

Date

2nd Dec 2016

2016

GAMCORP PTY LTD ACN 005 231 265

(Landlord)

AND

REGLI & SONS PTY LTD ACN 608 121 222

(Tenant)

AND

ERWIN ERICH REGLI AND KAYE MARGARET REGLI

(Guarantors)

DEED OF LEASE OF RETAIL PREMISES

Warren, Graham & Murphy Pty Ltd

119 Main Street

BAIRNSDALE VIC 3875

DX 82201 BAIRNSDALE

Email: wgm@wgm.com.au

Ref: RMH:AC:1082016

LEASE OF RETAIL PREMISES

This lease consists of the Transaction Summary, being the Disclosure Statement and the Terms & Conditions.

<p>The parties agree that other than for completion of the Transaction Summary, any alterations and additions to the Terms & Conditions will be made by way of addition in part 12 of the Transaction Summary.</p>
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Parties

Landlord: Gamcorp Pty Ltd (ACN 005 231 265) of 239a Main Street, Bairnsdale 3875

Tenant: Regli & Sons Pty Ltd (ACN 608 121 222) of 118 MacLeod Street,
BAIRNSDALE VIC 3875

Guarantors: Erwin Erich Regli and Kaye Margaret Regli both of 5 Scotts Road,
Lindenow VIC 3865

The landlord leases the premises to the tenant for the term and at the rent and in accordance with the Transaction Summary and on the Terms & Conditions.

The guarantor agrees to be bound by the guarantor's obligations set out herein.

TRANSACTION SUMMARY

LANDLORD'S DISCLOSURE STATEMENT—RETAIL PREMISES NOT LOCATED IN RETAIL SHOPPING CENTRES

by the landlord under section 17(1)(a) and section 61(5) of the
Retail Leases Act 2003

NOTE

This statement is to be completed by the landlord and must be provided to the tenant with a copy of the proposed lease at least 7 days before the signing of a new lease.

The layout of this statement does not need to be the same as the prescribed disclosure statement in the Retail Leases Regulations 2013.

It is prudent for a tenant to obtain independent legal and financial advice before entering into a retail premises lease.

The tenant has remedies including termination of a lease under the Retail Leases Act 2003 if information in this statement is misleading, false or materially incomplete.

Information contained in this statement is correct as at the date of this statement but may change after the date of this statement and during the term of the lease.

Landlord: Gamcorp Pty Ltd ACN 005 231 265
239a Main Street, Bairnsdale VIC 3875

Tenant: Regli & Sons Pty Ltd ACN 608 121 222
118 MacLeod Street, Bairnsdale VIC 3875

Premises: 239 Main Street, Bairnsdale

PART 1 PREMISES

1 Premises details

- 1.1 Street address of premises:
239 Main Street, Bairnsdale being the land contained in Certificate of Title Volume 10922 Folio 877
- 1.2 Plan of premises (if available)
Not applicable
[Insert description of premises by reference to a prepared plan. Attach the plan to this disclosure statement as per item 23.1.]
- 1.3 Lettable area of premise m² Actual/Estimate
Will a survey be conducted? ☐ Yes ☒ No

1.4 Existing structures, fixtures, plant and equipment in the premises, provided by the landlord (excluding any works, fit out and refurbishment described in Part 3)
[select as appropriate]

1.5 Services and facilities provided by the landlord for the benefit of the premises (for example, security services, cleaning)
Not Applicable

2 Permitted use

2.1 Description of permitted use

Office, Administration and Sales

[Note: the tenant should investigate if the proposed use of the premises is permitted under planning laws.]

3 Number of car parking spaces

2 Reserved spaces for use of the tenant

4 Head lease – Not applicable

4.1 Is the premises under a head lease or Crown lease? ☐ Yes ☒ No

PART 2 TERM OF LEASE AND OPTION/S TO RENEW LEASE

5 Term of lease

5.1 Date lease commences 20th December 2016
(see also date of handover at item 7)

5.2 Length of term Two (2) years

5.3 Date lease expires 20th December 2018
(based on the date indicated at item 5.1 as the date the lease commences)

6 Option/s to renew lease

6.1 Option/s details

(Note: an option to renew a lease must be exercised in writing and given to the landlord on or before the last day stated in the option clause of the lease)

☒ Options as follows:

Length of option	Period of option	Exercise date
Two (2) years	20 December 2018 to 20 December 2020	20 September 2018
Two (2) years	20 December 2020 to 20 December 2022	20 September 2020

[list all options to renew lease]

PART 3 WORKS, FIT OUT AND REFURBISHMENT

7 Date of handover

7.1 Date of handover 20th December 2016
(if different to the date the lease commences indicated at item 5.1)

8 Landlord's works – Not applicable

8.1 Description of works to be carried out by the landlord before the date the lease commences

[exclude any works that form part of the tenant's fit out at item 9]

8.2 Estimate of expected contribution by the tenant towards the cost \$
of the landlord's works

[see also outgoings (item 13) in relation to any maintenance and repair outgoings]

9 Tenant's fit out works – Not applicable

9.1 Fit out works to be carried out by the tenant
(excluding the landlord's works at item 8)

9.2 Is the landlord providing any contribution towards the cost of the tenant's fit out? ☐ Yes ☒ No

[insert details of landlord's contribution]

9.3 Does the landlord have requirements as to the quality and standard of shop front and fit out? ☐ Yes ☒ No

[insert details insert details or provide fit out guide]

PART 4 RENT

10 Annual base rent

10.1 Starting annual base rent \$12,000.00 , exclusive of GST
(i.e. when the lease commences)

INITIALS

10.2 Rent free period

~~Not Applicable~~

20/12/16 To 20/11/17

[describe any rent free period]

10.3 Date of rent commencement 20 December 2016

10.4 How rent payments are to be made?

By equal monthly instalments in advance of \$1,000.00, exclusive of GST. The first payment due on 20th December 2016 and on the 20th day of each month thereafter. 20 JANUARY 2017

[insert description of how rent is paid—e.g. by equal monthly instalments in advance on the first day of each month, other than the first and last payments which are calculated on a pro-rata basis]

11 Rent adjustment (rent review) including further term

11.1 Rent adjustment date(s) and adjustment method

Market review – 20/12/18 and 20/12/20

CPI review – 20/12/17, 20/12/19 and 20/12/21

[insert a list of all rent adjustment dates and adjustment methods – e.g. fixed increase by X%, fixed increase by \$X, current market rent, indexed to CPI]

PART 5 OUTGOINGS

12 Contribution by tenant towards landlord's outgoings

12.1 Is the tenant required to pay or contribute towards the landlord's outgoings? ☒ Yes ☐ No

12.2 Describe any period during which the tenant is not required to pay outgoings
Not applicable

12.3 Date on which payment of outgoings is to commence 20 December 2016

12.4 Formulae for apportioning outgoings
100% of all building outgoings

[insert formulae on how outgoings payable by tenant are to be apportioned]

13 Outgoings estimates (annual) for the 12 month period 20 December 2016 to 20 December 2017

[State which of the following are payable by the tenant. The landlord may be prevented by the **Retail Leases Act 2003** from claiming certain costs.]

Estimate per annum for the building
(Including/Excluding GST)

13.1 Administration

Administration costs (excluding management fees and wages) Not applicable

Management fees Not applicable

13.2 Air conditioning/temperature control

Air conditioning maintenance At Tenant's cost

Air conditioning operating costs At Tenant's cost

13.3 Building management

Body corporate/strata levies \$800.00

Building intelligence services Not applicable

Energy management services Not applicable

Gardening and landscaping At Tenant's cost

Insurance (Public Liability, & Plate Glass) \$2,000.00 (Est.)

Pest control At Tenant's cost

	Ventilation	At Tenant's cost
13.4	Building security	
	Caretaking	At Tenant's cost
	Emergency systems	At Tenant's cost
	Fire protection	At Tenant's cost
	Security services	At Tenant's cost
13.5	Cleaning	
	Cleaning consumables	At Tenant's cost
	Cleaning costs (excluding consumables)	At Tenant's cost
13.6	Government rates and charges	
	Local government rates and charges	\$2,749.30
	Water, sewerage and drainage rates and charges	\$1,440.00
	Fire services premises levy	
	(Note: under section 50 of the Retail Leases Act 2003 , the landlord may not claim land tax as an outgoing.)	
13.7	Repairs	
	Repairs and maintenance	At Tenant's cost
	Sinking fund for repairs and maintenance	At Tenant's cost
	(Note: under section 41 of the Retail Leases Act 2003 , the landlord may not claim the capital costs of the building in which the premises are located.)	
13.8	Utility services	
	Electricity	At Tenant's cost
	Gas	At Tenant's cost
	Oil	At Tenant's cost
	Water	At Tenant's cost
13.9	Waste management	
	Sewerage disposal	At Tenant's cost
	Waste collection and disposal	At Tenant's cost
13.10	List any other outgoings	
13.11	Estimated tenant contribution to outgoings	\$7,049.30

PART 6 OTHER COSTS – Not applicable

14 Other monetary obligations and charges

14.1	Outline any costs arising under the lease including up-front costs or other costs not part of the outgoings and not referred to elsewhere in this disclosure statement	\$Nil
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[e.g. interest and legal costs]

PART 7 ALTERATION WORKS (INCLUDING RENOVATIONS, EXTENSIONS, REDEVELOPMENT, DEMOLITION) – Not applicable

15 Alteration works

- 15.1 Are there any alteration or demolition works, planned or known to the landlord at this point in time, to the premises or building, including surrounding roads, during the term or any further term or terms? ☐ Yes ☒ No ?

[insert details of the proposed works]

16 Clauses in lease dealing with relocation and demolition works

- 16.1 Clause 13 in lease provides for relocation
16.2 Clause 13 in lease provides for demolition of the premises or building/centre

PART 8 OTHER DISCLOSURES –

17 Other disclosures

- 17.1 Are there any current legal proceedings in relation to the lawful use of the premises or building? ☐ Yes ☒ No

[provide details]

- 17.2 Are there any alteration or demolition works, planned or known to the landlord at this point in time, to land adjacent to or in close proximity to the premises or building, during the term or any further term or terms? ☐ Yes ☒ No

[provide details]

18 Representations by landlord – Not Applicable

- 18.1 Any other representations by the landlord or the landlord's agent

[landlord to insert details of any other oral or written representations made by the landlord or the landlord's agent]

PART 9 LANDLORD ACKNOWLEDGEMENTS AND SIGNATURE

19 Acknowledgements by landlord

By signing this disclosure statement, the landlord confirms and acknowledges that:

- this disclosure statement contains all representations in relation to the proposed lease by the landlord and the landlord's agents as at the date of this disclosure statement;
- this disclosure statement reflects all agreements that have been made by the parties;
- the landlord has not knowingly withheld information which is likely to have an impact on the tenant's proposed business.

Warnings to landlord when completing this disclosure statement:

- The tenant may have remedies including termination of lease if the information in this statement is misleading, false or materially incomplete.

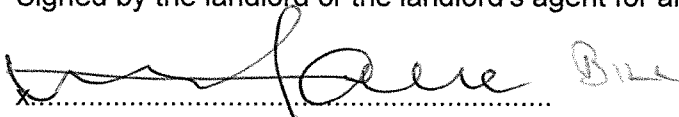
20 Landlord's signature

20.1 Name of landlord

Gamcorp Pty Ltd ACN 005 231 265

[insert name of landlord]

20.2 Signed by the landlord or the landlord's agent for and on behalf of the landlord



20.3 Name of the landlord's authorised representative or landlord's agent

[insert name of person signing with the authority of the landlord]

20.4 Date / /2016

PART 10 TENANT ACKNOWLEDGEMENTS AND SIGNATURE

21 Acknowledgements by the tenant

By signing this disclosure statement, the tenant confirms and acknowledges that the tenant received this disclosure statement.

Before entering into a lease, tenants should consider these key questions:

- Does the planning authority allow your proposed use for the premises under planning law?
- Is the security of your occupancy affected by:
 - mortgages, charges or encumbrances granted by the landlord?
 - rights and obligations under a head lease?
- Does the premises comply with building and safety regulations? Is the premises affected by outstanding notices by any authority?
- Could your trading be affected by disturbances or changes to the building?
- Does the landlord require you to refurbish the premises regularly or at the end of the lease?
- Can the landlord end the lease early even if you comply with the lease?
- Are all the existing structures, fixtures and plant and equipment in good working order?
- Are you required to make good the premises at the end of the lease?

22 Tenant's signature

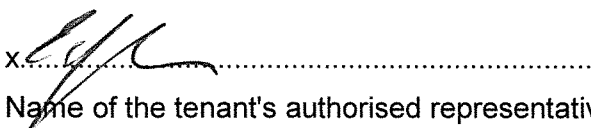
It is important that a tenant seek independent legal and financial advice before entering into a lease.

22.1 Name of tenant

Regli & Sons Pty Ltd ACN 608 121 222

[insert name of tenant]

22.2 Signed by the tenant or for and on behalf of the tenant

x. 

22.3 Name of the tenant's authorised representative

[insert name of person signing with the authority of the tenant]

22.4 Date / /2016

PART 11 ATTACHMENTS – Not applicable

23 List of attachments

- 23.1 Plan of premises ☐ Yes
(see item 1.2) ☐ Not applicable
- 23.2 Head lease or Crown lease ☐ Yes
(see item 4.2) ☐ Not applicable
- 23.3 Additional attachments
[list of any additional attachments]

PART 12 AMENDMENTS TO TERMS & CONDITIONS AND ADDITIONAL COVENANTS

- 24.1 The following covenants are not intended to be included in any renewal:
(a)
(b)
- 24.2 The following are amendments to provisions in the Terms & Conditions:
(a)
(b)
- 24.3 The following are additional covenants:
(a)
(b)

TERMS & CONDITIONS

Table of provisions

1	Definitions and interpretation	8	Default
2	Term, further term and over holding	9	Transfer of lease and subletting
3	All agreements relating to money	10	Landlord's works
4	Use	11	Rights reserved to landlord
5	Maintenance repairs alterations and additions	13	Right of landlord to re-develop and relocate tenant
6	Insurance and indemnity	14	General agreements
7	Damage	15	Guarantor obligations

1. Definitions and interpretation

- (a) Reference to a party includes its executors, administrators, successors, and assigns and for the purpose of giving any notice under this lease the managing agent appointed by the landlord from time to time.
- (b) Any provision of this lease to be performed by two or more persons shall bind those persons jointly and severally.
- (c) Any reference in this lease to any statute or regulation is deemed to include all amendments and revisions made from time to time to that statute or regulation.
- (d) Any reference in this lease to a month or monthly shall mean respectively calendar month and calendar monthly.
- (e) Words denoting the singular include the plural and vice versa; words denoting individuals or persons include bodies corporate and vice versa; references to documents or agreements also mean those documents or agreement as changed, novated or replaced, and words denoting one gender include all genders.
- (f) **Transaction Summary** prevails over **Terms & Conditions**.
- (g) The laws of Victoria apply to this lease.

2. Term, further term and overholding

- (a) The term of this lease and the commencement date and termination date are as specified in **Transaction Summary** item 5.
- (b) If **Transaction Summary** item 6 applies the landlord will advise the tenant of the last day for exercise of the option not more than 12 months and not less than 6 months prior to that last day.

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- (c) If the tenant desires to have a further lease of the premises granted to it for the further term specified in **Transaction Summary item 6** and gives to the landlord notice in writing to that effect not more than six months and not less than three months prior to the termination date then, provided at the date of the exercise of this option and at the termination date, there is no subsisting breach by the tenant of the terms and conditions herein contained the landlord shall grant to the tenant a lease of the premises for the further term specified in **Transaction Summary item 6** hereto upon and subject to the same terms and conditions contained in this lease except this provision unless a further option is specified in **Transaction Summary item 6**, at a rental determined by the method specified in **Transaction Summary item 11.1**.
 - (d) Should the tenant continue to occupy the premises after the termination date otherwise than pursuant to the grant of a further lease then the tenant shall do so as a monthly tenant upon the same terms and conditions hereof as are appropriate and such tenancy shall be determinable by either party giving to the other at any time one month's notice in writing to that effect.
 - (e) At the end of the term, further term or overholding the tenant must return the premises to the landlord in the condition required by this lease.

3. **All agreements relating to money**

- (a) **Rent & rent reviews**
 - (i) For the first one year period of the term the tenant will pay to the landlord at its address appearing in **Transaction Summary**, or as the landlord shall from time to time in writing direct, without demand from the landlord and without any deduction whatsoever, a rent at the rate specified in **Transaction Summary item 10.4** per annum, such rent to be paid in advance by regular and consecutive payments specified in **Transaction Summary item 10.4** except the first and last payments which, if necessary, will be proportionate, the first being payable on the date of commencement of the term.
 - (ii) Provided always that after the first one year of the term of the lease, or if renewed, after the first year of the renewed term, the annual rental shall be adjusted to the amount or by the method specified in **Transaction Summary item 11.1**.
 - (iii) Provided that should at any time the consumer price index cease to be published then the landlord and tenant will, agree to replace the consumer price index with such other index as shall be published to replace the consumer price index and in the absence of such agreement being reached that other index shall be the index which most appropriately reflects fluctuations in the costs of living in Melbourne.
 - (iv) The current market rent is the rent that would reasonably be expected to be paid for the premises, as between a willing landlord and a willing tenant in an arm's length transaction, where the parties are each acting knowledgeably, prudently and

without compulsion, determined on an effective rent basis, having regard to:

- (1) The provisions of the lease;
 - (2) The rent that would reasonably be expected to be paid for the premises if it were unoccupied and offered for renting for the same or a substantially similar use to which the premises may be put under the lease;
 - (3) The gross rent, less the landlord's outgoings payable by the tenant; and
 - (4) Rent concessions and other benefits that are frequently or generally offered to prospective tenants of unoccupied retail premises.
- (v) The current market rent is not to take into account the value of goodwill created by the tenant's occupation or the value of the tenant's fixtures and fittings on the premises.
- (vi) If the landlord and the tenant do not agree as to what the amount of the current market rent is to be, the amount of the rent is to be determined by valuation carried out by a specialist retail valuer appointed by agreement of the parties, or failing agreement, by the Small Business Commissioner.
- (vii) The matters set out above are to be taken into account by a specialist retail valuer in determining the amount of the rent.
- (viii) The landlord must, not later than 14 days after being requested to do so by a specialist retail valuer, supply the valuer with information reasonably available to the landlord requested by the valuer to assist in determining the current market rent.
- (ix) The valuation is to be in writing and to contain detailed reasons for the specialist retail valuer's determination and to specify the matters to which the valuer had regard for the purposes of making the determination.
- (x) The parties are to pay the costs of a valuation by a specialist retail valuer in equal shares.
- (b) **Outgoings**
The tenant must pay to the landlord the outgoings specified in **Transaction Summary item 13** upon demand for payment made by the landlord supported by relevant invoices.

(c) **Essential safety measures**

The tenant shall reimburse the landlord all costs of compliance with any obligations imposed on the landlord in respect to essential safety measures relating to the premises specified in **Transaction Summary item 13.10.**

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(d) **Other costs**

The tenant shall reimburse the landlord all other costs specified in **Transaction Summary item 14.**

(e) **Security deposit**

The tenant shall provide either a bank guarantee for, or pay to the landlord, an amount equivalent to 1 months rental as security for the due performance by the tenant of its covenants hereunder. A breach of covenant shall entitle the landlord unconditionally to call upon the guarantee for, or utilise such amount towards, the cost of rectifying any breach. The amount, less any necessary expenditure, shall be refunded to the tenant at the end of the lease and any guarantee released. A bank guarantee shall be in favour of the landlord, not have a termination date, and shall be expressed to be security for the performance by the tenant of its obligations under the lease. The landlord must hold the security deposit on behalf of the tenant in an interest bearing account.

If the freehold of the premises is transferred, the tenant must provide a guarantee in favour of the new landlord. The existing landlord must return the existing guarantee and must pay the tenant's reasonable costs.

(f) **Goods and services tax**

(i) The landlord shall provide the tenant with a tax invoice in relation to any taxable supply made to the tenant, who shall pay to the landlord the applicable goods and services tax in addition to the cost of the supply.

(ii) Rent is exclusive of GST, which is payable in addition to the rent, unless rent is specified to be inclusive of GST in **Transaction Summary item 10.1.**

(iii) The landlord must pass on to the tenant the benefit of any input tax credits received by the landlord in relation to any amount payable by the tenant.

(g) **Interest on overdue money**

In the event of any rental or other monies due by the tenant under this lease remaining unpaid for a period of 14 days after their due date then the tenant shall pay to the landlord interest at the rate being 2% above the penalty interest rate on those monies calculated from the due date until the date of payment and the landlord will be entitled to recover those monies as if the same were rent in arrears.

4. Use

(a) The tenant shall not use the premises otherwise than for the purpose specified in **Transaction Summary item 2** and shall comply with all

requirements of law in relation thereto. The landlord does not in any way warrant that the premises are or will remain suitable or adequate for such purposes.

- (b) The tenant shall not use or permit to be used for other than their designed purposes any of the fixtures or fittings in the premises.
- (c) The tenant shall not store or use inflammable or dangerous substance upon the premises.
- (d) The tenant shall not do or permit to be done on the premises anything which in the opinion of the landlord may become a nuisance or a disturbance, obstruction or cause of damage whether to the landlord or to other tenants or users nor use the premises in any noisy, noxious or offensive manner.
- (e) The tenant shall not obstruct or interfere with any of the entrances or common areas of the premises.
- (f) The tenant shall advise the landlord, or where applicable its managing agent, of the private address and telephone number of the tenant or if the tenant is a corporation of the manager secretary or other responsible person employed by the tenant and shall keep the landlord or its managing agent informed of any change of such address or telephone number.
- (g) The tenant shall secure the premises against unauthorised entry at all times when the premises are left unoccupied and the landlord reserves the right by its servants and agents to enter upon the premises and secure same if the premises are left unsecured.
- (h) The tenant shall not make any alterations or additions to the premises without the written consent of the landlord.
- (i) The tenant shall not place any sign, advertisement name or notice on any part of the premises without the landlord's prior written consent and if necessary without the prior consent of any relevant competent authority.

5. Maintenance repairs alterations and additions

Subject to the landlord's obligations pursuant to section 52 Retail Leases Act 2003:

- (a) The tenant shall keep the interior of the premises and all fixtures and fittings therein in a state of good repair having regard to its condition at the commencement of the lease, fair wear and tear and damage caused by fire, flood, storm, tempest excepted unless any policy of insurance covering such occurrences shall have been vitiated or the policy monies refused as a result of the act or omission of the tenant its servants, agents, licensees or invitees. Any plant or machinery located within and exclusively servicing the premises shall be maintained and serviced and kept in a state of good repair by the tenant at its expense and the tenant will keep current such maintenance, service and repair contracts that are reasonably required by the landlord.

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- (b) The landlord or the landlord's agent may twice in every year during the term at a reasonable time of the day upon giving to the tenant two days previous notice, enter upon the premises and view the state of repair thereof and may serve upon the tenant at the premises a notice in writing of any defect requiring the tenant, within a reasonable time, to repair same in accordance with any covenant expressed or implied in the lease and that in default of the tenant's so doing it shall be lawful for the landlord, from time to time, to enter and execute the required repairs. 1/1/15
- (c) ~~After each three years of the term the tenant shall repaint and redecorate such part of the interior of the premises as are painted or otherwise decorated.~~ a
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- (d) The tenant shall repair, replace and maintain all glass broken in the premises and all light fittings and shall regularly clean the premises and dispose of all waste products and shall take all necessary steps to control any pest infestation and shall keep the premises in a clean and tidy condition.
- (e) The tenant shall repair, replace and maintain all heating, electrical and plumbing fittings installed in the premises broken or damaged as a result of the use of premises by the tenant.
- (f) The tenant shall comply with all statutory requirements affecting the premises and will comply with any notices or orders which may be given by any authority in respect of the use of the premises by the tenant, provided that the tenant shall be under no liability in respect of any structural alterations unless that liability arises out of the tenant's particular use or occupation of the premises.
- (g) The tenant shall keep and maintain the waste pipes, drains and water closets servicing the premises in a clean, clear and operative condition and shall employ licensed tradesman to clear any blockages which may occur therein and will regularly clean and service any grease traps provided for the use of the premises.
- (h) In the event of the tenant failing to perform any of its obligations under the foregoing provisions then the landlord may do such things as are reasonably necessary to comply with such provisions and may recover from the tenant the costs of so doing as if the cost was unpaid rental.

6. **Insurance and indemnity**

- (a) The tenant shall keep current at all times during the currency of this lease the following policies, copies of which shall be provided to the landlord:
- (i) A policy of public risk insurance applicable to the premises and the building and the business carried on therein for an amount of not less than \$20 million; and
 - (ii) An insurance policy in the name of the tenant noting the interest of the landlord for the replacement value of all glass in or enclosing the premises.

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- (b) The tenant hereby indemnifies the landlord against all claims, actions, losses and expenses for which the landlord may become liable arising out of the act or neglect of the tenant, its servants, agents, employees, licensees and invitees in the use of the premises.
 - (c) The tenant covenants at all times and in all respects to comply at its own expense with the requirements of any other relevant statute or regulation.
 - (d) In the event that the tenant does, or omits to do, anything whereby the premiums of any insurance effected by the landlord are increased then the tenant shall pay such increase in premium to the landlord.

7. Damage

- (a) If during the currency of this lease the premises or a substantial part thereof is destroyed so substantially as to be wholly unfit for occupation by the tenant then the rent hereby reserved shall abate and this lease and the term hereby created may, if the landlord so elects and notifies the tenant of its election within one month of the destruction or damage, be terminated and brought to an end. Provided that if the landlord does not give such notice and does not within a period of two months from such occurrence commence to restore the premises the tenant may by notice in writing to the landlord terminate this lease.
- (b) In the event that the premises or any part thereof shall at any time during the continuance of the lease be damaged so as to render part of the same unfit for occupation and use by the tenant then a proportionate part of the rent according to the nature and extent of the damage sustained shall abate until the premises shall have been rebuilt or made fit for the occupation and use of the tenant.
- (c) In the event of an occurrences referred to in this clause the rent reserved by this lease shall not abate in the event that any policy of insurance covering such occurrences or loss of rent policy shall have been vitiated or the policy monies refused in whole or in part in consequence of some act or default by the tenant or their servants, agents, licensees and invitees.

8. Default

- (a) If at any time during the term of this lease or any extension thereof the tenant shall fail to comply with the terms of this lease or to pay any rent or other monies payable by the tenant to the landlord within 7 days of the due date for payment of such monies, although no formal demand therefore has been made, or default in the fulfilment of any covenant, condition or stipulation expressed or implied in this lease on the part of the tenant to be performed relating to essential matters such as payment of rent, use, transfer, subletting, repair and maintenance and such default is continued for the period of 7 days after written notice by the landlord to the tenant to rectify such default, or if repairs required by any notice to repair are not completed within the time therein specified, then in any such case the landlord may re-enter upon the premises or any part thereof, forcibly if necessary, and thereby terminate this lease.

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- (b) Within seven days of termination of the lease the tenant shall remove its fixtures, fittings and goods, failing which such fixtures fittings and goods as have not been removed shall be forfeited to the landlord and shall become the property of the landlord. The landlord shall re-let the premises as soon as practicable after determination of the lease at the best rent obtainable.
 - (c) The landlord may recover all arrears of rent, all loss of rental incurred as a result of the determination of the lease, all costs and expenses associated with the removal of the tenant's fixtures, fittings and goods and the restoration of the premises to a rentable condition, fair wear and tear excepted, damages for breach of any covenant contained in the lease, any other monies owing by the tenant to the landlord and any other expenses, including legal costs of the landlord, resulting from the determination of the lease.
 - (d) If at any time during the term of this lease or any extension thereof the tenant shall fail to comply with the terms of this lease, which failure is subsequently rectified, the landlord may recover any expenses, including legal costs, arising from that failure.
 - (e) Should the landlord become entitled to re-enter and take possession of the premises and determine this lease then the tenant hereby irrevocably appoints the landlord to be the attorney of the tenant if and when such attorney shall think fit for the purpose of giving full effect to the power of re-entry, to execute and procure the registration of a surrender of this lease and do any matter or thing which may be required to give full effect thereto.

9. Transfer of lease and subletting

- (a) The tenant covenants not to transfer or sub-let or otherwise deal with the premises without the prior written consent of the landlord, which consent shall not unreasonably be withheld. Such consent shall not be granted unless the tenant demonstrates to the reasonable satisfaction of the landlord that the proposed transferee is of good repute, responsible, of sound financial standing, experienced in the business to be conducted in the premises and capable of performing the obligations of the tenant under the terms of this lease and provided that there are no subsisting breaches by the tenant of the terms of this lease at the time of transfer or subletting. Provided further that in the case of a transfer the tenant procures the execution by the transferee of a transfer of this lease in a form approved by the landlord and the tenant pays all costs incurred by the landlord, whether the proposed transfer proceeds to completion or not. In the event of the proposed transferee being a company then the landlord may require guarantees of the directors and/or shareholders of such company.
- (b) In the event of the tenant being a company then any change in the shareholding of the tenant altering the effective control of the tenant shall be deemed a transfer requiring the consent of the landlord in accordance with this provision.

10. Landlord's works

The landlord may carry out the works on the premises prior to the commencement date as set out in **Transaction Summary item 8.1** and require a contribution to the cost from the tenant as set out in **Transaction Summary item 8.2**.

11. Landlord's obligations

- (a) The landlord hereby covenants with the tenant that subject to the tenant's compliance with the covenants of this lease the tenant shall and may peaceably possess and enjoy the premises for the term hereby granted, without any interruption or disturbance from the landlord other than in accordance with this lease.
- (b) The landlord must provide, at its cost, consent to this lease of any mortgagee of the premises.
- (c) The landlord must maintain, without an obligation to improve, the structure of the premises consistent with the condition of the premises at commencement of the term.

12. Rights reserved to landlord

Provided that the landlord's actions do not unreasonable interfere with the tenants use and quiet enjoyment of the premises the landlord may:

- (a) Use the outside of the external walls and the roof of the premises for any purpose;
- (b) Provide additional retail opportunities through changes to common areas;
- (c) Create easements or other rights;
- (d) Change services;
- (e) Affix signs;
- (f) Change decors;
- (g) Show the premises to prospective tenants and display 'To Let' notices during the three months before the end of the lease;
- (h) Use the premises for the passage of air-conditioning equipment, fire and sprinkler systems, pipes, services, ducts, cables, electric wiring, water sewerage and drainage connections and any other services; and
- (i) Enter the premises at all reasonable times to install, maintain or repair any of the above.

13. Right of landlord to re-develop and re-locate tenant

- (a) Provided that the landlord has completed **Transaction Summary PART 7** the landlord shall be entitled in accordance therewith during the term of this lease to alter the premises and if necessary relocate the tenant to new premises provided always:
- (i) The premises are required by the landlord for extension or for renovation refurbishment or re-development inconsistent with the continuation of this lease;
 - (ii) The new premises comprise an area not more than 10% greater than nor 10% less than the area of the premises;
 - (iii) The new premises are located in a position no less favourable to the business than the location of the premises; and
 - (iv) The landlord agrees to pay the reasonable costs of the tenant's relocation.
- (b) Upon the landlord providing a surrender notice in writing, of not less than three months duration, that the premises are required by the landlord, and upon the tenant entering into a lease of the new premises for the term then unexpired of this lease, the tenant covenants with the landlord to surrender this lease.
- (c) Within one month after the surrender notice is given, the tenant may give notice to the landlord terminating this lease in which case this lease will end three months after the surrender notice was given unless the parties agree that it is to end at some other time.
- (d) The tenant acknowledges and agrees that the landlord shall not be under any liability for any loss, injury or damage sustained by the tenant or any other person at any time as a result of or directly or indirectly arising in any way out of the relocation, the new premises or their location and/or any matter or thing referred to in this clause and that the exercise by the landlord of its rights conferred by this clause shall not constitute a breach of the covenant for quiet enjoyment contained in this lease.

14. General agreements

- (a) **Compliance with retail leases legislation**
The parties agree that they will at all times comply with the provisions of the Retail Leases Act 2003, in particular the provisions relating to the resolution of disputes.
- (b) **Notices**
A communication required by this lease, by a party to another, must be in writing and may be given to them by being:
- (i) Delivered personally; or

-
- (ii) Posted to their address specified in this agreement, or as later notified by them, in which case it will be treated as having been received on the second business day after posting; or
 - (iii) Faxed to the facsimile number of the party with acknowledgment of receipt received electronically by the sender, when it will be treated as received on the day of sending, or
 - (iv) Sent by email to their email address, when it will be treated as received when it enters the recipient's information system.
- (c) **Severance**
The landlord and tenant agree that any provision of this lease which is in breach of any statute, regulation, by-law or ordinance and in consequence of such breach is voidable, unenforceable or invalid then it shall be severed from this lease and this lease shall be read as though such provision did not form part of the lease.
- (d) **Use of common property**
The tenant shall have the right in common with other users to use the common property in and about the premises in accordance with any regulations from time to time for the purpose of controlling, regulating and administering the common property.
- (e) **Enforcement**
For the purposes of enforcement of the rights and obligations arising under this lease or at law, the commencement date of any renewal of this lease will be deemed to be the commencement date of this lease.

15. Guarantor obligations

In consideration of the landlord, at the request of the guarantors, entering into this lease with the tenant the guarantors covenant and agree with the landlord:

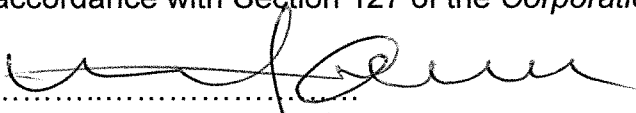
- (a) That they will be jointly and severally liable to the landlord for the due payments of all monies under this lease and the due performance of all covenants and conditions of this lease on the part of the tenant to be performed;
- (b) That they will remain liable to the landlord notwithstanding that:
 - (i) The landlord has exercised all or any of its rights under the lease; or
 - (ii) The landlord has not made prior demand upon the tenant; or
 - (iii) The granting of time or any other indulgence to the tenant and notwithstanding the death or insolvency of the tenant;
- (c) That they will be primarily liable as if named as the tenant herein;
- (d) That their liability will not in any way be conditional upon the validity or enforceability of the covenants and agreements herein contained against any other person and will arise if the landlord genuinely believes that the

tenant is in default and continue until all monies have been paid and all obligations have been satisfied;

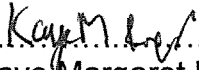
- (e) That in the event of the exercise of any option herein contained by the tenant, the guarantee will continue during the further term of the lease and this guarantee shall enure for the benefit of the landlord; and
- (f) The guarantor hereby indemnifies the landlord against all loss resulting from the landlord having entered into this lease whether as a result of the tenant failing to perform its obligations or the lease becoming unenforceable against the tenant. This indemnity applies during the term of the lease and any renewed term.

EXECUTED AS A DEED on the 20th day of December, 2016

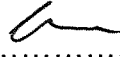
EXECUTED by GAMCORP PTY LTD (ACN 005 231 265)
in accordance with Section 127 of the *Corporations Act* 2001:


William Frederick Barker Gamble
530 Romawi Road
Forge Creek VIC 3875
Director

EXECUTED by REGLI & SONS PTY LTD (ACN 608 121 222)
in accordance with Section 127 of the *Corporations Act* 2001:


Kaye Margaret Regli
5 Scotts Road
Lindenow VIC 3865
Director

(signature)


Erwin Erich Regli
5 Scotts Road
Lindenow VIC 3865
Director

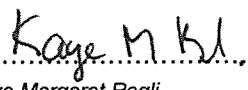
(signature)

**SIGNED BY the Guarantors ERWIN ERICH
REGLI and KAYE MARGARET REGLI in the
presence of:** STOBBS BRIAN HOLMES


(Witness)


(Witness)


Erwin Erich Regli


Kaye Margaret Regli