee's Covenants, but the Lessor is under no obligation to rectify any breach and any rectification under this subparagraph is without prejudice to the Lessor's other rights, remedies or powers under this Lease.

(2) Costs of Rectifying Breach

All costs and expenses incurred by the Lessor as a result of any breach referred to in **subclause (1)(iv)** together with any interest payable on such sums, will be a debt due to the Lessor and payable to the Lessor by the Lessee on demand.

14 Statutory obligations & notices

(1) Comply with Statutes

The Lessee must:

- (a) comply promptly with all statutes relating to the Premises or to the Lessee's use of the Premises;
- (b) apply for, obtain and maintain in force all consents, approvals, authorities, licences and permits required under any statute for the use of the Premises for the Permitted Purpose;
- (c) ensure that all obligations in regard to payment for copyright or licensing fees are paid to the appropriate person for all performances, exhibitions or displays held on the Premises; and
- (d) comply promptly with all orders, notices, requisitions or directions of any competent authority relating to the Premises or to the business the Lessee carries on the Premises.

(2) Indemnity if Fails to Comply

The Lessee indemnifies the Lessor against:

- (a) failing to perform, discharge or execute any of the items referred to in **subclause (1)**; and

- (b) any claims, demands, costs or other payments of or incidental to any of the items referred to in **subclause (1)**.

15 Report to lessor

The Lessee must immediately report to the Lessor:

- (a) any act of vandalism or any incident which occurs on or near the Premises which involves or is likely to involve a breach of the peace or become the subject of a report or complaint to the police;
- (b) any occurrence or circumstances in or near the Premises, of which it becomes aware, which might reasonably be expected to cause, in or on the Premises, pollution of the environment; and
- (c) all notices, orders and summonses received by the Lessee and which affect the Premises and immediately give them to the Lessor.

16 Default

(1) Events of Default

A default occurs if:

- (a) any Amounts Payable remain unpaid for 7 days after becoming due whether or not a demand or Notice has been given to the Lessee;
- (b) the Lessee is in breach of any of the Lessee's Covenants (other than the covenant to pay the Amounts Payable) for 14 days after a Notice has been given to the Lessee to rectify the breach or to pay compensation in money;
- (c) an order is made or a resolution effectively passed for the winding up of the Lessee unless the winding up is for the purpose of amalgamation or reconstruction;
- (d) a controller, as defined by the *Corporations Act 2001*, is appointed in respect of the property of the Lessee under this Lease;
- (e) a mortgagee takes possession of the property of the Lessee under this Lease;
- (f) any execution or similar process is made against the Lessee's property on the Premises;
- (g) the Premises are vacated by the Lessee prior to Termination;

- (h) a person other than the Lessee or a permitted sublessee or assignee is in occupation or possession of the Premises or in receipt of rents or profits; or
- (i) any application is made or notice given or any other procedure started by which the registration of the Lessee is to be cancelled or dissolved under the *Corporations Act 2001*.

(2) Forfeiture

On the occurrence of any of the events of default specified in **subclause (1)** the Lessor may:

- (a) without Notice or demand at any time enter the Premises and on re-entry the Term will immediately determine;
- (b) by Notice to the Lessee determine this Lease and from the date of giving such Notice this Lease will be absolutely determined; and
- (c) by Notice to the Lessee elect to convert the unexpired portion of the Term into a tenancy from month to month, when this Lease will be determined as from the giving of the Notice, and until the tenancy is determined the Lessee will hold the Premises from the Lessor as a tenant from month to month under **clause 19**,

but without affecting the right of action or other remedy which the Lessor has in respect of any other breach by the Lessee of the Lessee's Covenants or releasing the Lessee from liability in respect of the Lessee's Covenants.

(3) Lessor May Remedy Breach

If the Lessee:

- (a) fails or neglects to pay the Amounts Payable by the Lessee under this Lease; or
- (b) does or fails to do anything which constitutes a breach of the Lessee's Covenants,

then the Lessor may without affecting any right, remedy or power arising from that default pay the money due or do or cease the doing of the breach as if it were the Lessee and the Lessee must pay to the Lessor on demand the Lessor's costs and expenses of remedying each breach or default.

(4) Acceptance of Amounts Payable By Lessor

Demand for or acceptance of the Amounts Payable by the Lessor after an event of default has occurred will not affect the exercise by the Lessor of the rights and powers conferred on the Lessor by the provisions of this Lease or at law

and will not operate as an election by the Lessor to exercise or not to exercise any right or power.

(5) Essential Provisions

Each of the Lessee's Covenants in **clauses 5** (Rent and Other Payments), **7** (Insurance), **8** (Indemnity), **10** (Maintenance, Repair and Cleaning), **12** (Use), **23** (Assignment, Subletting and Charging) and **34** (Goods and Services Tax) is an essential provision of this Lease, but this subclause does not mean or imply that there are no other essential provisions in this Lease.

(6) Breach of Essential Provisions

If the Lessee breaches an essential provision of this Lease then, in addition to any other remedy or entitlement of the Lessor:

- (a) the Lessee must compensate the Lessor for the loss or damage suffered by reason of the breach of that essential provision;
- (b) the Lessor will be entitled to recover damages against the Lessee in respect of the breach of an essential provision; and
- (c) the Lessee covenants with the Lessor that if the Term is determined:
 - (i) for breach of an essential provision or the acceptance by the Lessor of a repudiation of this Lease by the Lessee; or
 - (ii) following the failure by the Lessee to comply with any Notice given to the Lessee to remedy any default.

the Lessee must pay to the Lessor on demand the total of the Amounts Payable under this Lease which would have been payable by the Lessee for the unexpired balance of the Term as if the Term had expired by effluxion of time, together with the losses incurred or reasonably expected to be incurred by the Lessor as a result of the early determination including, but not limited to, the costs of reletting or attempting to re-let the Premises.

(7) Subclause (6)(c) to Survive Termination

The Lessee agrees that the covenant set out in **subclause (6)(c)** will survive Termination or any deemed surrender at law of the estate granted by this Lease.

(8) Lessee may Deduct Amounts for Re-letting

The Lessee may deduct from the amounts referred to in **subclause (6)(c)** the Rent and other money which the Lessor reasonably expects to obtain by re-letting the Premises between the date of the determination of this Lease and the date on which the Term would have expired by effluxion of time.

(9) Lessor to Mitigate its Losses

The Lessor must take reasonable steps to mitigate its losses and endeavour to relet the Premises at a reasonable rent and on reasonable provisions, but the Lessor is not required to offer or accept rent or provisions which are the same or similar to the Rent or provisions contained or implied in this Lease.

17 Damage or destruction

(1) Abatement of Rent

If the Premises are at any time during the Term, without neglect or default of the Lessee, destroyed or damaged by fire or other risk covered by insurance so as to render the same unfit for the occupation and use of the Lessee, then the Rent or a proportionate part thereof (according to the nature and extent of the damage) shall abate until the Premises have been rebuilt or made fit for the occupation and use of the Lessee, and in case of any dispute arising under this provision the same will be referred to arbitration under the provisions of the *Commercial Arbitration Act 1985* and the full Rent must be paid without any deduction or abatement until the date of the arbitrator's award whereupon the Lessor will refund to the Lessee any Rent which according to the award appears to have been overpaid.

(2) Termination

In the event that fifty per cent (50%) or more of the Premises are damaged or destroyed by fire or any like casualty the Lessor will have the option to be exercised by notice in writing delivered to the Lessee within sixty (60) days of such occurrence, to elect to cancel and terminate this Lease. The Term will terminate upon the third date after such notice is given and the Lessee must vacate the Premises and surrender the same to the Lessor but such termination will be without prejudice to the Lessor's rights in respect of any antecedent breach of this Lease.

18 Option to renew

(1) Exercise of Option

If:

- (a) there is a Further Term specified in **Item 3** of the Schedule;
- (b) at the date of exercise of the option in this clause and at the date of expiration of the Term the Lessee is not in arrears of payment of the Rent and there is no outstanding breach or non-observance of any of the Lessee's Covenants; and
- (c) the Lessee serves notice in writing on the Lessor not more than six (6) months nor less than three (3) months prior to the expiration of the Term of the Lessee's desire to renew the Term.

the Lessor will at the cost of the Lessee grant to the Lessee a further lease of the Premises for the further period specified in **Item 3** of the Schedule upon and subject to the same terms, covenants and conditions as are contained or implied in this Lease except this **clause 18**.

(2) Execution of Deed of Extension of Lease

Upon the valid exercise of any option to extend this Lease for a Further Term under **subclause (1)**, the Lessee shall prior to the expiration of the Term by effluxion of time, execute a deed recording the extension of this Lease prepared by the Lessor.

(3) Costs of Deed of Extension

The Lessee shall pay to the Lessor on demand any costs incurred in preparing the deed of extension of this Lease referred to in **subclause (2)**.

19 Holding over

If the Lessee remains in possession of the Premises after the expiry of the Term, and any Further Term granted, with the consent of the Lessor, the Lessee will be a monthly tenant of the Lessor at a rent equivalent to one twelfth of the Rent for the period immediately preceding expiry of the Term or Further Term and otherwise on the same provisions of this Lease, provided that all consents required under this Lease or at law have been obtained to the Lessee being in possession of the Premises as a monthly tenant.

20 Restore premises

Prior to Termination, the Lessee at the Lessee's expense must restore the Premises to a condition consistent with the observance and performance by the Lessee of the Lessee's Covenants under this Lease, fair wear and tear excepted.

21 Yield up the premises

(1) Peacefully Surrender

On Termination the Lessee must:

- (a) peacefully surrender and yield up to the Lessor the Premises in a condition consistent with the observance and performance of the Lessee's Covenants under this Lease; and
- (b) surrender to the Lessor all keys and security access devices and combinations for locks providing access to or within the Premises held by the Lessee, whether or not provided by the Lessor.

(2) Subclause (1) to Survive Termination

The Lessee's obligation under **subclause (1)** shall survive Termination.

22 Removal of property from premises

(1) Remove Property Prior to Termination

Prior to Termination, the Lessee must remove from the Premises all property of the Lessee including the Lessee's fixtures and promptly make good, to the satisfaction of the Lessor, any damage caused by the removal of that property or fixtures.

(2) Lessor can Remove Property on Re-Entry

On re-entry the Lessor will have the right to remove from the Premises any property of the Lessee, and the Lessee indemnifies the Lessor against all damage caused by the removal of and the cost of storing that property.

23 Assignment, subletting and charging

(1) No Assignment or Subletting without Consent

The Lessee must not assign the leasehold estate in the Premises nor sub-let, part with possession, or dispose of the Premises or any part of the Premises without the prior written consent of the Lessor and any other persons whose consent is required under this Lease or at law.

(2) Change in Ownership of Shares

If the Lessee is a corporation the shares in which are not quoted on any stock exchange in Australia, any change in the beneficial ownership, issue or cancellation of shares in that corporation or any holding company of that

corporation within the meaning of the *Corporations Act 2001* will be deemed to be an assignment of the leasehold estate created by this Lease.

(3) Lessor's Consent to Assignment and Subletting

Provided all parties whose consent is required under this Lease or at law to an assignment or subletting give their consent, then the Lessor may not unreasonably withhold its consent to the assignment or subletting of the leasehold estate created by this Lease if:

- (a) the proposed assignee or sublessee is a respectable and responsible person of good financial standing;
- (b) all Amounts Payable due and payable have been paid and there is no existing unremedied breach, whether notified to the Lessee or not, of any of the Lessee's Covenants;
- (c) the Lessee procures the execution by:
 - (i) the proposed assignee of a deed of assignment; or
 - (ii) the proposed sublessee of a deed of sublease,

to which the Lessor is a party and which deed is prepared and completed by the Lessor's solicitors; and

- (d) the deed of assignment contains a covenant by the assignee with the Lessor to pay all Amounts Payable and to perform and observe all the Lessee's Covenants, or the deed of sublease contains a covenant by the sublessee with the Lessor, to pay all the Amounts Payable and to perform and observe all of the Lessee's Covenants in respect of the subleased area of the Premises.

(4) Consents of Assignee Supplementary

The covenants and agreements on the part of any assignee will be supplementary to the Lessee's Covenants and will not release the assigning lessee from the Lessee's Covenants.

(5) Property Law Act 1969

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

(6) Costs for Assignment and Subletting

If the Lessee wishes to assign or sublet the leasehold estate created by this Lease, the Lessee must pay all reasonable professional and other costs, charges and expenses, incurred by the Lessor or other person whose consent is required under this Lease, of and incidental to:

- (a) the enquiries made by or on behalf of the Lessor as to the respectability, responsibility and financial standing of each proposed assignee or sublessee;
- (b) any consents required under this Lease or at law; and
- (c) all other matters relating to the proposed assignment or subletting, whether or not the assignment or subletting proceeds.

(7) No Mortgage or Charge

The Lessee must not mortgage or charge the Premises.

24 Acts by agents

All acts and things which the Lessor is required to do under this Lease may be done by the Lessor, the CEO, an officer or the agent, solicitor, contractor or employee of the Lessor.

25 Governing law

This Lease is governed by and is to be interpreted in accordance with the laws of Western Australia and, where applicable, the laws of the Commonwealth of Australia.

26 Statutory powers

The powers conferred on the Lessor by or under any statutes are, except to the extent that they are inconsistent with the provisions of this Lease, in addition to the powers conferred on the Lessor in this Lease.

27 Notice

(1) Form of Delivery

A Notice to a Party must be in writing and may be given or made:

- (a) by delivery to the Party personally; or
- (b) by addressing it to the Party and leaving it at or posting it by registered post to the address of the Party appearing in this Lease or any other address nominated by a Party by Notice to the other.

(2) Service of Notice

A Notice to a Party is deemed to be given or made:

- (a) if by personal delivery, when delivered;

- (b) if by leaving the Notice at an address specified in **subclause (1)(b)**, at the time of leaving the Notice, provided the Notice is left during normal business hours: and
- (c) if by post to an address specified in **subclause (1)(b)**, on the second business day following the date of posting of the Notice.

(3) Signing of Notice

A Notice to a Party may be signed:

- (a) if given by an individual, by the person giving the Notice;
- (b) if given by a corporation, by a director, secretary or manager of that corporation:
- (c) if given by a local government, by the CEO:
- (d) if given by an association incorporated under the *Associations Incorporation Act 1987*, by any person authorised to do so by the board or committee of management of the association: or
- (e) by a solicitor or other agent of the individual, corporation, local government or association giving the Notice.

28 Severance

If any part of this Lease is, or becomes, void or unenforceable that part is or will be, severed from this Lease to the intent that all parts that are not, or do not become, void or unenforceable remain in full force and effect and are unaffected by that severance.

29 Disputes

(1) Appointment of Arbitrator

Except as otherwise provided, any dispute arising out of this Lease is to be determined by a single arbitrator under the provisions of the *Commercial Arbitration Act 1985* and the Lessor and the Lessee may each be represented by a legal practitioner.

(2) Payment of Amounts Payable to Date of Award

The Lessee must pay the Amounts Payable without deduction to the date of the award of the Arbitrator or the date of an agreement between the Parties whichever event is the earlier, and if any money paid by the Lessee is not required to be paid within the terms of the award of the Arbitrator or by agreement between the Lessor and the Lessee, then the Lessor will refund to the Lessee the money paid.

30 Variation

This Lease may be varied only by deed executed by the Parties subject to such consents as are required by this Lease or at law.

31 Moratorium

The provisions of a statute which would but for this clause extend or postpone the date of payment of money, reduce the rate of interest or abrogate, nullify, postpone or otherwise affect the provisions of this Lease do not, to the fullest extent permitted by law, apply to limit the provisions of this Lease.

32 Further assurance

The Parties must execute and do all acts and things necessary or desirable to implement and give full effect to the provisions of this Lease.

33 Waiver

(1) No General Waiver

A failure by the Lessor to exercise or its delay in exercising any right, power or privilege in this Lease does not operate as a waiver of or otherwise impair that right, power or privilege.

(2) Partial Exercise of Right Power or Privilege

A single or partial exercise of any right, power or privilege does not preclude any other or further exercise of that right, power or privilege or the exercise of any other right, power or privilege.

34 Goods and services tax

(1) Definitions

The following definitions apply for the purpose of this clause:

- (a) "Act" means the Commonwealth's *A New Tax System (Goods and Services Tax) Act 1999* and associated Acts and subsidiary legislation;
- (b) "Consideration" means the Amounts Payable or any other money payable to the Lessor under this Lease, but does not include the amount of the GST which may apply to the Amounts Payable or other money payable under the Act;
- (c) "GST" means a tax under the Act levied on a Supply including but not limited to the Amounts Payable or other money payable to the Lessor

for goods or services or property or any other thing under this Lease:
and

- (d) “Supply” means a good or service or any other thing supplied by the Lessor under this Lease and includes but is not limited to a grant of a right to possession of the Premises.

(2) Lessee to Pay GST

- (a) The Consideration will be increased by the amount of the GST, if any, which the Lessor is required under the Act to pay on any Supply made under this Lease:
- (b) The Lessee must pay any increase referred to at **paragraph (a)** whether it is the Lessee or any other person who takes the benefit of any Supply:
and
- (c) The Lessee must pay the amount of the GST to the Lessor at the same time and in the same manner as the Lessee is required to pay the Consideration under this Lease.

(3) Consideration in Kind

If consideration in kind is accepted by the Lessor for any Supply made under this Lease, the GST amount payable to the Lessor under **subclause (2)(b)** in respect of the consideration in kind will be calculated by using the prevailing market value of the consideration in kind as determined by the Lessor.

(4) No Contribution from Lessor

If the Lessee is required under this Lease to make any payment of money or give other consideration to a third party for outgoings, goods, services and benefits of any kind, the Lessee is not entitled to any contribution from the Lessor for any GST payable by it to any person.

(5) Statement of GST paid is Conclusive

A written statement given to the Lessee by the Lessor of the amount of the GST that the Lessor pays or is liable to pay or account for is conclusive as between the Parties except in the case of an obvious error.

(6) Tax Invoices

For each payment by the Lessee under this clause the Lessor agrees to promptly deliver to the Lessee, as required under the Act, tax invoices and adjustment notes in a form which complies with the Act, so as to enable the Lessee to claim input tax credits or decreasing adjustments for Supplies.

(7) **Reciprocity**

If the Lessee furnishes any Supplies to the Lessor under this Lease, then the requirements set out in this clause with respect to the Lessee will apply to the Lessor with the necessary changes.

35 Commercial Tenancy Act

If at any time the *Commercial Tenancy (Retail Shops) Agreements Act 1985* applies to this Lease and a provision of that Act conflicts with a provision of this Lease, then each conflicting provision of this Lease is deemed to be amended to the extent necessary to comply with that Act.

36 Caveat

(1) **No Absolute Caveat**

The Lessee nor any person on behalf of the Lessee will, without the prior written consent of the Lessor, lodge any absolute caveat at Landgate against the Certificate of Title for the Land, to protect the interests of the Lessee under this Lease.

(2) **CEO & Lessor as Attorney**

In consideration of the Lessor having granted this Lease to the Lessee, the Lessee irrevocably appoints the Lessor and the CEO of the Lessor jointly and severally:

- (a) for the Term of this Lease;
- (b) for any holding over under this Lease; and
- (c) for a period of 6 months after Termination.

to be the agent and attorney of the Lessee in its name and on its behalf to sign and lodge at Landgate:

- (d) a withdrawal of any absolute caveat lodged by or on behalf of the Lessee;
- (e) a withdrawal of any caveat lodged by or on behalf of the Lessee and not withdrawn on Termination; and
- (f) a surrender of the estate granted by this Lease.

and the costs of withdrawing any caveat or surrendering this Lease (including the Lessor's solicitor's costs and registration fees) will be borne by the Lessee.

37 Indemnity and ratification

(1) Ratification

The Lessee undertakes to ratify all the acts performed by or caused to be performed by the Lessor, its agent or attorney under **clause 36**.

(2) Indemnity

The Lessee indemnifies the Lessor against:

- (a) any loss arising from any act done under **clause 36**; and
- (b) all costs and expenses incurred in connection with the performance of any act by the attorney on behalf of the Lessee under **clause 36**.

38 Additional terms, covenants and conditions

Each of the terms covenants and conditions (if any) specified in **Item 9** of the Schedule shall be deemed part of this Lease and shall be binding upon the Lessor and Lessee as if incorporated in the body of this Lease.

SCHEDULE

Item 1: Premises

The Premises consists of the building known as the Women's Rest Centre located on Lot 200, 108 Barrack Street, Merredin WA 6415.

Item 2: Term

From 1 August 2016 and expiring on 29 February 2020.

Item 3: Further Term

Five (5) years commencing on 1 March 2020 and expiring on 28 February 2025.

Item 4: Commencement Date

1 August 2016

Item 5: Rent

No rental is applicable for the first term, with a rental on a sliding scale applying to the further term of five years to ensure 100% of a commercial rent is paid in the final year.

Item 6: Outgoings

- (a) The Lessee must pay all outgoings or charges of any kind, assessed or incurred in respect of the Premises, or the Lessee's use or occupation of the Premises, including but not limited to, any rate, installation, meter, rental or consumption charge.
- (b) If the Premises are not separately charged or assessed the Lessee will pay to the Lessor a proportionate part of any charges or assessments referred to in **paragraph (a)** being the proportion that the Premises bears to the total area of the land or premises included in the charge or assessment.

Item 7: Insurance

The Lessor will effect and maintain the following insurance policies in respect of the Premises:

- (a) insurance of the Premises to the full insurable value on a replacement or reinstatement value basis against damage arising from fire, tempest storm, earthquake, explosion, aircraft or other aerial device including items dropped from any device, riot.

strike, commotion, flood, lightning, act of God, fusion, smoke, flood, water damage, leakage, impact by vehicle, machinery breakdown, malicious acts or omissions and other standard insurable risks.

The Lessee must effect and maintain the following insurance policies in respect of the Premises:

- (a) adequate public liability insurance for not less than ten million dollars (\$10m) in respect of any one claim or such greater amount as the Lessor may from time to time reasonably require;
- (b) insurance against all risks as the Lessor may require, of all plate glass windows, doors and display show cases forming part of or within the Premises for a sum which is not less than its full insurable value.

Item 8: Permitted Purpose

The Premises shall be utilised as a Community Resource Centre as defined from time to time by the State Government.

Item 9 Special Conditions

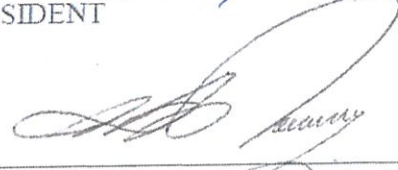
- (a) The Premises is taken on an "as is" basis with no further improvements or modifications to be undertaken during the lease period at Council's expense;
- (b) All outgoings and day to day maintenance expenses for the Premises will be the responsibility of the Merredin Community Resource Centre; and
- (c) Confirmation of the expenditure on the old Council Chambers is to be provided and evidenced by way of invoices.

Executed by the Parties as a Deed:



PRESIDENT

KEN HOOPER
PRINT FULL NAME



CHIEF EXECUTIVE OFFICER

GREG POWELL
PRINT FULL NAME

SIGNED by:



SIGNATURE OF CHAIR
MERREDIN COMMUNITY RESOURCE CENTRE

SUSANN KATE ORCOAN
PRINT FULL NAME

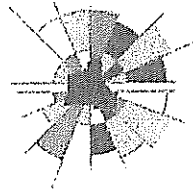
in the presence of:

Witness signature: 

Witness name: DEBBIE MORRIS

Witness address: 11 COWAN WAY
MERREDIN

Witness occupation: COORDINATOR



SHIRE OF
MERREDIN
INNOVATING THE WHEATBELT

Our Ref:
Your Ref:

Ms Sue Olcorn
Chairperson
Merredin Community Resource Centre
110 Barrack Street
MERREDIN WA 6415

Dear Sue

Re: Merredin Community Resource Centre's (MCRC) Lease of Women's Rest Centre

I refer to your correspondence dated 27 July 2016. To address your query in relation to maintenance responsibilities of the Women's Rest Centre I can only reiterate Council's resolution (CMRef 81799) which states:

"That:

- 1. in accordance with Section 3.58 of the Local Government Act 1995 the proposal to lease the Women's Rest Centre under a commercial lease to the Merredin Community Resource Centre on a no rental arrangement until February 2020 with the Merredin Community Resource Centre being responsible for all outgoings and day to day maintenance costs be advertised for public comment; and*
- 2. if no negative comment is received, the execution of a commercial lease on the Women's Rest Centre, located on Lot 200 Barrack Street, Merredin to the Merredin Community Resource Centre be approved subject to the following:*
 - 1. execution of a commercial lease until February 2020 under the same terms as the Merredin Community Resource Centre's lease of the old Council Chambers;*
 - 2. the Women's Rest Centre is taken on an "as is" basis with no further improvements or modifications to be undertaken during the lease period at Council's expense;*
 - 3. no rental applicable for the term but all outgoings and day to day maintenance expenses for the Women's Rest Centre to be the responsibility of the Merredin Community Resource Centre (Note: any use of the building beyond the initial term will be subject to amendment of the lease of the old Council Chambers with payment of a commercial lease on a sliding scale over a further term of five years); and*
 - 4. confirmation of the expenditure on the old Council Chambers evidenced by way of invoices."*

I bring your attention specifically to point 1 and points 2.2 and 2.3 of the above resolution (though point 2.3 is essentially a repeat of point 1).

To put points 1 and 2.3 into context, it means the MCRC is responsible for all utility costs including, but not limited to, electricity costs, water rates & consumption costs, gas costs (if applicable), telephone and internet costs etc.

Similarly, the MCRC is responsible for all day-to-day maintenance costs. That is to say, for example, should water taps be leaking, or the air-conditioning/heating/hot water system require repair, or gutters require cleaning, those costs are to be borne by the MCRC.

To put point 2.2 into context, it means the MCRC has viewed the building, is satisfied that it is fit for purpose and that all structures and equipment are accepted in their current condition.

Upon that acceptance should the MCRC determine that, say, an additional air-conditioning or heating unit be required in part of the building, those costs are to be borne by the MCRC. Similarly, should the MCRC determine that it would be more suitable for a non-loadbearing wall to be removed, or that a wall should be painted prior to the scheduled repainting of the building, those costs are to be borne by the MCRC.

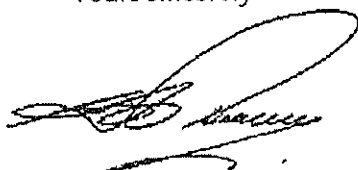
Should any part of the structure of the building fail, roof or ceiling collapse, or other damage occur which is claimable under insurance, the responsibility and costs for repair, under Council's insurance policy, lies with Council.

It should be noted that in leasing the Women's Rest Centre to the MCRC free of charge it was Council's intent that Council would not be responsible for any costs associated with the lease, hence the conditions mentioned within its resolution.

I trust the above explains the situation and that under that understanding the lease is acceptable, and as such have enclosed a copy of the signed lease for your records and information.

If you have any further queries please contact Vanessa Green, Executive Assistant, on the number detailed below or via email to ea@merredin.wa.gov.au.

Yours sincerely



GREG POWELL
Chief Executive Officer

4 August 2016

Enc.

ICA 2018 3158

SCANNED
DATE 30/10/18
INITIAL. Q

SHIRE OF MERREDIN

AND

MERREDIN COMMUNITY RESOURCE CENTRE

FREEHOLD LEASE

Portion of Old Council Chambers
Lot 200, 108 Barrack Street
MERREDIN WA 6415

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This lease is made on the 2nd of October 2018

Shire of Merredin

of Cnr Barrack & King Streets, PO Box 42, Merredin, Western Australia
(Lessor)

and

MERREDIN COMMUNITY RESOURCE CENTRE
110 BARRACK STREET
MERREDIN WA 6415
of Western Australia
(Lessee)

Recitals

The Lessor has agreed to grant to the Lessee a lease of the Premises on the provisions of this Lease.

Operative Part

The Parties agree:

1 Definitions

In this Lease, unless otherwise required by the context or subject matter:

“Alterations” means any of the acts referred to in clause 11(1)(a) to (c).

“Amounts Payable” means the Rent and any other money payable by the Lessee under this Lease;

“Authorised Person” means:

- (a) an agent, employee, licensee or invitee of the Lessee; and
- (b) any person visiting the Premises with the express or implied consent of any person mentioned in paragraph (a);

“CEO” means the Chief Executive Officer for the time being of the Lessor or any person appointed by the Chief Executive Officer to perform any of her or his functions under this Lease;

“Commencement Date” means the date of commencement of the Term specified in **Item 4** of the Schedule;

“CPI” means the Consumer Price Index (All Groups) Perth number published from time to time by the Australian Bureau of Statistics;

“Encumbrance” means a mortgage, charge, lien, pledge, easement, restrictive covenant, writ, warrant or caveat and the claim stated in the caveat or anything described as an encumbrance on the Certificate of Crown Land Title for the Land;

“Further Term” (if any) means the further term specified in **Item 3** of the Schedule;

“Interest Rate” means the rate at the time the payment falls due being 2% greater than the Lessor’s general overdraft rate on borrowings from its bankers on amounts not exceeding \$100,000.00;

“Land” means the land described at **Item 1** of the Schedule;

“Lease” means this deed as supplemented, amended or varied from time to time;

“Lessee’s Covenants” means the covenants, agreements and obligations set out or implied in this Lease or imposed by law to be performed and observed by any person other than the Lessor;

“Lessor’s Covenants” means the covenants, agreements and obligations set out or implied in this Lease, or imposed by law to be performed and observed by the Lessor;

“Notice” means each notice, demand, consent or authority given or made to any person under this Lease;

“Party” means the Lessor or the Lessee according to the context;

“Permitted Purpose” means the purpose set out in **Item 8** of the Schedule;

“Premises” means the premises described in **Item 1** of the Schedule;

“Rent” means the rent specified in **Item 5** of the Schedule as varied from time to time under this Lease;

“Rent Period” means each period from the Commencement Date or a Rent Review Date to the next Rent Review Date or Termination;

“Schedule” means the Schedule to this Lease;

“Term” means the term of years specified in **Item 2** of the Schedule; and

“Termination” means the date of:

- (a) expiry of the Term or any Further Term by effluxion of time;

- (b) sooner determination of the Term or any Further Term; or
- (c) determination of any period of holding over.

2 Interpretation

In this Lease, unless expressed to the contrary:

- (1) Words importing:
 - (a) the singular include the plural;
 - (b) the plural include the singular; and
 - (c) any gender include each gender;
- (2) A reference to:
 - (a) a natural person includes a body corporate or local government;
 - (b) a body corporate or local government includes a natural person;
 - (c) a professional body includes a successor to or substitute for that body;
 - (d) a Party includes its legal personal representatives, successors and assigns and if a Party comprises two or more persons, the legal personal representatives, successors and assigns of each of those persons;
 - (e) a statute, includes an ordinance, code, regulation, award, town planning scheme, regulation, local law, by-law, requisition, order or other statutory instrument made under any of them and a reference to any of them, whether or not by name, includes any amendments to, re-enactments of or replacements of any of them from time to time in for
 - (f) a right includes a benefit, remedy, discretion, authority or power;
 - (g) an obligation includes a warranty or representation and a reference to a failure to observe or perform an obligation includes a breach of warranty or representation;
 - (h) this Lease or provisions of this Lease or any other deed, agreement, instrument or contract includes a reference to:
 - (a) both express and implied provisions; and
 - (b) that other deed, agreement, instrument or contract as varied, supplemented, replaced or amended;

- (i) writing includes any mode of representing or reproducing words in tangible and permanently visible form and includes facsimile transmissions;
 - (j) any thing (including, without limitation, any amount) is a reference to the whole or any part of it and a reference to a group of things or persons is a reference to any one or more of them; and
 - (k) a subparagraph, paragraph, subclause, clause, Item, Schedule, Annexure or Appendix is a reference to, respectively, a subparagraph, paragraph, subclause, clause, Item, Schedule, Annexure or Appendix of this Lease;
- (3) The covenants and obligations on the part of the Lessee not to do or omit to do any act or thing include:
- (a) covenants not to permit that act or thing to be done or omitted to be done by an Authorised Person; and
 - (b) a covenant to do everything necessary to ensure that that act or thing is not done or omitted to be done;
- (4) Except in the Schedule, headings do not affect the interpretation of this Lease; and
- (5) If a Party comprises two or more persons, the covenants and agreements on their part bind them and must be observed and performed by them jointly and each of them severally, and may be enforced against any one or more of them.

3 Grant of lease

- (a) The Lessor leases to the Lessee the Premises subject to all Encumbrances for the Term subject to:
 - (i) the payment of the Amounts Payable; and
 - (ii) the performance and observance of the Lessee's Covenants.
- (b) The Lessee accepts the Lease granted by the Lessor under this clause.

4 Quiet enjoyment

Except as provided in the Lease, and subject to the performance and observance of the Lessee's Covenants, the Lessee may quietly hold and enjoy the Premises during the Term without any interruption or disturbance from the Lessor or persons lawfully claiming through or under the Lessor.

5 Rent and other payments

(1) Amounts to be Paid by Lessee

The Lessee covenants with the Lessor:

(a) Rent

to pay to the Lessor the Rent in the manner set out at **Item 5** of the Schedule on and from the Commencement Date clear of any deductions.

(b) Outgoings

to pay to the Lessor or to such person as the Lessor may from time to time direct all of the outgoings or charges, assessed or incurred in respect of the Premises specified in **Item 6** of the Schedule.

(c) Interest

without affecting the rights, power and remedies of the Lessor under this Lease, to pay to the Lessor interest on demand on any Amounts Payable which are unpaid for 7 days computed from the due date for payment until payment is made and any interest payable under this paragraph will be charged at the Interest Rate.

(d) Costs

(i) to pay to the Lessor on demand:

- (A) any statutory duty or tax payable on or in connection with this Lease;
- (B) all registration fees in connection with this Lease; and
- (C) all legal costs of and incidental to the instructions for the preparation and execution of this Lease.

(ii) to pay to the Lessor all costs, legal fees, disbursements and payments incurred by or for which the Lessor is liable in connection with or incidental to:

- (A) the Amounts Payable or obtaining or attempting to obtain payment of the Amounts Payable under this Lease;
- (B) any breach of covenant by the Lessee or an Authorised Person;
- (C) the preparation and service of a notice under section 81 of the *Property Law Act 1969* requiring the Lessee to

remedy a breach even though forfeiture for the breach may be avoided in a manner other than by relief granted by a Court;

- (D) any work done at the Lessee's request; and
- (E) any action or proceedings arising out of or incidental to any matters referred to in **paragraph (d)** or any matter arising out of this Lease.

(2) Payment of Money

Amounts Payable to the Lessor under this Lease must be paid to the Lessor at the address of the Lessor referred to in this Lease or as otherwise directed by the Lessor by Notice from time to time.

6 Accrual of amounts payable

Amounts Payable accrue on a daily basis.

7 Insurance

(1) Insurances to be Effected

The Lessor will effect and maintain the insurance policies specified in **Item 7** of the Schedule as the responsibility of the Lessor and the Lessee must effect and maintain with insurers approved by the Lessor, and with the Lessor's interest noted on the policy, any insurance policy specified as the responsibility of the Lessee in **Item 7** of the Schedule.

(2) Details and Receipts

In respect of any insurances required to be effected and maintained by the Lessee, the Lessee must:

- (a) on demand supply to the Lessor details of the insurance and give to the Lessor copies of certificates of currency;
- (b) promptly pay all premiums and produce to the Lessor each policy or certificate of currency and each receipt for premiums paid or each certificate of currency issued by the insurers approved by the Lessor; and
- (c) notify the Lessor immediately when a policy of insurance is cancelled.

(3) Not to Invalidate

The Lessee must:

- (a) not do or omit to do any act or thing or bring or keep anything on the Premises which might:
 - (i) render the insurance on the Premises or any adjoining premises void or voidable; or
 - (ii) cause the rate of a premium to be increased for the Premises or any adjoining premises;
- (b) pay any increase in the rate of a premium referred to in **paragraph (a)** on the demand of the Lessor;
- (c) pay any excess in regard to any identified in **Item 7** of the Schedule and
- (d) notify the Lessor when an event occurs which gives rise or might give rise to a claim under, or which could prejudice, a policy of insurance.

(4) Report

Each Party must report to the other promptly in writing and in an emergency verbally:

- (a) any damage to the Premises of which they are or might be aware; and
- (b) any circumstances of which they are aware and which are likely to be a danger or cause any damage or danger to the Premises or to any person in or on the Premises.

(5) Settlement of Claim

The Lessor may, but the Lessee may not without prior written consent of the Lessor, settle or compromise any claims under any policy of insurance required by **subclause (1)**.

(6) Lessor as Attorney

The Lessee irrevocably appoints the Lessor as the Lessee's attorney during the Term:

- (a) in respect to all matters and questions which may arise in relation to any policy of insurance required by **subclause (1)**;
- (b) with full power to demand, sue for and recover and receive from any insurance company or society or person liable to pay the insurance money as are payable for the risks covered by the insurance policies required by **subclause (1)**;
- (c) to give good and effectual receipts and discharges for the insurance policies required by **subclause (1)**; and

- (d) to settle, adjust, arbitrate and compromise all claims and demands and generally to exercise all powers of absolute owner.

8 Indemnity

(1) Indemnity

The Lessee indemnifies the Lessor against any liability or loss arising from and any costs, charges and expenses incurred in connection with:

- (a) any damage to the Premises, or any loss of or damage to anything on it;
and
- (b) any injury to any person on the Premises,

and for which the Lessor becomes liable.

(2) Indemnity Unaffected by Insurance

The Lessee's obligation to indemnify the Lessor under this Lease or at law is not affected by the Lessee's obligation to insure under **clause 7** or at law and the indemnity under **subclause (1)** is paramount.

(3) Receipt of Insurance Money

If insurance money is received by the Lessor for any of the obligations set out in this clause, then the Lessee's obligations under **subclause (1)** will be reduced by the extent of such payment.

9 Limit of lessor's liability

The Lessor will not be liable for loss, damage or injury to any person or property in or about the Premises however occurring and the Lessor will not be liable for any failure to perform and observe any of the Lessor's Covenants due to any cause beyond the Lessor's control.

10 Maintenance, repair and cleaning

(1) Maintenance

- (a) The Lessee must, at its own expense, undertake the maintenance of the Premises specified in **Schedule Item 9** to this Lease.
- (b) In addition to, and notwithstanding the specificity of the maintenance obligations provided for in **Schedule Item 9**, the Lessee must keep the Premises in good, safe, clean and tenantable repair at all times.

- (c) The Lessee must comply with all reasonable conditions that may be imposed by the Lessor from time to time in relation to any maintenance of the Premises required to be undertaken by the Lessee under subclause (1)(a) or (b); and
- (d) The Lessee must take such reasonable action as is necessary to:
 - (i) prevent, if it has occurred as a result of the Lessee's use of the Premises; and
 - (ii) rectify or otherwise ameliorate,

the effects of erosion, drift or movement of sand, soil, dust or water on or from the Premises.
- (e) The Lessor shall maintain any fire safety equipment on the Premises, which maintenance shall include undertaking all regular checks of equipment and ensuring that the Premises meets any prescribed standards, as required by any written law or as otherwise reasonable directed by the Lessor.
- (f) The Lessee must keep the Premises free of any vermin and termites and the cost of extermination will be borne by the Lessee.
- (g) If the Lessee fails to keep the Premises free from vermin or termite activity, the Lessor may arrange for extermination and the costs shall be borne by the Lessee.

(2) Repair

The Lessee must promptly repair at its own expense to the satisfaction of the Lessor any damage to the Premises, regardless of how it is caused, and replace any of the Lessor's fixtures and fittings which are or which become damaged.

(3) Cleaning

The Lessee must at all times keep the Premises clean, tidy, unobstructed and free from dirt and rubbish and must not leave rubbish bins or containers outside the Premises other than on official rubbish collections days.

(4) Acknowledgement of State of Repair of Premises

The Lessee acknowledges that it has inspected the structure of the Premises internally and externally prior to the execution of this Lease and enters into the Lease with full knowledge of the structural state and state of repair of the Premises.

11 Alterations

(1) Restriction

The Lessee must not:

- (a) make or allow to be made any alteration, addition or improvements to or demolish any part of the Premises;
- (b) erect or construct any building on the Premises;
- (c) remove, alter or add to any fixtures, fittings or facilities in or on the Premises; or
- (d) subject to the performance of any obligations under **clause 10**, remove any flora, trees or fauna, alter or cut down any flora, or sell, remove or otherwise dispose of any flora, sand, gravel, timber or other materials from the Premises,

unless the Lessee has obtained the prior written consent of:

- (e) of the Lessor;
- (f) of any other person from whom consent is required under this Lease;
- (g) of the insurers approved under **clause 7**,

and the Parties agree that any consent may be given upon certain conditions (“**Conditions**”).

(2) Consent

If the Lessor:

- (a) and all other persons whose consent is required under this Lease or at law consents to any matter referred to in **subclause (1)** the Lessor may:
 - (i) require that work be carried out in accordance with plans and specifications approved by the Lessor or any other person giving consent; and
 - (ii) require that any alteration be carried out to the satisfaction of the Lessor under the supervision of an engineer or other consultant; and
- (b) consents to any matter referred to in **subclause (1)**:

- (i) the Lessor gives no warranty that the Lessor will issue any consents, approvals, authorities, permits or policies under any statute for such matters; and
- (ii) the Lessee must apply for and obtain all such consents, approvals, authorities, permits or policies as are required at law before undertaking any alterations, additions, improvements or demolitions.

(3) Work to be at Lessee's Expense

All works undertaken under this clause will be carried out at the Lessee's expense.

(4) Conditions

- (a) Subject to **clause 11(4)(b)**, if any of the persons referred to in **clause 11(1)(e) to (g)** impose Conditions with respect to the proposed Alterations, the Lessee must comply with the Conditions if it is entitled at law to proceed to make the Alterations and does so proceed.
- (b) If any of the Conditions require other works to be done by the Lessee, then the Lessee must at the option of the Lessor either:
 - (i) carry out those other works at the Lessee's expense; or
 - (ii) permit the Lessor to carry out those other works at the Lessee's expense,

in accordance with the Lessor's requirements.

12 Use

(1) Restrictions on Use

The Lessee must not and must not suffer or permit a person to:

- (a) use the Premises for any purpose other than for the Permitted Purpose;
- (b) use the Premises for any purpose which is not permitted under any town planning scheme or any law relating to health;
- (c) do or carry out on the Premises any harmful, offensive, or illegal act, matter or thing;
- (d) do or carry out on the Premises any thing which causes a nuisance, damage or disturbance to the Lessor or to owners or occupiers of adjoining properties;

- (e) store any dangerous compound or substance on or in the Premises;
- (f) do any act or thing which might result in excessive stress or harm to any part of the Premises; or
- (g) display from or affix any signs, notices or advertisements on the Premises without the prior written consent of the Lessor.

(2) No Warranty

The Lessor gives no warranty:

- (a) as to the use to which the Premises may be put; or
- (b) that the Lessor will issue any consents, approvals, authorities, permits or licences required by the Lessee under any statute for its use of the Premises.

(3) Premises Subject to Restriction

The Lessee accepts the Premises for the Term subject to any existing prohibition or restriction on the use of the Premises.

(4) Indemnity for Costs

The Lessee indemnifies the Lessor against any claims or demands for all costs, on a solicitor client basis, incurred by the Lessor by reason of any claim in relation to any matters set out in subclauses (1) to (3).

13 Lessor's right of entry

(1) Entry on Reasonable Notice

The Lessee or any Authorised Person must permit entry by the Lessor or any person authorised by the Lessor, on reasonable notice, except in the case of an emergency, onto the Premises:

- (a) at all reasonable times;
- (b) with or without workmen and others;
- (c) with or without plant, equipment, machinery and materials; and
- (d) for each of the following purposes:
 - (i) to inspect the state of repair of the Premises and to ensure compliance with the provisions of this Lease;

- (ii) to carry out any survey or works which the Lessor considers necessary, however the Lessor will not be liable to the Lessee for any compensation for such survey or works provided they are carried out in a manner which causes as little inconvenience as is reasonably possible to the Lessee;
- (iii) to comply with the Lessor's Covenants under this Lease or to comply with any notice or order of any authority in respect of the Premises for which the Lessor is liable; and
- (iv) to do all matters or things to rectify any breach by the Lessee of any of the Lessee's Covenants, but the Lessor is under no obligation to rectify any breach and any rectification under this subparagraph is without prejudice to the Lessor's other rights, remedies or powers under this Lease.

(2) Costs of Rectifying Breach

All costs and expenses incurred by the Lessor as a result of any breach referred to in **subclause (1)(iv)** together with any interest payable on such sums, will be a debt due to the Lessor and payable to the Lessor by the Lessee on demand.

14 Statutory obligations & notices

(1) Comply with Statutes

The Lessee must:

- (a) comply promptly with all statutes relating to the Premises or to the Lessee's use of the Premises;
- (b) apply for, obtain and maintain in force all consents, approvals, authorities, licences and permits required under any statute for the use of the Premises for the Permitted Purpose;
- (c) ensure that all obligations in regard to payment for copyright or licensing fees are paid to the appropriate person for all performances, exhibitions or displays held on the Premises; and
- (d) comply promptly with all orders, notices, requisitions or directions of any competent authority relating to the Premises or to the business the Lessee carries on the Premises.

(2) Indemnity if Fails to Comply

The Lessee indemnifies the Lessor against:

- (a) failing to perform, discharge or execute any of the items referred to in **subclause (1)**; and

- (b) any claims, demands, costs or other payments of or incidental to any of the items referred to in **subclause (1)**.

15 Report to lessor

The Lessee must immediately report to the Lessor:

- (a) any act of vandalism or any incident which occurs on or near the Premises which involves or is likely to involve a breach of the peace or become the subject of a report or complaint to the police;
- (b) any occurrence or circumstances in or near the Premises, of which it becomes aware, which might reasonably be expected to cause, in or on the Premises, pollution of the environment; and
- (c) all notices, orders and summonses received by the Lessee and which affect the Premises and immediately give them to the Lessor.

16 Default

(1) Events of Default

A default occurs if:

- (a) any Amounts Payable remain unpaid for 7 days after becoming due whether or not a demand or Notice has been given to the Lessee;
- (b) the Lessee is in breach of any of the Lessee's Covenants (other than the covenant to pay the Amounts Payable) for 14 days after a Notice has been given to the Lessee to rectify the breach or to pay compensation in money;
- (c) an order is made or a resolution effectively passed for the winding up of the Lessee unless the winding up is for the purpose of amalgamation or reconstruction;
- (d) a controller, as defined by the *Corporations Act 2001*, is appointed in respect of the property of the Lessee under this Lease;
- (e) a mortgagee takes possession of the property of the Lessee under this Lease;
- (f) any execution or similar process is made against the Lessee's property on the Premises;
- (g) the Premises are vacated by the Lessee prior to Termination;

- (h) a person other than the Lessee or a permitted sublessee or assignee is in occupation or possession of the Premises or in receipt of rents or profits; or
- (i) any application is made or notice given or any other procedure started by which the registration of the Lessee is to be cancelled or dissolved under the *Corporations Act 2001*.

(2) Forfeiture

On the occurrence of any of the events of default specified in **subclause (1)** the Lessor may:

- (a) without Notice or demand at any time enter the Premises and on re-entry the Term will immediately determine;
- (b) by Notice to the Lessee determine this Lease and from the date of giving such Notice this Lease will be absolutely determined; and
- (c) by Notice to the Lessee elect to convert the unexpired portion of the Term into a tenancy from month to month, when this Lease will be determined as from the giving of the Notice, and until the tenancy is determined the Lessee will hold the Premises from the Lessor as a tenant from month to month under **clause 19**,

but without affecting the right of action or other remedy which the Lessor has in respect of any other breach by the Lessee of the Lessee's Covenants or releasing the Lessee from liability in respect of the Lessee's Covenants.

(3) Lessor May Remedy Breach

If the Lessee:

- (a) fails or neglects to pay the Amounts Payable by the Lessee under this Lease; or
- (b) does or fails to do anything which constitutes a breach of the Lessee's Covenants,

then the Lessor may without affecting any right, remedy or power arising from that default pay the money due or do or cease the doing of the breach as if it were the Lessee and the Lessee must pay to the Lessor on demand the Lessor's costs and expenses of remedying each breach or default.

(4) Acceptance of Amounts Payable By Lessor

Demand for or acceptance of the Amounts Payable by the Lessor after an event of default has occurred will not affect the exercise by the Lessor of the rights and powers conferred on the Lessor by the provisions of this Lease or at law

and will not operate as an election by the Lessor to exercise or not to exercise any right or power.

(5) Essential Provisions

Each of the Lessee's Covenants in **clauses 5** (Rent and Other Payments), **7** (Insurance), **8** (Indemnity), **10** (Maintenance, Repair and Cleaning), **12** (Use), **23** (Assignment, Subletting and Charging) and **34** (Goods and Services Tax) is an essential provision of this Lease, but this subclause does not mean or imply that there are no other essential provisions in this Lease.

(6) Breach of Essential Provisions

If the Lessee breaches an essential provision of this Lease then, in addition to any other remedy or entitlement of the Lessor:

- (a) the Lessee must compensate the Lessor for the loss or damage suffered by reason of the breach of that essential provision;
- (b) the Lessor will be entitled to recover damages against the Lessee in respect of the breach of an essential provision; and
- (c) the Lessee covenants with the Lessor that if the Term is determined:
 - (i) for breach of an essential provision or the acceptance by the Lessor of a repudiation of this Lease by the Lessee; or
 - (ii) following the failure by the Lessee to comply with any Notice given to the Lessee to remedy any default,

the Lessee must pay to the Lessor on demand the total of the Amounts Payable under this Lease which would have been payable by the Lessee for the unexpired balance of the Term as if the Term had expired by effluxion of time, together with the losses incurred or reasonably expected to be incurred by the Lessor as a result of the early determination including, but not limited to, the costs of reletting or attempting to re-let the Premises.

(7) Subclause (6)(c) to Survive Termination

The Lessee agrees that the covenant set out in **subclause (6)(c)** will survive Termination or any deemed surrender at law of the estate granted by this Lease.

(8) Lessee may Deduct Amounts for Re-letting

The Lessee may deduct from the amounts referred to in **subclause (6)(c)** the Rent and other money which the Lessor reasonably expects to obtain by re-letting the Premises between the date of the determination of this Lease and the date on which the Term would have expired by effluxion of time.

(9) Lessor to Mitigate its Losses

The Lessor must take reasonable steps to mitigate its losses and endeavour to relet the Premises at a reasonable rent and on reasonable provisions, but the Lessor is not required to offer or accept rent or provisions which are the same or similar to the Rent or provisions contained or implied in this Lease.

17 Damage or destruction

(1) Abatement of Rent

If the Premises are at any time during the Term, without neglect or default of the Lessee, destroyed or damaged by fire or other risk covered by insurance so as to render the same unfit for the occupation and use of the Lessee, then the Rent or a proportionate part thereof (according to the nature and extent of the damage) shall abate until the Premises have been rebuilt or made fit for the occupation and use of the Lessee, and in case of any dispute arising under this provision the same will be referred to arbitration under the provisions of the *Commercial Arbitration Act 1985* and the full Rent must be paid without any deduction or abatement until the date of the arbitrator's award whereupon the Lessor will refund to the Lessee any Rent which according to the award appears to have been overpaid.

(2) Termination

In the event that fifty per cent (50%) or more of the Premises are damaged or destroyed by fire or any like casualty the Lessor will have the option to be exercised by notice in writing delivered to the Lessee within sixty (60) days of such occurrence, to elect to cancel and terminate this Lease. The Term will terminate upon the third date after such notice is given and the Lessee must vacate the Premises and surrender the same to the Lessor but such termination will be without prejudice to the Lessor's rights in respect of any antecedent breach of this Lease.

18 Option to renew

(1) Exercise of Option

If:

- (a) there is a Further Term specified in **Item 3** of the Schedule;
- (b) at the date of exercise of the option in this clause and at the date of expiration of the Term the Lessee is not in arrears of payment of the Rent and there is no outstanding breach or non-observance of any of the Lessee's Covenants; and
- (c) the Lessee serves notice in writing on the Lessor not more than six (6) months nor less than three (3) months prior to the expiration of the Term of the Lessee's desire to renew the Term,

the Lessor will at the cost of the Lessee grant to the Lessee a further lease of the Premises for the further period specified in **Item 3** of the Schedule upon and subject to the same terms, covenants and conditions as are contained or implied in this Lease except this **clause 18**.

(2) Execution of Deed of Extension of Lease

Upon the valid exercise of any option to extend this Lease for a Further Term under **subclause (1)**, the Lessee shall prior to the expiration of the Term by effluxion of time, execute a deed recording the extension of this Lease prepared by the Lessor.

(3) Costs of Deed of Extension

The Lessee shall pay to the Lessor on demand any costs incurred in preparing the deed of extension of this Lease referred to in **subclause (2)**.

19 Holding over

If the Lessee remains in possession of the Premises after the expiry of the Term, and any Further Term granted, with the consent of the Lessor, the Lessee will be a monthly tenant of the Lessor at a rent equivalent to one twelfth of the Rent for the period immediately preceding expiry of the Term or Further Term and otherwise on the same provisions of this Lease, provided that all consents required under this Lease or at law have been obtained to the Lessee being in possession of the Premises as a monthly tenant.

20 Restore premises

Prior to Termination, the Lessee at the Lessee's expense must restore the Premises to a condition consistent with the observance and performance by the Lessee of the Lessee's Covenants under this Lease, fair wear and tear excepted.

21 Yield up the premises

(1) Peacefully Surrender

On Termination the Lessee must:

- (a) peacefully surrender and yield up to the Lessor the Premises in a condition consistent with the observance and performance of the Lessee's Covenants under this Lease; and
- (b) surrender to the Lessor all keys and security access devices and combinations for locks providing access to or within the Premises held by the Lessee, whether or not provided by the Lessor.

(2) Subclause (1) to Survive Termination

The Lessee's obligation under subclause (1) shall survive Termination.

22 Removal of property from premises

(1) Remove Property Prior to Termination

Prior to Termination, the Lessee must remove from the Premises all property of the Lessee including the Lessee's fixtures and promptly make good, to the satisfaction of the Lessor, any damage caused by the removal of that property or fixtures.

(2) Lessor can Remove Property on Re-Entry

On re-entry the Lessor will have the right to remove from the Premises any property of the Lessee, and the Lessee indemnifies the Lessor against all damage caused by the removal of and the cost of storing that property.

23 Assignment, subletting and charging

(1) No Assignment or Subletting without Consent

The Lessee must not assign the leasehold estate in the Premises nor sub-let, part with possession, or dispose of the Premises or any part of the Premises without the prior written consent of the Lessor and any other persons whose consent is required under this Lease or at law.

(2) Change in Ownership of Shares

If the Lessee is a corporation the shares in which are not quoted on any stock exchange in Australia, any change in the beneficial ownership, issue or cancellation of shares in that corporation or any holding company of that

corporation within the meaning of the *Corporations Act 2001* will be deemed to be an assignment of the leasehold estate created by this Lease.

(3) Lessor's Consent to Assignment and Subletting

Provided all parties whose consent is required under this Lease or at law to an assignment or subletting give their consent, then the Lessor may not unreasonably withhold its consent to the assignment or subletting of the leasehold estate created by this Lease if:

- (a) the proposed assignee or sublessee is a respectable and responsible person of good financial standing;
- (b) all Amounts Payable due and payable have been paid and there is no existing unremedied breach, whether notified to the Lessee or not, of any of the Lessee's Covenants;
- (c) the Lessee procures the execution by:
 - (i) the proposed assignee of a deed of assignment; or
 - (ii) the proposed sublessee of a deed of sublease,to which the Lessor is a party and which deed is prepared and completed by the Lessor's solicitors; and
- (d) the deed of assignment contains a covenant by the assignee with the Lessor to pay all Amounts Payable and to perform and observe all the Lessee's Covenants, or the deed of sublease contains a covenant by the sublessee with the Lessor, to pay all the Amounts Payable and to perform and observe all of the Lessee's Covenants in respect of the subleased area of the Premises.

(4) Consents of Assignee Supplementary

The covenants and agreements on the part of any assignee will be supplementary to the Lessee's Covenants and will not release the assigning lessee from the Lessee's Covenants.

(5) Property Law Act 1969

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

(6) Costs for Assignment and Subletting

If the Lessee wishes to assign or sublet the leasehold estate created by this Lease, the Lessee must pay all reasonable professional and other costs, charges and expenses, incurred by the Lessor or other person whose consent is required under this Lease, of and incidental to:

- (a) the enquiries made by or on behalf of the Lessor as to the respectability, responsibility and financial standing of each proposed assignee or sublessee;
- (b) any consents required under this Lease or at law; and
- (c) all other matters relating to the proposed assignment or subletting, whether or not the assignment or subletting proceeds.

(7) No Mortgage or Charge

The Lessee must not mortgage or charge the Premises.

24 Acts by agents

All acts and things which the Lessor is required to do under this Lease may be done by the Lessor, the CEO, an officer or the agent, solicitor, contractor or employee of the Lessor.

25 Governing law

This Lease is governed by and is to be interpreted in accordance with the laws of Western Australia and, where applicable, the laws of the Commonwealth of Australia.

26 Statutory powers

The powers conferred on the Lessor by or under any statutes are, except to the extent that they are inconsistent with the provisions of this Lease, in addition to the powers conferred on the Lessor in this Lease.

27 Notice

(1) Form of Delivery

A Notice to a Party must be in writing and may be given or made:

- (a) by delivery to the Party personally; or
- (b) by addressing it to the Party and leaving it at or posting it by registered post to the address of the Party appearing in this Lease or any other address nominated by a Party by Notice to the other.

(2) Service of Notice

A Notice to a Party is deemed to be given or made:

- (a) if by personal delivery, when delivered;

- (b) if by leaving the Notice at an address specified in **subclause (1)(b)**, at the time of leaving the Notice, provided the Notice is left during normal business hours; and
- (c) if by post to an address specified in **subclause (1)(b)**, on the second business day following the date of posting of the Notice.

(3) Signing of Notice

A Notice to a Party may be signed:

- (a) if given by an individual, by the person giving the Notice;
- (b) if given by a corporation, by a director, secretary or manager of that corporation;
- (c) if given by a local government, by the CEO;
- (d) if given by an association incorporated under the *Associations Incorporation Act 1987*, by any person authorised to do so by the board or committee of management of the association; or
- (e) by a solicitor or other agent of the individual, corporation, local government or association giving the Notice.

28 Severance

If any part of this Lease is, or becomes, void or unenforceable that part is or will be, severed from this Lease to the intent that all parts that are not, or do not become, void or unenforceable remain in full force and effect and are unaffected by that severance.

29 Disputes

(1) Appointment of Arbitrator

Except as otherwise provided, any dispute arising out of this Lease is to be determined by a single arbitrator under the provisions of the *Commercial Arbitration Act 1985* and the Lessor and the Lessee may each be represented by a legal practitioner.

(2) Payment of Amounts Payable to Date of Award

The Lessee must pay the Amounts Payable without deduction to the date of the award of the Arbitrator or the date of an agreement between the Parties whichever event is the earlier, and if any money paid by the Lessee is not required to be paid within the terms of the award of the Arbitrator or by agreement between the Lessor and the Lessee, then the Lessor will refund to the Lessee the money paid.

30 Variation

This Lease may be varied only by deed executed by the Parties subject to such consents as are required by this Lease or at law.

31 Moratorium

The provisions of a statute which would but for this clause extend or postpone the date of payment of money, reduce the rate of interest or abrogate, nullify, postpone or otherwise affect the provisions of this Lease do not, to the fullest extent permitted by law, apply to limit the provisions of this Lease.

32 Further assurance

The Parties must execute and do all acts and things necessary or desirable to implement and give full effect to the provisions of this Lease.

33 Waiver

(1) No General Waiver

A failure by the Lessor to exercise or its delay in exercising any right, power or privilege in this Lease does not operate as a waiver of or otherwise impair that right, power or privilege.

(2) Partial Exercise of Right Power or Privilege

A single or partial exercise of any right, power or privilege does not preclude any other or further exercise of that right, power or privilege or the exercise of any other right, power or privilege.

34 Goods and services tax

(1) Definitions

The following definitions apply for the purpose of this clause:

- (a) "Act" means the Commonwealth's *A New Tax System (Goods and Services Tax) Act 1999* and associated Acts and subsidiary legislation;
- (b) "Consideration" means the Amounts Payable or any other money payable to the Lessor under this Lease, but does not include the amount of the GST which may apply to the Amounts Payable or other money payable under the Act;
- (c) "GST" means a tax under the Act levied on a Supply including but not limited to the Amounts Payable or other money payable to the Lessor

for goods or services or property or any other thing under this Lease;
and

- (d) **“Supply”** means a good or service or any other thing supplied by the Lessor under this Lease and includes but is not limited to a grant of a right to possession of the Premises.

(2) Lessee to Pay GST

- (a) The Consideration will be increased by the amount of the GST, if any, which the Lessor is required under the Act to pay on any Supply made under this Lease;
- (b) The Lessee must pay any increase referred to at **paragraph (a)** whether it is the Lessee or any other person who takes the benefit of any Supply; and
- (c) The Lessee must pay the amount of the GST to the Lessor at the same time and in the same manner as the Lessee is required to pay the Consideration under this Lease.

(3) Consideration in Kind

If consideration in kind is accepted by the Lessor for any Supply made under this Lease, the GST amount payable to the Lessor under **subclause (2)(b)** in respect of the consideration in kind will be calculated by using the prevailing market value of the consideration in kind as determined by the Lessor.

(4) No Contribution from Lessor

If the Lessee is required under this Lease to make any payment of money or give other consideration to a third party for outgoings, goods, services and benefits of any kind, the Lessee is not entitled to any contribution from the Lessor for any GST payable by it to any person.

(5) Statement of GST paid is Conclusive

A written statement given to the Lessee by the Lessor of the amount of the GST that the Lessor pays or is liable to pay or account for is conclusive as between the Parties except in the case of an obvious error.

(6) Tax Invoices

For each payment by the Lessee under this clause the Lessor agrees to promptly deliver to the Lessee, as required under the Act, tax invoices and adjustment notes in a form which complies with the Act, so as to enable the Lessee to claim input tax credits or decreasing adjustments for Supplies.

(7) Reciprocity

If the Lessee furnishes any Supplies to the Lessor under this Lease, then the requirements set out in this clause with respect to the Lessee will apply to the Lessor with the necessary changes.

35 Commercial Tenancy Act

If at any time the *Commercial Tenancy (Retail Shops) Agreements Act 1985* applies to this Lease and a provision of that Act conflicts with a provision of this Lease, then each conflicting provision of this Lease is deemed to be amended to the extent necessary to comply with that Act.

36 Caveat

(1) No Absolute Caveat

The Lessee nor any person on behalf of the Lessee will, without the prior written consent of the Lessor, lodge any absolute caveat at Landgate against the Certificate of Title for the Land, to protect the interests of the Lessee under this Lease.

(2) CEO & Lessor as Attorney

In consideration of the Lessor having granted this Lease to the Lessee, the Lessee irrevocably appoints the Lessor and the CEO of the Lessor jointly and severally:

- (a) for the Term of this Lease;
- (b) for any holding over under this Lease; and
- (c) for a period of 6 months after Termination,

to be the agent and attorney of the Lessee in its name and on its behalf to sign and lodge at Landgate:

- (d) a withdrawal of any absolute caveat lodged by or on behalf of the Lessee;
- (e) a withdrawal of any caveat lodged by or on behalf of the Lessee and not withdrawn on Termination; and
- (f) a surrender of the estate granted by this Lease,

and the costs of withdrawing any caveat or surrendering this Lease (including the Lessor's solicitor's costs and registration fees) will be borne by the Lessee.

37 Indemnity and ratification

(1) Ratification

The Lessee undertakes to ratify all the acts performed by or caused to be performed by the Lessor, its agent or attorney under **clause 36**.

(2) Indemnity

The Lessee indemnifies the Lessor against:

- (a) any loss arising from any act done under **clause 36**; and
- (b) all costs and expenses incurred in connection with the performance of any act by the attorney on behalf of the Lessee under **clause 36**.

38 Additional terms, covenants and conditions

Each of the terms covenants and conditions (if any) specified in **Item 9** of the Schedule shall be deemed part of this Lease and shall be binding upon the Lessor and Lessee as if incorporated in the body of this Lease.

SCHEDULE

Item 1: Premises

The Premises consists of the portion of the building known as the Old Council Chambers previously occupied by the Wheatbelt Development Commission located on Lot 200, 108 Barrack Street, Merredin WA 6415.

Item 2: Term

From 2 October 2018 and expiring on 29 February 2020.

Item 3: Further Term

Five (5) years commencing on 1 March 2020 and expiring on 28 February 2025.

Item 4: Commencement Date

2 October 2018

Item 5: Rent

\$43.33 per month (\$520 per annum) payable monthly in advance, with the first payment due on the Commencement Date, with a rental on a sliding scale applying to the further term of five years to ensure 100% of a commercial rent is paid in the final year.

Item 6: Outgoings

- (a) The Lessee must pay all outgoings or charges of any kind, assessed or incurred in respect of the Premises, or the Lessee's use or occupation of the Premises, including but not limited to, any rate, installation, meter, rental or consumption charge.
- (b) If the Premises are not separately charged or assessed the Lessee will pay to the Lessor a proportionate part of any charges or assessments referred to in **paragraph (a)** being the proportion that the Premises bears to the total area of the land or premises included in the charge or assessment.

Item 7: Insurance

The Lessor will effect and maintain the following insurance policies in respect of the Premises:

- (a) insurance of the Premises to the full insurable value on a replacement or reinstatement value basis against damage arising

from fire, tempest storm, earthquake, explosion, aircraft or other aerial device including items dropped from any device, riot, strike, commotion, flood, lightning, act of God, fusion, smoke, flood, water damage, leakage, impact by vehicle, machinery breakdown, malicious acts or omissions and other standard insurable risks.

The Lessee must effect and maintain the following insurance policies in respect of the Premises:

- (a) adequate public liability insurance for not less than ten million dollars (\$10m) in respect of any one claim or such greater amount as the Lessor may from time to time reasonably require;
- (b) insurance against all risks as the Lessor may require, of all plate glass windows, doors and display show cases forming part of or within the Premises for a sum which is not less than its full insurable value.

Item 8: Permitted Purpose

The Premises shall be utilised as a Community Resource Centre as defined from time to time by the State Government.

Item 9 Special Conditions

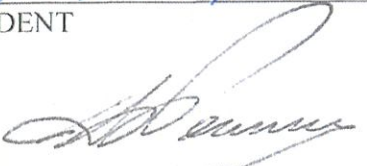
- (a) The Premises is taken on an "as is" basis with no further improvements or modifications to be undertaken during the lease period at Council's expense;
- (b) All outgoings and day to day maintenance expenses for the Premises will be the responsibility of the Merredin Community Resource Centre; and
- (c) Confirmation of the expenditure on the old Council Chambers is to be provided and evidenced by way of invoices.

Executed by the Parties as a Deed:



PRESIDENT

KEN HOOPER
PRINT FULL NAME



CHIEF EXECUTIVE OFFICER

GREG POWELL
PRINT FULL NAME

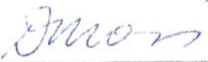
SIGNED by:



SIGNATURE OF CHAIR
MERREDIN COMMUNITY RESOURCE CENTRE

SUSANN KAYE O'CONNOR
PRINT FULL NAME

in the presence of:

Witness signature: 
Witness name: DESBIE MORRIS
Witness address: 11 Cowan Way
Merredin WA 6415
Witness occupation: Manages CRC

MERREDIN COMMUNITY RESOURCE CENTRE

AND

MAX EMPLOYMENT | MAX SOLUTIONS

SUBLEASE AGREEMENT

108 BARRACK STREET, MERREDIN

This is an agreement to sublet real property according to the terms specified below and with the consent of the property owner.

The sublessor agrees to sublet and the subtenant agrees to take the premises described below and in an "as is" condition.

Both parties agree to keep, perform and fulfill the promises, conditions and agreements below:

1. The sublessor

MERREDIN COMMUNITY RESOURCE CENTRE

2. The subtenant

MAX EMPLOYMENT | MAX SOLUTIONS

3. The location of the premises

108 BARRACK STREET, MERREDIN

4. Term of this sublease

TBA 2018 to 29 February 2020 with an option to extend dependent on sublessor's ability to lease the premises.

5. Conditions of sublease agreement

5.1 Rent

The rent is \$120 per week for a period of three (3) months (dates)

Payable in advance on a monthly basis, commencing TBA

The rent will be \$200 per week following the initial three month (3) period, commencing on TBA

The rent is payable to Merredin Community Resource Centre

Bank Account details

Westpac Bank Merredin

BSB 036 105

Account 153315

Reference on deposit "Max Employment".

5.2 All charges for utilities connected with premises

The sublessor under the master lease is responsible for the costs of power and water, therefore the subtenant for the term of this sublease shall be responsible for the total costs of power and 25% of the costs of the water (no separate water meter for 108 Barrack Street)

5.3 Condition of premises

Subtenant agrees to surrender and deliver to the sublessor the premises in as good a condition as they were at the beginning of the term, reasonable wear and tear excepted. The subtenant will be liable to the sublessor for any damages occurring to the premises which are done by the subtenant, clients or visitors.

5.4 Cleaning of premises

The subtenant shall be responsible for arrangement of and costs of cleaning.

The subtenant agrees to pay to sublessor for any damages and cleaning upon termination of the sublease agreement.

5.5 Property Condition Report (PCR)

At the time of taking possession of the premises by the subtenant, the sublessor will provide the subtenant with a PCR.

5.6 Subject to original lease agreement

This sublease agreement incorporates and is subject to the original lease agreement between the sublessor and their lessor, a copy of which is attached hereto, and which is hereby referred to and incorporated as if it were set out here at length. The subtenant agrees to assume all of the obligations and responsibilities of the sublessor under the original lease for the duration of the sublease agreement.

5.7 Legal action

In the event of any legal action concerning this sublease, the losing party shall pay to the prevailing party reasonable attorney's fees and court costs to be fixed by the court wherein such judgment shall be entered.

5.8 Sublessor's use of lawn area around premises


The subtenant shall agree to the sublessor having use of the lawn area at the front and east side of premises once a month on a Sunday for the Merredin Markets.

6. This lease constitutes the sole agreement between the parties, and no additions, deletions or modifications may be accomplished without the written consent of both parties (ANY ORAL REPRESENTATIONS MADE AT THE TIME OF EXECUTING THIS LEASE ARE NOT LEGALLY VALID AND, THEREFORE, ARE NOT BINDING UPON EITHER PARTY).
7. The words "sublessor" and "subtenant" as used herein include the plural as well as the singular.
8. Each signatory to this sublease acknowledges receipt of an executed copy thereof.
9. This sublease is not binding upon either party unless approved by the owner (original lessor) as provided below.
10. The parties hereby bind themselves to this agreement by their signatures affixed below

Sublessor - Merredin Community Resource Centre

P. ROMOLO PATRONI

NAME


SIGNATURE


19. 2. 2018.

DATE

Subtenant - Max Employment | Max Solutions

MARK BLAIR

NAME


SIGNATURE

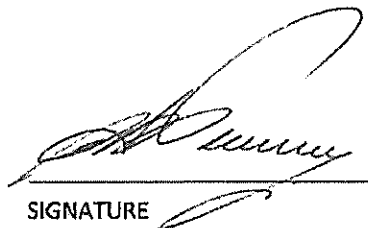
5-2-18

DATE

Owner (Original Lessor) - Shire of Merredin

Lisa Powell

NAME


SIGNATURE

20/2/2018

DATE

ORIGINAL LEASE AND PROPERTY CONDITION REPORT ATTACHED

 M. BLAIR

Signed and dated by Subtenant as received

MERREDIN COMMUNITY RESOURCE CENTRE
AND
MAX EMPLOYMENT | MAX SOLUTIONS

SUBLEASE AGREEMENT
108 BARRACK STREET, MERREDIN

ADDENDUM

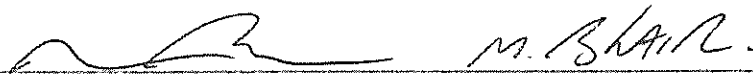
Term of sublease 5 March 2018 to 29 February 2020, with an option to extend dependent on sublessor's ability to lease the premises

Rent The rent is \$120 per week for a period of three (3) months being 5 March 2018 to 5 June 2018. Payable in advance on a monthly basis.

The rent will be \$200 per week from 5 June 2018 to 29 February 2020. Payable in advance on a monthly basis.

Furniture The subtenant will purchase the following furniture in "as is" condition -

4 tables for \$25 each =	\$100
10 chairs for \$25 each =	\$250
Display shelf \$50 =	<u>\$ 50</u>
Total	\$400


Signed and dated by Subtenant as acknowledged and agreed.