

DEED OF LEASE

SIXTH EDITION 2012 (4)

GENERAL address of the premises:

Part Level 2, 650 Great South Road, Penrose, Auckland

DATE:

LANDLORD:

Stride Property Limited

TENANT:

Northern Regional Alliance Limited

GUARANTOR:

Not applicable

THE LANDLORD leases to the Tenant and the Tenant takes on lease the premises and the car parks (if any) described in the First Schedule together with the right to use the common areas of the property for the term from the commencement date and at the annual rent (subject to review if applicable) as set out in the First Schedule.

THE LANDLORD AND TENANT covenant as set out in the First, Second and Third Schedules as amended by the attached schedules.

THE GUARANTOR covenants with the Landlord as set out in the Fourth Schedule.

SIGNED by the Landlord *

in the presence of:

Witness Signature_____
Witness Name_____
Witness Occupation_____
Witness Address_____
Signature of Landlord_____
Print Full Name(for a company specify position:
Director/Attorney/Authorised Signatory)_____
Signature of Landlord_____
Print Full Name(for a company specify position:
Director/Attorney/Authorised Signatory)**SIGNED** by the Tenant *

in the presence of:

Witness Signature_____
Witness Name_____
Witness Occupation_____
Witness Address_____
Signature of Tenant_____
Print Full Name(for a company specify position:
Director/Attorney/Authorised Signatory)_____
Signature of Tenant_____
Print Full Name(for a company specify position:
Director/Attorney/Authorised Signatory)

* If appropriate, add:

"by its director(s)" OR "by its duly appointed attorney"

Note: Signing by a company - please refer to the note on page

SIGNED by the Guarantor *

in the presence of:

Signature of Guarantor

Witness Signature

Print Full Name

(for a company specify position:
Director/Attorney/Authorised Signatory)

Witness Name

Witness Occupation

Witness Address

Signature of Guarantor

Print Full Name

(for a company specify position:
Director/Attorney/Authorised Signatory)

* If appropriate, add:

"by its director(s)" OR "by its duly appointed attorney"

Note: **Signing by a company** – to ensure that this document binds the company as a deed, it must be signed in accordance with section 180 of the Companies Act 1993.

If two directors sign, no witnessing is necessary.

If only one director or a director and authorised signatory(ies) or attorney(ies) sign, signatures must be witnessed.

FIRST SCHEDULE

1. **PREMISES:** Part Level 2 of 650 Great South Road comprising 1,271.38m² as shown (for identification purposes only) on the attached plan
 2. **CAR PARKS:** 78, comprising 26 basement carparks, 15 external carparks, 21 single podium carparks and 16 stacked podium carparks as shown on the attached carpark plan
 3. **TERM:** Six (6) years subject to clause 52
 4. **COMMENCEMENT DATE:** 1 April 2016
 5. **RIGHTS OF RENEWAL:** One (1) further term of three (3) years
 6. **RENEWAL DATES:** 1 April 2022
 7. **FINAL EXPIRY DATE:** 31 March 2025
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- | | | | | | |
|----|-----------------------------------|-----------|----|----------|----------------|
| 8. | ANNUAL RENT: | Premises | \$ | plus GST | See Further |
| | (Subject to review if applicable) | Car Parks | \$ | plus GST | Terms of Lease |
| | | TOTAL | \$ | plus GST | |
-
- | | | | |
|----|----------------------|-------------|----------|
| 9. | MONTHLY RENT: | \$38,362.60 | plus GST |
|----|----------------------|-------------|----------|
-
- | | | |
|-----|----------------------------|---|
| 10. | RENT PAYMENT DATES: | The 1st day of each month commencing on the 1st day of April 2016 |
|-----|----------------------------|---|
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- | | | |
|-----|---|--|
| 11. | RENT REVIEW DATES:
(Specify review type and insert dates for initial term, renewal dates and renewal terms. Unless dates are specified there will be no reviews. Where there is a conflict in dates, the market rent review date will apply.) | 1. Market rent review dates:
1 April 2019, 1 April 2022 |
| | | 2. CPI rent review dates:
Not applicable |
-
- | | | |
|-----|--|--|
| 12. | DEFAULT INTEREST RATE:
(subclause 5.1) | 5 % per annum over the
Landlord's main trading bank's base lending rate at the
time of default |
|-----|--|--|
-
- | | |
|-----|--|
| 13. | BUSINESS USE: Commercial Office
(subclause 16.1) |
|-----|--|

14. LANDLORD'S INSURANCE:

(subclause 23.1)

(Delete or amend extent of cover as appropriate)

(Delete either (a) or (b); if neither option is deleted, then option (a) applies)

(Delete option (i) and complete option (ii) if required. If option (i) is not deleted and option (ii) is completed then option (ii) applies)

- (1) Cover for the building against damage and destruction by fire, flood, explosion, lightning, storm, earthquake, and volcanic activity; on the following basis:

- (a) Full replacement and reinstatement (including loss damage or destruction of windows and other glass);

~~OR~~

- ~~(b) Indemnity to full insurable value (including loss damage or destruction of windows and other glass).~~

- (2) Cover for the following additional risks:

- (a) ~~(i) 12 months~~

~~OR~~

not less than

- (ii) 12 months

indemnity in respect of consequential loss of rent and outgoings.

- (b) Loss damage or destruction of any of the Landlord's fixtures fittings and chattels.

- (c) Public liability

15. ~~NO ACCESS PERIOD:~~~~(subclause 27.6)~~~~(Delete option (1) and complete option (2) if required. If option (1) is not deleted and option (2) is completed then option (2) applies)~~

- ~~(1) 9 months~~

~~OR~~

- ~~(2)~~

The proportion that the rentable area of the Premises bears to the rentable area of the building

16. PROPORTION OF OUTGOINGS:

(subclause 3.1)

~~% which at commencement date is estimated to be \$~~ **Plus GST per annum**

17. LIMITED LIABILITY TRUSTEE: Not applicable**18. OUTGOINGS:**

(clause 3)

- (1) Rates or levies payable to any local or territorial authority.
- (2) Charges for water, gas, electricity, telecommunications and other utilities or services, including line charges.
- (3) Rubbish collection and recycling charges.
- (4) New Zealand Fire Service charges and the maintenance charges in respect of all fire detection and fire fighting equipment.
- (5) Any insurance excess ~~(but not exceeding \$2,000)~~ in respect of a claim and insurance premiums and related valuation fees (subject to subclause 23.2).
- (6) Service contract charges for air conditioning, lifts, ~~roller doors,~~ other building services and security services. **graffiti removal**
- (7) Cleaning, maintenance and repair charges including charges for repainting, decorative repairs and the maintenance and repair of building services to the extent that such charges do not comprise part of the cost of a service maintenance contract, but excluding charges for structural repairs to the building (minor repairs to the roof of the building shall not be a structural repair), repairs due to defects in design or construction, inherent defects in the building and renewal or replacement of building services. **(* For clarity, minor repairs to the yard and carparking area such as the repair of potholes shall be included).**
- (8) The provisioning of toilets and other shared facilities.
- (9) The cost of maintenance of lawns, gardens and planted areas including plant hire and replacement, and the cost of repair of fences.
- (10) Yard and car parking area maintenance and repair charges but excluding charges for repaving or resealing.*
- (11) Body Corporate charges for any insurance premiums under any insurance policy effected by the Body Corporate and related valuation fees and reasonable management administration expenses.
- (12) Management expenses ~~(subject to subclause 2.7)~~
- (13) The costs incurred and payable by the Landlord in supplying to the territorial authority a building warrant of fitness and obtaining reports as required by sections 108 and 110 of the Building Act 2004 but excluding the costs of upgrading or other work to make the building comply with the Building Act 2004. ~~(subject to clause 21.1(a)).~~

(14) & (15) Refer Further Terms.

SECOND SCHEDULE

TENANT'S PAYMENTS

Rent

- 1.1 The Tenant shall pay the annual rent by equal monthly payments in advance (or as varied pursuant to any rent review) on the rent payment dates. The first monthly payment (together with rent calculated on a daily basis for any period from the commencement date of the term to the first rent payment date) shall be payable on the first rent payment date. All rent shall be paid without any deductions or set-off by direct payment to the Landlord or as the Landlord may direct.

Market Rent Review

- 2.1 The annual rent payable as from each market rent review date (except for a market rent review date that is a renewal date) shall be determined as follows:
- Either party may not earlier than 3 months prior to a market rent review date and not later than the next rent review date (regardless of whether the next rent review date is a market or CPI rent review date) give written notice to the other party specifying the annual rent proposed as the current market rent as at the relevant market rent review date.
 - If the party receiving the notice ("the Recipient") gives written notice to the party giving the notice ("the Initiator") within 20 working days after service of the Initiator's notice disputing the annual rent proposed and specifying the annual rent proposed by the Recipient as the current market rent, then the new rent shall be determined in accordance with subclause 2.2.
 - If the Recipient fails to give such notice (time being of the essence) the Recipient shall be deemed to have accepted the annual rent specified in the Initiator's notice and the extension of time for commencing arbitration proceedings contained in the Arbitration Act 1996 shall not apply.
 - Notwithstanding any other provision of this clause, the annual rent payable as from the relevant market rent review date shall not be less than the annual rent payable as at the commencement date of the then current lease term.
 - The annual rent agreed, determined or imposed pursuant to subclause 2.1 shall be the annual rent payable as from the relevant market rent review date, or the date of service of the Initiator's notice if such notice is served later than 3 months after the relevant market rent review date but subject to subclause 2.3 and 2.4.
 - The market rent review at the option of either party ~~may~~ **will** be recorded in a deed at the Landlord's option.

Rent Determinations

- 2.2 Immediately following service of the Recipient's notice on the Initiator, the parties shall endeavour to agree upon the current market rent, but if agreement is not reached within 10 working days then the new rent may be determined either:
- By one party giving written notice to the other requiring the new rent to be determined by arbitration; or
 - If the parties so agree by registered valuers acting as experts and not as arbitrators as follows:
 - Each party shall appoint a valuer and give written notice of the appointment to the other party within 20 working days of the parties agreeing to so determine the new rent. **See attached schedule.**
 - If the party receiving a notice fails to appoint a valuer within the 20 working day period then the valuer appointed by the other party shall determine the new rent and such determination shall be binding on both parties.
 - The valuers appointed before commencing their determination shall appoint a third expert who need not be a registered valuer. If the parties cannot agree on the third expert, the appointment shall be made on the application of either party by the president or vice president for the time being of The New Zealand Institute of Valuers.
 - The valuers appointed by the parties shall determine the current market rent of the premises but if they fail to agree then the rent shall be determined by the third expert.
 - Each party shall be given the opportunity to make written or oral representations subject to such reasonable time and other limits as the valuers or the third expert may prescribe and they shall have regard to any of the representations but not be bound by them.
 - The parties shall jointly and severally indemnify the third expert for their costs. As between the parties, they will share the costs equally. A party may pay the other party's share of the costs and recover the payment on demand from the other party.
 - If the parties agree, they may release the third expert from liability for negligence in acting as third expert in accordance with this subclause 2.2.

When the new rent has been determined the person or persons determining it shall give written notice of it to the parties. The notice shall provide as to how the costs of the determination shall be borne and it shall be binding on the parties.

Interim Market Rent

- 2.3 Pending determination of the new rent, the Tenant shall from the relevant market rent review date, or the date of service of the Initiator's notice if the notice is served later than 3 months after the relevant market rent review date, until the determination of the new rent pay an interim rent as follows:
- if both parties supply a registered valuer's certificate substantiating the new rents proposed, the interim rent payable shall be half way between the new rents proposed by the parties; or
 - if only one party supplies a registered valuer's certificate, the interim rent payable shall be the rent substantiated by the certificate; or
 - if no registered valuer's certificates are supplied, the interim rent payable shall be the rent payable immediately prior to the relevant market rent review date;
- but in no circumstances shall the interim rent be less than the rent payable as at the commencement date of the then current lease term.

The interim rent shall be payable with effect from the relevant market rent review date, or the date of service of the Initiator's notice if the notice is served later than 3 months after the relevant market rent review date and, subject to subclause 2.4, shall not be subject to adjustment.

- 2.4 Upon determination of the new rent, any overpayment shall be applied in payment of the next month's rent and any amount then remaining shall immediately be refunded to the Tenant. Any shortfall in payment shall immediately be payable by the Tenant.

CPI Rent Review

2.5 The annual rent payable from each CPI rent review date shall be determined as follows:

- (a) The Landlord shall adjust the annual rent on the basis of increases (and not decreases) in the CPI by giving notice to the Tenant of the increase (if any) using the formula:

$$A = B \times (C+D)$$

Where:

A = the CPI reviewed rent from the relevant CPI rent review date

B = the annual rent payable immediately before the relevant CPI rent review date

C = CPI for the quarter year ending immediately before the relevant CPI rent review date

D = CPI for the quarter year ending immediately before the last rent review date or if there is no previous rent review date, the commencement date of the then current term of the lease (and in the case where A is the CPI reviewed rent for a renewal date then the last rent review date of the immediate preceding lease term or if there is no rent review date the commencement date of the preceding term)

where (C+D) shall not be less than 1.

- (b) If the CPI is discontinued and not replaced, or if there is a material change to the basis of calculation of the CPI, or a resetting of the CPI, an appropriate index which reflects the change in the cost of living in New Zealand as agreed by the parties and failing agreement to be determined by an expert appointed by the president or vice president of the New Zealand Law Society will be used.

- (c) If the relevant CPI is not published at the relevant CPI rent review date, as soon as the CPI is published an appropriate adjustment will be made to the rent (if necessary) with effect from the relevant CPI rent review date.

- ~~(d) Notwithstanding any other provision of subclause 2.5, the annual rent payable as from the relevant CPI rent review date shall not be less than the annual rent payable immediately preceding the CPI rent review date (and in the case where the relevant CPI rent review date is a renewal date, the annual rent payable at the expiry of the preceding term).~~

2.6 The new rent determined pursuant to subclause 2.5 shall be payable from the relevant CPI rent review date once it is determined by the Landlord giving notice under that subclause. Pending determination of the new rent, the Tenant will pay the rent that applies prior to the CPI rent review date. On determination of the new rent, the Tenant will immediately pay any shortfall to the Landlord.

**** at the Tenant's cost, any meter necessary for the proper charging of any outgoings supplied to or used by the Tenant in the Premises.**

Outgoings

3.1 The Tenant shall pay the outgoings properly and reasonably incurred in respect of the property which are specified in the First Schedule. Where any outgoing is not separately assessed or levied in respect of the premises then the Tenant shall pay such proportion of it as is specified in the First Schedule or if no proportion is specified then such fair proportion as shall be agreed or failing agreement determined by arbitration. **If required by the Landlord or any authority, the Tenant shall install and maintain ****

3.2 The Landlord ~~shall~~ ^{may} vary the proportion of any outgoing payable to ensure that the Tenant pays a fair proportion of the outgoing.

3.3 If any outgoing is rendered necessary by another tenant of the property or that tenant's employees, contractors or invitees causing damage to the property or by another tenant failing to comply with that tenant's leasing obligations, then that outgoing shall not be payable by the Tenant.

3.4 The outgoings shall be apportioned between the Landlord and the Tenant in respect of periods current at the commencement and termination of the term.

~~3.5 The outgoings shall be payable on demand or if required by the Landlord by monthly instalments on each rent payment date of a reasonable amount as the Landlord shall determine calculated on an annual basis. Where any outgoing has not been taken into account in determining the monthly instalments it shall be payable on demand.~~

~~3.6 After the 31st March in each year of the term or other date in each year as the Landlord may specify, and after the end of the term, the Landlord shall supply to the Tenant reasonable details of the actual outgoings for the year or period then ended. Any over payment shall be credited or refunded to the Tenant and any deficiency shall be payable to the Landlord on demand.~~

~~3.7 Any profit derived by the Landlord and if a company, by its shareholders either directly or indirectly from the management of the property shall not comprise part of the management expenses payable as an outgoing.~~

3.5 - 3.6 See attached schedule.

Goods and Services Tax

4.1 The Tenant shall pay to the Landlord or as the Landlord shall direct the GST payable by the Landlord in respect of the rental and other payments payable by the Tenant under this lease. The GST in respect of the rental shall be payable on each occasion when any rental payment falls due for payment and in respect of any other payment shall be payable upon demand.

4.2 If the Tenant shall make default in payment of the rental or other moneys payable under this lease and the Landlord becomes liable to pay Default GST then the Tenant shall on demand pay to the Landlord the Default GST in addition to interest payable on the unpaid GST under subclause 5.1.

Interest on Unpaid Money

5.1 If the Tenant defaults in payment of the rent or other moneys payable under this lease for 10 working days then the Tenant shall pay on demand interest at the default interest rate on the moneys unpaid from the due date for payment to the date of payment.

5.2 Unless a contrary intention appears on the front page or elsewhere in this lease the default interest rate is equivalent to the interest rate charged by the Inland Revenue Department on unpaid tax under the Tax Administration Act 1994 during the period for which the default interest is payable, plus 5 per cent per annum.

Costs

6.1 Each party will pay their own costs of the negotiation and preparation of this lease and any deed recording a rent review or renewal. The Tenant shall pay the Landlord's reasonable costs incurred in considering any request by the Tenant for the Landlord's consent to any matter contemplated by this lease, and the Landlord's legal costs (as between lawyer and client) of and incidental to the enforcement of the Landlord's rights remedies and powers under this lease.

or attempted enforcement

LANDLORD'S PAYMENTS**Outgoings**

7.1 Subject to the Tenant's compliance with the provisions of clause 3 the Landlord shall pay all outgoings in respect of the property not payable by the Tenant direct. The Landlord shall be under no obligation to minimise any liability by paying any outgoing or tax prior to receiving payment from the Tenant.

MAINTENANCE AND CARE OF PREMISES**Tenant's Obligations**

*** If there is no premises condition report then the premises are deemed to be in good repair at the commencement date of this lease.

8.1 The Tenant shall be responsible to:**(a) Maintain the premises**

In a proper and workmanlike manner and to the reasonable requirements of the Landlord keep and maintain the interior of the premises in the same clean order repair and condition as they were in at the commencement date of this lease (or where the lease is renewed, the commencement date of the initial term of this lease) and will at the end or earlier determination of the term quietly yield up the same in the like clean order repair and condition. The premises condition report (if completed) shall be evidence of the condition of the premises at the commencement date of this lease. In each case the Tenant shall not be liable for fair wear and tear arising from reasonable use. ***

(b) Breakages and minor replacements

Repair or replace glass breakages with glass of the same or better weight and quality; repair breakage or damage to all doors windows light fittings and power points of the premises and replace light bulbs, tubes and power points that wear out with items of the same or better quality and specification. **interior and exterior of the**

(c) Painting

Paint and decorate those parts of the interior of the premises which have previously been painted and decorated as at the commencement date of this lease (or where the lease is renewed the commencement date of the initial term of this lease) when they reasonably require repainting and redecoration to a specification as approved by the Landlord such approval not to be unreasonably withheld.

(d) Floor coverings

Keep all floor coverings in the premises clean and replace all floor coverings worn or damaged ~~other than by fair wear and tear~~ with floor coverings of the same or better quality, specification and appearance when reasonably required by the Landlord. **In the event that any part of a floor covering requires replacement then the whole**

(e) Damage or Loss of the original floor covering must be replaced.

Make good any damage to the property or loss caused by improper careless or abnormal use by the Tenant or those for whom the Tenant is responsible, to the Landlord's reasonable requirements.

8.2 Where the Tenant is leasing all of the property, the Tenant shall:**(a) Care of grounds**

Keep any grounds yards and surfaced areas in a clean and tidy condition and maintain any garden or lawn areas in a tidy and cared for condition.

(b) Water and drainage

Keep and maintain the storm or waste water drainage system including downpipes and guttering clear and unobstructed.

(c) Other works

Carry out those works maintenance and repairs to the property as the Landlord may require in respect of which outgoings are payable by the Tenant.

8.3 Notwithstanding subclause 8.1(a) the Tenant shall not be liable for the maintenance or repair of any building services but this subclause shall not release the Tenant from any obligation to pay for the cost of any service maintenance contract or charges in respect of the maintenance or repair of the building services if it is an outgoing specified in the First Schedule but only to the extent specified in the First Schedule.**8.4 Notwithstanding any other provision of this lease, the Tenant shall not be liable to repair any inherent defect in the premises nor to pay any outgoings incurred by the Landlord in remedying any inherent defect.****8.5 If the Landlord shall give the Tenant written notice of any failure on the part of the Tenant to comply with any of the requirements of subclauses 8.1 or 8.2 the Tenant shall with all reasonable speed so comply.****Toilets****9.1 The toilets sinks and drains shall be used for their designed purposes only and no substance or matter shall be deposited in them which could damage or block them.****Rubbish Removal****10.1 The Tenant shall regularly cause all of the Tenant's rubbish and recycling to be removed from the premises and will keep the Tenant's rubbish bins or containers in a tidy condition. The Tenant will also at the Tenant's own expense cause to be removed all trade waste boxes and other goods or rubbish not removable in the ordinary course by the local authority.**

and from the property

Landlord's Maintenance**11.1 The Landlord shall keep and maintain the building, all building services and the car parks in good order and repair and weatherproof but the Landlord shall not be liable for any:****(a) Repair or maintenance which the Tenant is responsible to undertake:****(b) Want of repair or defect in respect of building services, so long as the Landlord is maintaining a service maintenance contract covering the work to be done, or where the building services have not been supplied by the Landlord.****(c) Repair or maintenance which is not reasonably necessary for the Tenant's use and enjoyment of the premises and the car parks.****(d) Loss suffered by the Tenant arising from any want of repair or defect unless the Landlord shall have received notice in writing of that from the Tenant and has not within a reasonable time after that taken appropriate steps to remedy the same.****11.2 The Landlord shall keep and maintain service maintenance contracts for lifts, air-conditioning and at the Landlord's option any other building services supplied by the Landlord. Whenever building services cannot be maintained in good order and repair through regular maintenance, the Landlord will if reasonably required replace the services with services of a similar type and quality.****11.3 The Tenant shall be liable to reimburse the Landlord for the cost of any such repair, maintenance or service contract pursuant to subclauses 11.1 and 11.2 if it is an outgoing specified in the First Schedule but only to the extent specified in the First Schedule.****Notification of Defects****12.1 The Tenant shall give to the Landlord prompt written notice of any accident to or defect in the premises of which the Tenant may be aware and in particular in relation to any pipes or fittings used in connection with the water electrical gas or drainage services.**

Landlord's Right of Inspection

- 13.1 The Landlord and the Landlord's employees contractors and invitees may at all reasonable times and after having given prior written notice to the Tenant (except in the case of emergencies) enter upon the premises to view their condition.

Landlord may Repair

- 14.1 If default shall be made by the Tenant in the due and punctual compliance with any repair notice given by the Landlord pursuant to this lease, or if any repairs for which the Tenant is responsible require to be undertaken as a matter of urgency then without prejudice to the Landlord's other rights and remedies expressed or implied the Landlord may by the Landlord's employees and contractors with all necessary equipment and material at all reasonable times and on reasonable notice (except in the case of emergencies) enter the premises to execute the works. Any moneys expended by the Landlord in executing the works shall be payable by the Tenant to the Landlord upon demand together with interest on the moneys expended at the default interest rate from the date of expenditure to the date of payment.

Access for Works

- 15.1 The Tenant shall permit the Landlord and the Landlord's employees and contractors at all reasonable times ~~and on reasonable written notice (except in the case of emergencies) to enter the premises for a reasonable period to inspect and~~ carry out works to the premises or adjacent premises and to install inspect repair renew or replace any services where they are not the responsibility of the Tenant or are required to comply with the requirements of any statutes, regulations, by-law or requirement of any competent authority. All repairs inspections and works shall be carried out with the least possible inconvenience to the Tenant subject to subclauses 15.3 and 15.4.
- 15.2 If the Tenant's business use of the premises is materially disrupted because of the Landlord's works provided for in subclause 15.1, then during the period the works are being carried out a fair proportion of the rent and outgoings shall cease to be payable but without prejudice to the Tenant's rights if the disruption is due to a breach by the Landlord of the Landlord's obligation, under subclause 15.1, to cause the least possible inconvenience to the Tenant.
- 15.3 If in the Landlord's reasonable opinion, the Landlord requires the Tenant to vacate the whole or part of the premises to enable the works referred to in subclause 15.1 to be carried out, the Landlord may give the Tenant reasonable written notice requiring the Tenant to vacate the whole or part of the premises and specifying a reasonable period for which the Landlord requires possession. On the expiry of the notice the Landlord may take possession of the premises or the part specified in the notice. A fair proportion of the rent and outgoings shall cease to be payable during the period the Tenant vacates the premises as required by the Landlord.
- 15.4 The Landlord shall act in good faith and have regard to the nature, extent and urgency of the works when exercising the Landlord's right of access or possession in accordance with subclauses 15.1 and 15.3.

USE OF PREMISES**Business Use**

- 16.1 The Tenant shall not ~~without the prior written consent of the Landlord~~ use or permit the whole or any part of the premises to be used for any use other than the business use. ~~The Landlord's consent shall not be unreasonably or arbitrarily withheld or delayed in respect of any proposed use which is:~~
- ~~(a) not in substantial competition with the business of any other occupant of the property which might be affected by the use;~~
 - ~~and~~
 - ~~(b) reasonably suitable for the premises; and~~
 - ~~(c) compliant with the requirements of the Resource Management Act 1991 or any other statutory provisions relating to resource management.~~
- ~~If any change in use renders any increased or extra premium payable in respect of any policy or policies of insurance on the premises the Landlord as a condition of granting consent may require the Tenant to pay the increased or extra premium;~~
- 16.2 ~~If any change in use requires compliance with sections 114 and 115 of the Building Act 2004 the Landlord, as a condition of granting consent, may require the Tenant to comply with sections 114 and 115 of the Act and to pay all compliance costs;~~
- 16.9.2 If the premises are a retail shop the Tenant shall keep the premises open for business during usual trading hours and fully stocked with appropriate merchandise for the efficient conduct of the Tenant's business.

16.3 - 16.6 See attached schedule.

Lease of Premises and Car Parks Only

- 17.1 The tenancy shall relate only to the premises and the car parks (if any) and the Landlord shall at all times be entitled to use occupy and deal with the remainder of the property without reference to the Tenant and the Tenant shall have no rights in relation to it other than the rights of use under this lease.

Neglect of Other Tenant

- 18.1 The Landlord shall not be responsible to the Tenant for any act or default or neglect of any other tenant of the property.

Signage

- 19.1 The Tenant shall not affix paint or exhibit or permit to be affixed painted or exhibited any name sign name-plate signboard or advertisement of any description on or to the exterior of the building without the prior approval in writing of the Landlord but approval shall not be unreasonably or arbitrarily withheld or delayed in respect of signage describing the Tenant's business. If approved the signage shall be secured in a substantial and proper manner so as not to cause any damage to the building or any person and the Tenant shall at the end or sooner determination of the term remove the signage and make good any damage occasioned in connection with the signage.

Additions, Alterations, Reinstatement and Chattels Removal

* in the case of non-structural alterations only

- 20.1 The Tenant shall neither make nor allow to be made any alterations or additions to any part of the premises or alter the external appearance of the building without first producing to the Landlord on every occasion plans and specifications and obtaining the written consent of the Landlord (not to be unreasonably or arbitrarily withheld or delayed) for that purpose. If the Landlord authorises any alterations or additions which are made before the commencement date or during the term of this lease the Tenant will at the Tenant's own expense if required by the Landlord no later than the end or earlier termination of the term reinstate the premises. Ownership of the alterations or additions that are not removed by the end or earlier termination of the lease may at the Landlord's election pass to the Landlord without compensation payable to the Tenant. If the Tenant fails to reinstate then any costs incurred by the Landlord in reinstating the premises whether in whole or in part, within 6 months of the end or earlier termination of the term shall be recoverable from the Tenant. The Tenant will pay all reasonable professional fees incurred +
- 20.2 The Tenant, when undertaking any building work to the premises (as that term is defined in the Building Act 2004), shall comply with all statutory requirements including the obtaining of building consents and code compliance certificates pursuant to that Act and shall provide copies of the building consents and code compliance certificates to the Landlord. See attached schedule.

not being in breach

20.3 The Tenant may at any time before and will if required by the Landlord no later than the end or earlier termination of the term remove all the Tenant's chattels. In addition to the Tenant's obligations to reinstate the premises pursuant to subclause 20.1 the Tenant will make good at the Tenant's own expense all resulting damage and if the chattels are not removed by the end or earlier termination of the term ownership of the chattels may at the Landlord's election pass to the Landlord or the Landlord may remove them from the premises and forward them to a refuse collection centre. ~~Where subclause 27.5 applies, the time by which the Tenant must remove the chattels and to make good all resulting damage will be extended to 5 working days after access to the premises is available.~~

* See attached Schedule.

20.4 The cost of making good resulting damage and the cost of removal of the Tenant's chattels shall be recoverable from the Tenant and the Landlord shall not be liable to pay any compensation nor be liable for any loss suffered by the Tenant.

20.5 - 20.6 See attached schedule. *** and shall also carry out and complete, at its own cost and in a proper and tradesmanlike manner, the works specified in the Eighth Schedule

Compliance with Statutes and Regulations

21.1 The Tenant shall comply with the provisions of all statutes, ordinances, regulations and by-laws relating to the use of the premises by the Tenant or other occupant and will also comply with the provisions of all licences, requisitions and notices issued by any competent authority in respect of the premises or their use by the Tenant or other occupant provided that:

- The Tenant shall not be required to make any structural repairs alterations or additions nor to replace or install any plant or equipment except where required by reason of the particular nature of the business carried on by the Tenant or other occupant of the premises or the number or sex of persons employed on the premises.
- The Tenant shall not be liable to discharge the Landlord's obligations as owner under the Building Act 2004 unless any particular obligation is the responsibility of the Tenant as an occupier of the premises.
- The Tenant will promptly provide the Landlord with a copy of all requisitions and notices received from a competent authority under this subclause.

21.2 If the Landlord is obliged by any legislation or requirement of any competent authority to expend moneys during the term of this lease or any renewed term on any improvement addition or alteration to the property which is not the Tenant's responsibility under subclause 21.1 and the expenditure would be an unreasonable amount then the Landlord may determine this lease. Any dispute as to whether or not the amount to be expended by the Landlord is unreasonable shall be determined by arbitration.

21.3 The Landlord warrants that allowing the premises to be open to members of the public and allowing the use of the premises by members of the public at the commencement date will not be a breach of section 363 of the Building Act 2004. This clause does not apply to any "building work" (as defined in the Building Act 2004) relating to the fit-out of the premises by the Tenant.

21.4 The Tenant, when undertaking any building work to the premises, shall comply with all statutory requirements including the obtaining of building consents and code compliance certificates and shall not allow the premises to be open to members of the public or allow use of the premises by members of the public if that would be in breach of section 363 of the Building Act 2004.

21.5 During the term and any renewal, the Landlord shall not give consent to or carry out any building work in any part of the Landlord's property which may cause the Tenant to be in breach of section 363 of the Building Act 2004 by allowing the premises to be open to members of the public and allowing the use of the premises by members of the public.

21.6 - 21.9 See attached schedule.

No Noxious Use

22.1 The Tenant shall not:

- Bring upon or store within the premises nor allow to be brought upon or stored within the premises any machinery goods or things of an offensive noxious illegal or dangerous nature, or of a weight size or shape as is likely to cause damage to the building or any surfaced area.
- Contaminate the property and shall undertake all works necessary to remove any contamination of the property other than contamination not caused by the Tenant or which took place prior to the commencement date of the lease term. Contamination means any change to the physical chemical or biological condition of the property by a "contaminant" as that word is defined in the Resource Management Act 1991.
- Use the premises or allow them to be used for any noxious illegal or offensive trade or business.
- Allow any act or thing to be done which may be or grow to be a nuisance disturbance or annoyance to the Landlord, other tenants of the property, or any other person, and generally the Tenant shall conduct the Tenant's business upon the premises in a clean quiet and orderly manner free from damage nuisance disturbance or annoyance to any such persons but the carrying on by the Tenant in a reasonable manner of the business use or any use to which the Landlord has consented shall be deemed not to be a breach of this clause.

INSURANCE

Landlord shall insure

23.1 The Landlord shall at all times during the term keep and maintain insurance of the type shown and for the risks specified in the First Schedule. If insurance cover required under this subclause becomes unavailable during the term of this lease or any renewal other than because of the Landlord's act or omission, the Landlord will not be in breach while cover is unavailable, provided the Landlord uses all reasonable endeavours on an ongoing basis to obtain cover. The Landlord will advise the Tenant in writing whenever cover becomes unavailable and provide reasons as to the unavailability. The Landlord will also provide the Tenant with reasonable information relating to the cover when requested by the Tenant.

~~23.2 The parties acknowledge and agree pursuant to section 274 of the Property Law Act 2007 that to the extent of any excess payable regarding any insurance policy held by the Landlord, the excess will represent an amount for which the Landlord has not insured, or has not fully insured the premises or the property against destruction or damage arising from the events that the section applies to. If the Landlord makes any claim against its insurance for any destruction or damage because of any act or omission of the Tenant, the Tenant will pay the Landlord the amount of the excess not exceeding the sum specified in the list of outgoings in the First Schedule.~~

23.2 - 23.4 See attached schedule.

Tenant not to void insurance

24.1 The Tenant shall not carry on or allow upon the premises any trade or occupation or allow to be done any act or thing which:

- Shall make void or voidable any policy of insurance on the property.
- May render any increased or extra premium payable for any policy of insurance except where in circumstances in which any increased premium is payable the Tenant shall have first obtained the consent of the insurer of the premises and the Landlord and made payment to the insurer of the amount of any such increased or extra premium as may be payable but the carrying on by the Tenant in a reasonable manner of the business use or of any use to which the Landlord has consented shall be deemed not to be a breach of this clause.

24.2 In any case where in breach of subclause 24.1 the Tenant has rendered any insurance void or voidable and the Landlord has suffered loss or damage by that the Tenant shall at once compensate the Landlord in full for such loss or damage.

When Tenant to have benefit of Landlord's insurance

- 25.1 Where the property is destroyed or damaged by fire, flood, explosion, lightning, storm, earthquake, volcanic activity or any risk against which the Landlord is (or has covenanted with the Tenant to be) insured the Landlord will not require the Tenant to meet the cost of making good the destruction or damage to the property and will indemnify the Tenant against such cost where the Tenant is obligated to pay for making good such damage or destruction. The Landlord does not have to indemnify the Tenant and the Tenant will not be excused from liability under this subclause if and to the extent that:
- (a) The destruction or damage was intentionally caused by the Tenant or those for whom the Tenant is responsible; or
 - (b) The destruction or damage was the result of an act or omission by the Tenant or those for whom the Tenant is responsible and that act or omission:
 - (1) occurred on or about the property; and
 - (2) constitutes an imprisonable offence; or
 - (c) Any insurance moneys that would otherwise have been payable to the Landlord for the damage or destruction are rendered irrecoverable in consequence of any act or omission of the Tenant or those for whom the Tenant is responsible.

DAMAGE TO OR DESTRUCTION OF PREMISES**Total Destruction**

- 26.1 If the premises or any portion of the building of which the premises may form part shall be destroyed or so damaged:
- (a) as to render the premises untenable then the term shall at once terminate from the date of destruction or damage; or
 - (b) in the reasonable opinion of the Landlord as to require demolition or reconstruction, then the Landlord may within 3 months of the date of damage give the Tenant 20 working days notice to terminate and a fair proportion of the rent and outgoings shall cease to be payable as from the date of damage, according to the nature and extent of the damage.
- Any termination pursuant to this subclause shall be without prejudice to the rights of either party against the other.

Partial Destruction

- 27.1 If the premises or any portion of the building of which the premises may form part shall be damaged but not so as to render the premises untenable and:
- (a) the Landlord's policy or policies of insurance shall not have been invalidated or payment of the policy moneys refused in consequence of some act or default of the Tenant; and
 - (b) all the necessary permits and consents are obtainable:
- the Landlord shall with all reasonable speed expend all the insurance moneys received by the Landlord in respect of such damage towards repairing such damage or reinstating the premises or the building but the Landlord shall not be liable to expend any sum of money greater than the amount of the insurance money received.
- 27.2 Any repair or reinstatement may be carried out by the Landlord using such materials and form of construction and according to such plan as the Landlord thinks fit and shall be sufficient so long as it is reasonably adequate for the Tenant's occupation and use of the premises.
- 27.3 Until the completion of the repairs or reinstatement a fair proportion of the rent and outgoings shall cease to be payable as from the date of damage, according to the nature and extent of the damage.
- 27.4 If any necessary permit or consent shall not be obtainable or the insurance moneys received by the Landlord shall be inadequate for the repair or reinstatement then the term shall at once terminate but without prejudice to the rights of either party against the other.

27.5 - 27.7 See attached schedule.

~~No Access in Emergency~~

- ~~27.5 If there is an emergency and the Tenant is unable to gain access to the premises to fully conduct the Tenant's business from the premises because of reasons of safety of the public or property or the need to prevent reduce or overcome any hazard, harm or loss that may be associated with the emergency including:~~
- ~~(a) a prohibited or restricted access cordon applying to the premises; or~~
 - ~~(b) prohibition on the use of the premises pending the completion of structural engineering or other reports and appropriate certifications required by any competent authority that the premises are fit for use; or~~
 - ~~(c) restriction on occupation of the premises by any competent authority.~~
- ~~then a fair proportion of the rent and outgoings shall cease to be payable for the period commencing on the date when the Tenant became unable to gain access to the premises to fully conduct the Tenant's business from the premises until the inability ceases.~~
- ~~27.6 This subclause 27.6 applies where subclause 27.5 applies and the premises or building of which the premises form part are not totally or partially destroyed or damaged resulting in the lease being cancelled as provided for in subclauses 26.1 or 27.1. Either party may terminate this lease by giving 10 working days written notice to the other if:~~
- ~~(a) the Tenant is unable to gain access to the premises for the period specified in the First Schedule; or~~
 - ~~(b) the party that terminates this lease can at any time prior to termination establish with reasonable certainty that the Tenant is unable to gain access to the premises for that period.~~
- ~~Any termination shall be without prejudice to the rights of either party against the other.~~

DEFAULT**Cancellation**

- 28.1 The Landlord may (in addition to the Landlord's right to apply to the Court for an order for possession) and subject to section 245(2) of the Property Law Act 2007, cancel this lease by re-entering the premises at the time or at any time after that:
- (a) If the rent shall be in arrears 10 working days after any rent payment date and the Tenant has failed to remedy that breach within 10 working days after service on the Tenant of a notice in accordance with section 245 of the Property Law Act 2007.
 - (b) In case of breach by the Tenant of any covenant or agreement on the Tenant's part expressed or implied in this lease (other than the covenant to pay rent) after the Tenant has failed to remedy that breach within the period specified in a notice served on the Tenant in accordance with section 246 of the Property Law Act 2007.
 - (c) If the Tenant shall make or enter into or endeavour to make or enter into any composition assignment or other arrangement with or for the benefit of the Tenant's creditors.
 - (d) In the event of the insolvency, bankruptcy, statutory management, voluntary administration, receivership or liquidation of the Tenant.

- (e) If the Tenant shall suffer execution to issue against the Tenant's property goods or effects under any judgment against the Tenant in any Court for a sum in excess of five thousand dollars (\$5,000).

The term shall terminate on the cancellation but without prejudice to the rights of either party against the other.

Essentiality of Payments

- 29.1 Failure to pay rent or other moneys payable under this lease on the due date shall be a breach going to the essence of the Tenant's obligations under the lease. The Tenant shall compensate the Landlord and the Landlord shall be entitled to recover damages from the Tenant for such breach. This entitlement shall subsist notwithstanding any determination of the lease and shall be in addition to any other right or remedy which the Landlord may have.
- 29.2 The acceptance by the Landlord of arrears of rent or other moneys shall not constitute a waiver of the essentiality of the Tenant's continuing obligation to pay rent and other moneys.

Repudiation

- 30.1 The Tenant shall compensate the Landlord and the Landlord shall be entitled to recover damages for any loss or damage suffered by reason of any acts or omissions of the Tenant constituting a repudiation of the lease or the Tenant's obligations under the lease. Such entitlement shall subsist notwithstanding any determination of the lease and shall be in addition to any other right or remedy which the Landlord may have.

QUIET ENJOYMENT

- 31.1 The Tenant paying the rent and performing and observing all the covenants and agreements expressed and implied in this lease shall quietly hold and enjoy the premises throughout the term without any interruption by the Landlord or any person claiming under the Landlord.

RENEWAL OF LEASE

- 32.1 If the Tenant has given to the Landlord written notice to renew the lease at least ⁹ 5 calendar months before the end of the term and is not at the date of the giving of the notice in breach of this lease then the Landlord will grant a new lease for a further term from the renewal date as follows:
- If the renewal date is a market rent review date the annual rent shall be the current market rent which if not agreed on shall be determined in accordance with subclause 2.2 but the annual rent shall not be less than the rent payable as at the commencement date of the immediately preceding lease term.
 - If the renewal date is a CPI rent review date, the annual rent shall be determined in accordance with subclause 2.5.
 - Subject to the provisions of paragraphs (a) and (b) the new lease shall be upon and subject to the covenants and agreements expressed and implied in this lease except that the term of this lease plus all further terms shall expire on or before the final expiry date.
 - The annual rent shall be subject to review during the term of the new lease on the rent review dates specified in the First Schedule.
 - The Landlord as a condition of granting a new lease shall be entitled to have the new lease guaranteed by any guarantor who has guaranteed this lease on behalf of the Tenant who has given notice or the security of a bank guarantee that has been given.
 - If the renewal date is a market rent review date, pending the determination of the rent, the Tenant shall pay an interim rent in accordance with subclauses 2.3 and 2.4.
 - Notwithstanding anything contained in subclause 32.1(f) the interim rent referred to in that clause shall not be less than the annual rent payable as at the commencement date of the immediately preceding lease term.
 - The parties will not be released by the renewal of the lease from any liability for any breach under this lease.

ASSIGNMENT OR SUBLETTING

- 33.1 The Tenant shall not assign sublet or otherwise part with the possession of the premises, the carpark (if any) or any part of them without first obtaining the written consent of the Landlord which the Landlord shall not unreasonably withhold or delay if the following conditions are fulfilled:
- The Tenant proves to the ~~reasonable~~ satisfaction of the Landlord that the proposed assignee or subtenant is (and in the case of a company that the shareholders of the proposed assignee or subtenant are) respectable responsible and has the financial resources to meet the Tenant's commitments under this lease and in the case of the subtenant the subtenant's commitments under the sublease. ~~The Tenant shall give the Landlord any additional information reasonably required by the Landlord. See attached schedule.~~
 - All rent and other moneys payable have been paid and there is not any subsisting breach of any of the Tenant's covenants.
 - In the case of an assignment a deed of covenant in customary form approved or prepared by the Landlord is duly executed and delivered to the Landlord.
 - ~~(d) See attached schedule~~ ^{and/or}
 - ~~(e) In the case of an assignment to a company (other than a company listed on the main board of a public stock exchange in New Zealand or Australia) either a deed of guarantee in customary form approved or prepared by the Landlord is duly executed by the principal shareholders of that company and delivered to the Landlord or a bank guarantee from a registered trading bank in New Zealand on reasonable terms approved by the Landlord as security for the performance by the company of its obligations under this lease is provided to the Landlord. +~~ ^{for a sum equal to 12 months' annual rent and outgoings}
 - ~~(f) In the case of an assignment to a company (other than a company listed on the main board of a public stock exchange in New Zealand or Australia) either a deed of guarantee in customary form approved or prepared by the Landlord is duly executed by the principal shareholders of that company and delivered to the Landlord or a bank guarantee from a registered trading bank in New Zealand on reasonable terms approved by the Landlord as security for the performance by the company of its obligations under this lease is provided to the Landlord. +~~ ^{for a sum equal to 12 months' annual rent and outgoings}
 - ~~(g) In the case of an assignment to a company (other than a company listed on the main board of a public stock exchange in New Zealand or Australia) either a deed of guarantee in customary form approved or prepared by the Landlord is duly executed by the principal shareholders of that company and delivered to the Landlord or a bank guarantee from a registered trading bank in New Zealand on reasonable terms approved by the Landlord as security for the performance by the company of its obligations under this lease is provided to the Landlord. +~~ ^{for a sum equal to 12 months' annual rent and outgoings}
 - ~~(h) In the case of an assignment to a company (other than a company listed on the main board of a public stock exchange in New Zealand or Australia) either a deed of guarantee in customary form approved or prepared by the Landlord is duly executed by the principal shareholders of that company and delivered to the Landlord or a bank guarantee from a registered trading bank in New Zealand on reasonable terms approved by the Landlord as security for the performance by the company of its obligations under this lease is provided to the Landlord. +~~ ^{for a sum equal to 12 months' annual rent and outgoings}
- 33.2 Where the Landlord consents to a subletting the consent shall extend only to the subletting and notwithstanding anything contained or implied in the sublease the consent shall not permit any subtenant to deal with the sublease in any way in which the Tenant is restrained from dealing without consent.
- 33.3 Where any Tenant is a company which is not listed on the main board of a public stock exchange in New Zealand or Australia, then any change in the legal or beneficial ownership of its shares or the shares of its shareholder or issue of new capital in the company or its shareholder where in any case there is a change in the effective management or control of the company will require the written consent of the Landlord which will not be unreasonably withheld or delayed.
- 33.4 - 33.6 See attached schedule. ^{is deemed to be an assignment of this lease and}

UNIT TITLE PROVISIONS

34.1 Clause 34 applies where the property is part of a unit title development.

Body Corporate

34.2 The expression "Body Corporate" means the Body Corporate under the Unit Titles Act 2010 (in subclauses 34.2 to 34.7 "the Act") in respect of the property.

Act and Rules Paramount

34.3 This lease shall be subject to the provisions of the rules of the Body Corporate and the provisions of the Act.

Insurance

34.4 Unless the Body Corporate has resolved that the Landlord is to insure the building the Landlord's obligation to insure the building shall be satisfied by the Body Corporate maintaining the same insurance cover in accordance with the Act.

Landlord's Obligations

34.5 The Landlord shall observe and perform all of the Landlord's obligations as a member of the Body Corporate and shall use the Landlord's best endeavours to ensure that the Body Corporate complies with its rules and the provisions of the Act.

Tenant's Obligations

34.6 The Tenant shall comply with the rules of the Body Corporate and the provisions of the Act to the extent that they apply to the Tenant's use of the property.

Consents

34.7 Where in this lease the consent of the Landlord is required in respect of any matter then the like consent of the Body Corporate shall also be required if the consent of the Body Corporate to the matter would be necessary under its rules or the Act.

CARPARKS

35.1 The Tenant shall have the right to exclusive possession of the leased car parks, but when any car park is not being used by the Tenant other persons shall be entitled to pass over the same.

35.2 The Landlord may carry out repairs to the car parks and no abatement of rent or other compensation shall be claimed by the Tenant except pursuant to subclauses 26.1 or 27.3.

35.3 The Tenant shall comply with the Landlord's reasonable requirements relating to the use of the car parks and access to them and in particular shall only use the car parks for the parking of one motor vehicle per parking space.

35.4 The provisions of the Second Schedule shall apply to the car parks as appropriate.

GENERAL**Holding Over**

36.1 If the Landlord permits the Tenant to remain in occupation of the premises after the expiration or sooner determination of the term, the occupation shall be a periodic tenancy only terminable by at least ~~28 working days~~ ^{1 months' written} notice given at any time with the tenancy terminating on the expiry of the notice at ~~the rent then payable~~ and otherwise on the same covenants and agreements (so far as applicable to a periodic tenancy) as expressed or implied under this lease.

Access for Re-Letting or Sale

110% of the rent payable immediately prior to such expiration or sooner termination

37.1 The Tenant will during the term permit the Landlord, the Landlord's representatives and prospective tenants or purchasers to have access to inspect the premises provided that:

- (a) Any such inspection is at a time which is reasonably convenient to the Tenant and after reasonable written notice.
- (b) The inspection is conducted in a manner which does not cause disruption to the Tenant.
- (c) If the Landlord or the Landlord's representatives are not present the persons inspecting have written authority from the Landlord to do so.

Suitability

38.1 No warranty or representation expressed or implied has been or is made by the Landlord that the premises are now suitable or will remain suitable or adequate for use by the Tenant or that any use of the premises by the Tenant will comply with the by-laws or ordinances or other requirements of any authority having jurisdiction.

Affirmation

39.1 A party to this lease shall not be entitled to cancel this lease if, with full knowledge of any repudiation or misrepresentation or breach of covenant, that party affirmed this lease.

Waiver

40.1 No waiver or failure to act by either party in respect of any breach by the other shall operate as a waiver of another breach.

Land Transfer Title or Mortgagee's consent

41.1 The Landlord shall not be required to do any act or thing to enable this lease to be registered or be required to obtain the consent of any mortgagee of the property and the Tenant will not register a caveat in respect of the Tenant's interest under this lease.

Notices

42.1 All notices must be in writing and must be served by one of the following means:

- (a) In the case of a notice under sections 245 or 246 of the Property Law Act 2007 in the manner prescribed by section 353 of that Act; and
- (b) In all other cases, unless otherwise required by sections 352 to 361 of the Property Law Act 2007:
 - (1) in the manner authorised by sections 354 to 361 of the Property Law Act 2007, or
 - (2) by personal delivery, or by posting by registered or ordinary mail, or by facsimile, ~~or by email.~~

- 42.2 In respect of the means of service specified in subclause 42.1(b)(2), a notice is deemed to have been served:
- (a) In the case of personal delivery, when received by the addressee.
 - (b) In the case of posting by mail, on the second working day following the date of posting to the addressee's last known address in New Zealand.
 - (c) In the case of facsimile transmission, when sent to the addressee's facsimile number.
 - ~~(d) In the case of email, when acknowledged by the addressee orally or by return email or otherwise in writing except that return emails generated automatically shall not constitute an acknowledgement.~~
- 42.3 In the case of a notice to be served on the Tenant, if the Landlord is unaware of the Tenant's last known address in New Zealand or the Tenant's facsimile number, any notice placed conspicuously on any part of the premises shall be deemed to have been served on the Tenant on the day on which it is affixed.
- 42.4 A notice shall be valid if given by any director, general manager, lawyer or other authorised representative of the party giving the notice.
- 42.5 Where two or more notices are deemed to have been served at the same time, they shall take effect in the order in which they would have been served but for subclause 47.1(p).
- 42.6 Any period of notice required to be given under this agreement shall be computed by excluding the date of service.

Arbitration

- 43.1 The parties shall first endeavour to resolve any dispute or difference by agreement and if they agree by mediation.
- 43.2 Unless any dispute or difference is resolved by mediation or other agreement within 30 days of the dispute or difference arising, the same shall be submitted to the arbitration of one arbitrator who shall conduct the arbitral proceedings in accordance with the Arbitration Act 1996 or any other statutory provision then relating to arbitration.
- 43.3 If the parties are unable to agree on the arbitrator, an arbitrator shall be appointed, upon request of any party, by the president or vice president of the New Zealand Law Society. That appointment shall be binding on all parties to the arbitration and shall be subject to no appeal. The provisions of Article 11 of the First Schedule of the Arbitration Act 1996 are to be read subject to this and varied accordingly.
- 43.4 The procedures prescribed in this clause shall not prevent the Landlord from taking proceedings for the recovery of any rent or other monies payable under this lease which remain unpaid or from exercising the rights and remedies in the event of the default prescribed in subclause 28.1.

No Implied Terms

- 44.1 The covenants, conditions and powers implied in leases pursuant to the Property Law Act 2007 and sections 224 and 266(1)(b) of that Act shall not apply to and are excluded from this lease where allowed.

Limitation of Liability

- 45.1 If any person enters into this lease as trustee of a trust, then:
- (a) That person warrants that:
 - (1) that person has power to enter into this lease under the terms of the trust; and
 - (2) that person has properly signed this lease in accordance with the terms of the trust; and
 - (3) that person has the right to be indemnified from the assets of the trust and that right has not been lost or impaired by any action of that person including entry into this lease; and
 - (4) all of the persons who are trustees of the trust have approved entry into this lease.
 - (b) If that person has no right to or interest in any assets of the trust except in that person's capacity as a trustee of the trust, that person's liability under this lease will not be personal and unlimited but will be limited to the actual amount recoverable from the assets of the trust from time to time ("the limited amount"). If the right of that person to be indemnified from the trust assets has been lost or impaired as a result of fraud or gross negligence that person's liability will become personal but limited to the extent of that part of the limited amount which cannot be recovered from any other person.
- 45.2 Notwithstanding subclause 45.1, a party to this lease that is named in item 17 of the First Schedule as a limited liability trustee, that person's liability will not be personal and unlimited but limited in accordance with subclause 45.1(b).

Counterparts

- 46.1 This lease may be executed in two or more counterparts, all of which will together be deemed to constitute one and the same lease. A party may enter into this lease by signing a counterpart copy and sending it to the other party, including by facsimile or email.

DEFINITIONS AND INTERPRETATION

- 47.1 In this lease:
- (a) "building services" means all services provided by the Landlord as an integral part of the building for the general use and enjoyment of the building by its tenants or occupants including water, gas, electricity, lighting, air conditioning, heating and ventilation, telecommunications, lifts and escalators whether or not they are located within the premises.
 - (b) "CPI" means the Consumer Price Index (All Groups) published by Statistics New Zealand or other government agency and any revised, replacement or substituted index.
 - (c) "Default GST" means any additional GST, penalty (civil or otherwise), interest, or other sum imposed on the Landlord (or where the Landlord is or was a member of a GST group its representative member) under the GST Act or the Tax Administration Act 1994 by reason of non-payment of any GST payable in respect of the supply made under this lease but does not include any sum levied against the Landlord (or where the Landlord is or was a member of a GST group its representative member) by reason of a default or delay by the Landlord after payment of the GST to the Landlord by the Tenant.
 - ~~(d) "emergency" for the purposes of subclause 27.5 means a situation that:

 - (1) is a result of any event, whether natural or otherwise, including an explosion, earthquake, eruption, tsunami, land movement, flood, storm, tornado, cyclone, serious fire, leakage or spillage of any dangerous gas or substance, infestation, plague, epidemic, failure of or disruption to an emergency service; and
 - (2) causes or may cause loss of life or serious injury, illness or in any way seriously endangers the safety of the public or property; and
 - (3) the event is not caused by any act or omission of the Landlord or Tenant.~~

- (e) "GST" means the Goods and Services Tax arising pursuant to the Goods and Services Tax Act 1985 and "GST Act" means the Goods and Services Tax Act 1985.
- (f) "premises" includes all the Landlord's fixtures and fittings provided by the Landlord and those set out in the Fifth Schedule.
- (g) "premises condition report" means the report as set out in the Sixth Schedule.
- (h) "renewal" means the granting of a new lease as provided for in subclause 32.1.
- (i) "rules" in clause 34 means the Body Corporate operational rules under the Unit Titles Act 2010 and any amendments to those rules or replacement rules.
- (j) "structural repair" means a repair, alteration or addition to the structure or fabric of the building but excluding building services.
- (k) "term" includes, where the context requires, a further term if the lease is renewed.
- (l) "the common areas" means those parts of the property the use of which is necessary for the enjoyment of the premises and which is shared with other tenants and occupiers.
- (m) "the Landlord" and "the Tenant" means where appropriate the executors, administrators, successors and permitted assigns of the Landlord and the Tenant.
- (n) "the property" and "the building" mean the land, building(s) or improvements of the Landlord which comprise or contain the premises. Where the premises are part of a unit title development the words "the property" mean the land and building(s) comprised in the development.
- (o) "those for whom the Tenant is responsible" includes the Tenant's agents employees contractors or invitees.
- (p) "working day" has the meaning given to it in the Property Law Act 2007. Notices served after 5pm on a working day, or on a day which is not a working day, shall be deemed to have been served on the next succeeding working day.
- (q) A reference in this lease to any law, legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision.
- (r) A reference to the words "include" or "including" are to be interpreted without limitation.
- (s) If any inserted term (including any Further Term in the Third Schedule) conflicts with the covenants in the First, Second and Fourth Schedules, the inserted term will prevail.
- (t) Whenever words appear in this lease that also appear in the First Schedule then those words shall mean and include the details supplied after them in the First Schedule.
- (u) Where the context requires or admits, words importing the singular shall import the plural and vice versa.
- (v) Where the Landlord's consent or approval to any matter is required under this lease then, unless expressly stated to the contrary in this lease, in each case ~~the Landlord~~ that consent is at the discretion of the Landlord.
 - ~~(1) must not unreasonably withhold consent or approval; and~~
 - ~~(2) must, within a reasonable time of the Landlord's consent or approval being requested:~~
 - ~~(i) grant that consent or approval; or~~
 - ~~(ii) notify the Tenant in writing that the consent or approval is withheld~~
- (w) "Lease Year" means 1 April to 31 March.
- (x) "Inaccessible" means there is no access available to the Tenant for the purposes of conducting its business due to the act of a civil authority.
- (y) "Landlord's Reinstatement Notice" means a written notice, served by the Landlord on the Tenant, advising the Tenant of the Reinstatement Period.
- (z) "Reinstatement Period" means the anticipated period (as reasonably determined by the Landlord) required for the reinstatement of the Premises, such period to be calculated from the date that the Landlord serves the Landlord's Reinstatement Notice.

THIRD SCHEDULE

FURTHER TERMS (if any)

See attached schedule



FOURTH SCHEDULE

GUARANTEE

IN CONSIDERATION of the Landlord entering into the lease at the Guarantor's request the Guarantor:

- (a) Guarantees payment of the rent and the performance by the Tenant of the covenants in the lease.
- (b) Indemnifies the Landlord against any loss the Landlord might suffer should the lease be lawfully disclaimed or abandoned by any liquidator, receiver or other person.

THE GUARANTOR covenants with the Landlord that:

1. No release delay or other indulgence given by the Landlord to the Tenant or to the Tenant's successors or assigns or any other thing by which the Guarantor would have been released had the Guarantor been merely a surety shall release prejudice or affect the liability of the Guarantor as a guarantor or as indemnifier.
2. As between the Guarantor and the Landlord the Guarantor may for all purposes be treated as the Tenant and the Landlord shall be under no obligation to take proceedings against the Tenant before taking proceedings against the Guarantor.
3. The guarantee and indemnity is for the benefit of and may be enforced by any person entitled for the time being to receive the rent.
4. An assignment of the lease and any rent review in accordance with the lease shall not release the Guarantor from liability.
5. Should there be more than one Guarantor their liability under this guarantee and indemnity shall be joint and several.
6. The Guarantee and indemnity shall extend to any holding over by the Tenant.



FIFTH SCHEDULE

LANDLORD'S FIXTURES AND FITTINGS

(Subclause 47.1(f))

See attached Fifth Schedule



SIXTH SCHEDULE

PREMISES CONDITION REPORT

(Subclause 8.1)



Dated _____

Between

Stride Property Limited

Landlord

and

Northern Regional Alliance Limited

Tenant

and

Guarantor

DEED OF LEASE

General address of the premises:

Part Level 2, 650 Great South Road, Penrose, Auckland

Further Terms of Lease

If there is any conflict between the amendments contained in this Schedule and the clauses in the First and Second Schedules, the amendments in these Further Terms of Lease shall apply.

First Schedule

Item 8 Annual Rent

Premises	\$305,131.20 plus GST (being \$240/m ²)
Basement carparks	\$60,840 plus GST (being 26 @ \$45pcpw)
External carparks	\$31,200 plus GST (being 15 @ \$40pcpw)
Stacked podium carparks	\$24,960 plus GST (being 16 @ \$30pcpw)
Single podium carparks	\$38,220 plus GST (being 21 @ \$35pcpw)
TOTAL	\$460,351.20 plus GST

DRAFT

Item 18 Outgoings

- (14) Land tax for the property on a single holding basis disregarding any additional sums that may be payable in respect of any other land or building owned by the Landlord.
- (15) All other costs and expenses properly assessed and charged, chargeable, paid, payable or otherwise incurred in relation to the property.

2.2(b)(1) Rent Determinations Continued.

For the purpose of this clause 2.2(b)(1) "Valuer" shall mean a valuer who is registered under the Valuers Act 1948 and who has:

- (i) At least five (5) years valuation experience in the area in which the premises is located; and
- (ii) Adequate professional indemnity insurance providing cover (in respect of each claim) of at least five million dollars (\$5,000,000).

3.5 Manner of payment of outgoings

- (a) The Tenant's contribution to the outgoings of the building shall be payable in the following manner:
 - (i) Prior to or as soon as is reasonably practicable after the commencement date the Landlord will notify the Tenant, in writing, of the Landlord's estimate of the outgoings for the broken period to the last day of the lease year immediately following the commencement date; and

- (ii) Prior to or as soon as practicable after the last day of each lease year during the term the Landlord will advise the Tenant, in writing, of the Landlord's estimate of the outgoings for the following lease year.

provided that the Landlord will be entitled to notify the Tenant of a revised estimate of the outgoings where some unforeseen matter outside the control of the Landlord arises which is likely to have a significant effect on the outgoings and which was not taken into account by the Landlord in the earlier estimate and such revised estimate will apply in lieu of the earlier estimate.

- (iii) From the date of commencement of each lease year the Tenant will pay in advance on the first day of every month 1/12th of the tenant's proportion of outgoings of the Landlord's estimate of the outgoings for that lease year.
- (iv) As soon as practicable after the last day of each lease year (or initial broken period) the Landlord will provide a statement of actual outgoings for such period and whatever adjustment as is necessary between the Landlord and the Tenant will be made after taking into account the total of the payments previously made by the Tenant in respect of that period.
- (v) Upon the expiry, determination or assignment of this Lease the Landlord will forthwith advise the Tenant of:
 - (A) the total of monthly payments made by the Tenant during the then current lease year or broken period; and
 - (B) the liability of the Tenant for outgoings in terms of the Landlord's estimate; and
 - (C) the Landlord's assessment of any shortfall in the Tenant's contribution to the date of expiry, determination or assignment.
- (vi) Following such assessment the Landlord may retain or collect from the Tenant any shortfall (including at the Landlord's discretion a reasonable contingency amount against any unbudgeted expenses).
- (vii) Following the availability of a statement any shortfall not held by the Landlord will be paid by the Tenant to the Landlord within 14 days. Any excess monies held by the Landlord will be paid to the Tenant subject always to the right of the Landlord to apply the same in satisfaction or on account of any moneys owing and unpaid by the Tenant as at the date of expiry, determination or assignment.
- (viii) Nothing shall prevent the Landlord from recovering outgoings merely because the Landlord has failed to notify the Tenant promptly of an estimate or of an actual amount.

- 3.6 If the Tenant's business use is an industrial use, then Item 10 of the outgoings (clause 3) is deleted and replaced with, "Yard and car/parking area maintenance and repair charges including charges for repaving or resealing and minor repairs to the yard and car parking area such as repair of potholes".

11 Air-conditioning

The following is added to the end of clause 11.2:

"The Landlord shall ensure that the air conditioning must perform to a standard that allows the temperature in the Premises to remain at 21 degrees Celsius at the point of measure (plus or minus 2 degrees)".

A new clause 11.4 is added as follows:

- "11.4 In the event of the failure by the Landlord to comply with the above then the Tenant may give the Landlord written notice specifying the failure and requiring the Landlord to remedy the failure. If on receipt of the notice the Landlord fails to remedy the issue (and in the case of a recurring failure fails to permanently remedy the issue) within 15 working days of receipt of the notice or such reasonable time in the circumstances then the Tenant may execute such works and carry out such works and do all acts and things necessary to remedy the Landlord's failure. Any works done by the Tenant will not release the Landlord from their obligations under their lease.
- 11.5 Any moneys expended by the Tenant in executing any works for which the Landlord was liable should be payable to the Tenant by the Landlord upon demand (together with interest at the Default Interest Rate) from the date of expenditure down to the date of payment and may be set off against or deducted from the rent and other payments payable by the Tenant."

16. Use of Premises

16.3 Loads on floors and services

The Tenant is not to overload the floors of the premises or building or any services and, in particular but not in limitation, is not to bring into move about or remove from the premises or the building any safe or heavy article of greater weight or pressure than the Landlord permits in writing. Any damage caused to the premises or building arising from breach of this clause is to be made good at the cost of the Tenant.

16.4 Use of common areas

Except pursuant to any licence in respect of common area that may be given under this Lease, the Tenant is not to use the common areas for any business purpose or for display, advertising or storage. Any licence given by the Landlord may be revoked or modified by the Landlord at any time in its absolute discretion and following any failure of the Tenant so to do the Landlord is to be entitled to remove and store the Tenant's fittings or merchandise which remains in the common areas and recover from the Tenant the costs of so doing. In no event is the Landlord to be liable to compensate the Tenant.

16.5 Tenant to comply with rules

The Tenant and persons under control of the Tenant are at all times to observe the Rules contained in the Seventh Schedule and the Tenant acknowledges the rights of the Landlord contained in them.

16.6 Right for Landlord to vary rules

The Landlord has the right to make reasonable variations and additions to the Rules provided that no such variation or addition is to derogate from the rights of the Tenant under this lease and in the event of any inconsistency between the terms of this Lease and the Rules, the terms of this Lease are to prevail.

20. Additions and Alterations

- 20.2 The Tenant, when undertaking any "building work" to the premises (as that term is defined in the Building Act 2004), shall comply with all statutory requirements including, but not limited to, the obtaining of building consents and code compliance certificates pursuant to that Act and shall provide copies of the building consents and code compliance certificates to the Landlord as soon as reasonably possible after completion of the relevant building work. All building work shall be carried out and completed in a proper and tradesmanlike manner.
- 20.4 Add to the end of clause 20.4, "In addition, pending such removal, the Tenant will continue to pay to the Landlord as an occupation licence fee, the rent and outgoings payable immediately prior to the end of the term calculated on a daily basis".
- 20.5 The Tenant shall carry out all alterations and additions (being both its initial fitout and any subsequent additions or alterations) in accordance with the Landlord's fitout guide for the premises, a copy of which will be supplied to the Tenant on request.
- 20.6 If the Tenant fails to obtain a code compliance certificate in accordance with clause 20.2 then the Landlord may (after giving notice in writing to the Tenant of the Landlord's intention) do everything to obtain that code compliance certificate (including carrying out any works required) at the Tenant's expense and the Tenant will repay on demand any money spent by the Landlord.

21. Compliance with Statutes and Regulations

If the Tenant's business use is an industrial use then the following amendments to clause 21 will apply:

- 21.6 Without limiting **clauses 21.1 and 22.1(b)**, the Tenant is to:
- (a) ensure that its activities in and about the premises do not in any way breach the Resource Management Act 1991;
 - (b) use the best available methods for disposal of waste and is to protect the Land against contamination;
 - (c) bring to the immediate attention of the Landlord any abatement notice issued under that Act and further is to comply immediately at its cost with any such abatement notice; and
 - (d) if required by the Landlord or any local authority, prepare and maintain an environmental policy for the approval of the local authority and following adoption is to comply with the policy and the procedures contained in such policy.
- 21.7 The parties agree that the environmental audit report **attached** to this lease is evidence of the environmental condition of the premises as at the commencement date. The Tenant is to:
- (a) during the six (6) months prior to the final expiry date at its cost obtain and provide to the Landlord an environmental audit report of the premises prepared by an environmental consultant reasonably acceptable to the Landlord which will be evidence of the environmental condition of the premises as at the final expiry date;
 - (b) at its cost promptly remediate all environmental contamination reported in the environmental audit report provided by the Tenant to the Landlord under paragraph (a)

above which is not in existence at the commencement date as evidenced by the environmental audit report referred to in paragraph (a); and

- (c) complete all remediation works within a time agreed between the parties acting reasonably and having regard to the nature of the contamination and the findings and recommendations of the environmental audit report provided by the Tenant to the Landlord under paragraph (a).

21.8 The Tenant must not:

- (a) other than as is necessary and proper for the Tenant's business use, and then only in quantities which are reasonably appropriate and in accordance with New Zealand Standards, store inflammable or explosive substances on or in the premises; or
- (b) use any of those substances on the premises for any purpose other than the Tenant's business use.

21.9 The Tenant will use only forklift trucks which have pneumatic or cushioned tyres and must not use forklift trucks which have a carrying capacity which exceeds [4.5 tonnes] or which have steel or hard nylon tyres.

23. Insurance

23.2 (a) Despite clause 23.1:

- (i) where the Landlord is unable to obtain insurance cover for the building on a replacement basis at a cost that Landlord reasonably considers to be economic, the Landlord's obligation pursuant to clause 23.1 will be satisfied by the Landlord holding cover on an indemnity basis; and/or
 - (ii) if no cover is available for a particular risk (at a cost that the Landlord reasonably considers to be economic) then the Landlord shall not be in breach of its obligation pursuant to clause 23.1 by not insuring against such risk.
- (b) The Landlord will notify the Tenant in writing, within a reasonable time, of any material changes to the Landlord's insurance policy.
 - (c) The Tenant acknowledges and agrees that, to the extent specified in clause 23.2, the Landlord:
 - (i) may not have fully insured the building; and/or
 - (ii) may not have insured the building in respect of all risks specified in this lease or otherwise.

23.3 Insurance Excess

The Tenant acknowledges and agrees that:

- (a) The Landlord has not insured or has not fully insured the premises against destruction or damage arising from any of the risks against which the Landlord has insured or has covenanted to insure to the extent of any excess payable in respect of any claim arising under the Landlord's insurance policy or policies; and

- (b) Without prejudice to the Tenant's obligations under this lease, where the Landlord makes a claim on its insurance policy or policies in circumstances where the Tenant or those for whom the Tenant is responsible has been negligent or breached this lease then the Tenant will reimburse the Landlord for any excess payable in respect of that claim.

23.4 Tenant's Insurance

The Tenant shall keep current at all times a policy or policies in the joint names of the Landlord and the Tenant:

- (a) for the replacement of all additions to the Premises owned by the Tenant and all the Tenant's fixtures and fittings;
- (b) public liability insurance for such sum as the Landlord may reasonably require (but not to be less than \$5,000,000 for any one event);
- (c) business interruption for such period as reasonably required by the Landlord but not less than twelve (12) months.

Such policies shall be effected with an insurance company and on terms acceptable to the Landlord (acting reasonably) and the Tenant will if requested provide the Landlord from time to time with copies of policies and certificates of currency.

27 Partial Destruction

- 27.5 (a) In the event that the premises are Inaccessible for a continuous period of nine (9) months (and clauses 27.1 – 27.4 do not apply), the Tenant may terminate this lease by serving written notice on the Landlord.
- (b) A Tenant's termination notice under clause 27.5(a) must be served by the Tenant on the Landlord within thirty (30) Working Days of the Tenant's right to terminate arising, time being of the essence.
- (c) If this lease is terminated pursuant to clause 27.5 then the lease term will cease twenty (20) Working Days from the date of the Tenant's termination notice.
- 27.6 If the premises are Inaccessible and the Landlord is entitled to make an insurance claim in respect of loss of rent solely because the premises are Inaccessible then a fair proportion of the rent and outgoings shall cease to be payable (but only to the extent that loss of rent insurance is available to the Landlord) until the earlier of:
 - (a) the Premises no longer being Inaccessible; and
 - (b) the Landlord no longer being able to claim loss of rent under its insurance policy,
 (having regard to the impact that the relevant circumstances have on the Tenant's use and enjoyment of the premises).

27.7 Termination by Tenant

- (a) In the event that clause 27.1 applies and, as a result, the Tenant is unable to occupy the Premises (or a significant part of the Premises so that the Tenant's ability to conduct its business from the Premises is significantly impaired), then:
 - (i) within a reasonable period after the damage or destruction the Tenant may request the Landlord in writing to serve a Landlord's Reinstatement Notice;
 - (ii) the Landlord will serve a Landlord's Reinstatement Notice within a reasonable period of receipt of that request; and
 - (iii) in the event that the Reinstatement Period is more than nine months the Tenant may terminate this Lease, by serving written notice on the Landlord. For clarity, in the event that the Reinstatement Period is less than nine months then the Landlord must reinstate the Premises in accordance with clause 27.1.

33. Assignment or subletting

- 33.1 (a) Add to the end of this clause, ".....including a recent statement of the proposed assignee's and guarantors assets and liabilities or subtenant's assets and liabilities, including (if that assignee, subtenant or guarantor is a company) a statement in relation to the shareholders of that Company. The statement shall be certified by a chartered accountant in private practice."
- (d) In the case of a subletting:
 - (i) the annual rent payable under the sublease is not less than the then current market rent for the relevant part of the premises;
 - (ii) the subtenant enters into a deed of covenant with the Landlord, in the form reasonably required by the Landlord, to observe the terms of the sublease, and if required by the Landlord in writing (in the event of the Tenant's default under this lease), to pay the annual rent and outgoings due under the sublease direct to the Landlord until further notice;
 - (iii) the subtenant will enter into a lease direct with the Landlord (on the terms of the sublease) in the event that the headlease is cancelled and the Landlord so requires;
 - (iv) the Tenant must not sublet part of the premises in a configuration that will or is likely to adversely affect the rental payable for the balance of the premises not comprised in the sublease.
- (g) In the case of an assignment occurring within 24 months of the expiry of the term, the Tenant provides satisfactory evidence that the proposed assignee has the financial resources to comply with its obligations under clauses 8 and 20 and the Eighth Schedule.
- 33.4 Where the Tenant or sub-tenant is a partnership, the retirement or other departure of a partner and/or the admission of a new partner is deemed to be an assignment or, where appropriate, a subletting of this lease.
- 33.5 Notwithstanding any other term of the lease no sub-tenant shall be entitled to grant any sub-sublease of any part of the Premises.

- 33.6 The Tenant shall not be entitled to grant more than one sublease at any time during the term of the lease.

48. Health and Safety in Employment Act 1992

- 48.1 The Tenant will comply with the Health and Safety in Employment Act 1992 (the **HSEA**) in respect of the premises and its fit-out, fixtures and fittings, equipment and any alterations made by the Tenant in or to the premises and their use in the premises as part of a place of work including without limitation:
- (a) Ensuring that all significant hazards in respect of the same are identified and eliminated where practical, or isolated where elimination is impractical, or minimised where elimination or isolation is impractical.
 - (b) Having in place written rules and procedures relating to health and safety which the Tenant shall follow and keep under review to ensure the safety of its employees and persons attending the premises.
 - (c) Identifying possible hazards for its employees or other persons attending or in the vicinity of the premises.
 - (d) Taking all practicable steps to eliminate, isolate or minimise hazards and ensure that people working in the vicinity of the premises are not harmed.
 - (e) Maintaining a register of accidents and conforming with any code of practice and regulations promulgated in respect of the particular work being done.

49. Bank Guarantee

49.1 Bank guarantee

If the Landlord requests, the Tenant shall arrange for the issue to the Landlord of a Bank Guarantee for the Bank Guarantee Sum to secure the Landlord against loss or damage resulting from any of the events specified in **clause 28.1**.

49.2 Rent reviews

Subject to the Landlord having requested a Bank Guarantee under **clause 49.1**, at each rent review date or (if later) at the determination of each review or adjustment of the annual rent, the Tenant shall provide to the Landlord a replacement or additional Bank Guarantee (as appropriate) so that the total amount guaranteed bears to the annual rent payable from each rent review date the same proportion as the Bank Guarantee Sum bears to the annual rent as at the commencement date.

49.3 Default by Tenant

- (a) If any of the events specified in **clause 28.1** occur, the Landlord may without prior notice to the Tenant demand payment under the Bank Guarantee in or towards making good any loss or damage sustained by the Landlord as a result of that event;
- (b) If the Landlord demands payment under the Bank Guarantee:

- (i) in respect of unpaid annual rent, outgoings or other moneys payable under this lease, the Landlord shall give the Tenant a written statement of the amounts unpaid; or
- (ii) in order to reimburse the Landlord for expenditure incurred in remedying any other default by the Tenant, the Landlord shall give the Tenant relevant details of that expenditure (including, where appropriate, copies of the invoices and receipts for the amounts expended);

the Tenant shall promptly provide either;

- (iii) a replacement Bank Guarantee for the then current amount under **clauses 49.1 or 49.2**, as appropriate; or
 - (iv) an additional Bank Guarantee equal to the amount demanded or applied by the Landlord under **clause 49.3(b)**.
- (c) No action by the Landlord under **clause 49.3(a)** will operate as a waiver of the relevant event specified in **clause 28.1**.

49.4 Tenant to keep current

The Tenant shall at all times ensure that any Bank Guarantee is kept current and enforceable.

49.5 Transfer by Landlord

If at any time during the term the Landlord transfers the Landlord's interest in the premises the Tenant shall at the request and cost of the Landlord provide to the Landlord a replacement Bank Guarantee in favour of the transferee.

49.6 Return of Bank Guarantee

Subject to **clause 49.3**, the Landlord shall return every Bank Guarantee to the Tenant promptly after the latest to occur of the following:

- (a) the final expiry or earlier date of determination of this lease;
- (b) the expiry of any period of holding over under **clause 36.1**;
- (c) the making good of all defects and yielding up of the premises as required by this lease;
- (d) the compliance by the Tenant of all of its obligations under this lease; and
- (e) receipt by the Landlord of a replacement Bank Guarantee in accordance with **clause 49.2 or 49.3(b)(iii)**.

49.7 Security Deposit

Where the Bank shall insist on the right (and where the Landlord shall accept such demand by the Bank) to pay the Bank Guarantee Sum at its own option, and not only following a request from the Landlord, the Tenant agrees as follows:

- (a) the Bank Guarantee Sum, if paid to the Landlord by or on behalf of the Bank without a request for same having been made by the Landlord, shall become a security deposit

(**Security Deposit**) in favour of the Landlord to be held by the Landlord until the final expiration or earlier determination of this lease; and

- (b) rent and all other payments due to be made by the Tenant under this lease shall continue to be payable by the Tenant, without any adjustment or account being taken of the setting up of the Security Deposit; and
- (c) in the event of any default by the Tenant as defined in **clause 28.1** of this lease the Landlord shall be entitled to recover from the Security Deposit the amount of any loss arising as a result of that breach. By this clause the Tenant expressly authorises the Landlord to recover the amount of any such loss, but this special provision shall not derogate from the Landlord's other rights at law and under this lease; and
- (d) at the final expiration or earlier determination of this lease the Tenant shall be entitled to return of the Security Deposit less the amount of any loss which has been or is to be recovered by the Landlord from the Security Deposit.

49.8 Definitions

For the purpose of this lease:

Bank means a bank or other financial institution approved by the Landlord.

Bank Guarantee means an irrevocable and unconditional undertaking (which does not contain an expiry date prior to three (3) months after the final expiry date of this lease) on the form provided to the Tenant by the Landlord from a Bank to pay an amount or amounts to the Landlord on demand.

Bank Guarantee Sum means an amount equal to 12 months annual rent and outgoings from time to time or such higher sum as may be required by the Landlord as a condition of any approval given for an assignment of this lease.

49.9 Bank Guarantee not to apply

While Northern Regional Alliance Limited is the Tenant and occupier of the Premises, this clause 49 shall not apply.

50. Redecoration and make good by Tenant

- 50.1 Without limiting **clause 8.1** the Tenant shall redecorate the premises throughout to the satisfaction of the Landlord by no later than each fifth anniversary of the commencement date and at the expiry date or date of earlier determination of this lease (and where the Tenant has any right or rights of renewal of this lease, before the expiry or earlier determination of each further term). The term **redecorate** shall include the cleaning down of the interior of the premises (including all partitions and/or additions) and the treatment as previously treated of all internal surfaces to a reasonable specification and colour scheme approved by the Landlord.
- 50.2 If the Tenant fails to redecorate the premises in accordance with **clause 50.1** and in the manner specified, the Landlord may undertake redecoration at the Tenant's expense and the Tenant shall repay on demand any money spent by the Landlord.
- 50.3 For the avoidance of doubt, the configuration to which the Tenant must reinstate the Premises in accordance with clause 20 is evidenced by the fitout plan attached as the Tenth Schedule. The Landlord however reserves the right to insist on reinstatement of any subsequent works to

the floor over the term of the lease or any renewal period. Notwithstanding this, the Tenant will be required to hand back the floor in a clean and tidy condition and repair any damage not attributed to fair wear and tear.

51. Overloading

If the Tenant's business use is an industrial use then the following new clause will apply:

- 51.1 Without limiting **clause 22.1(a)**, the Tenant is not to place or store any heavy articles or materials in the premises including the hardstand without the Landlord's consent. The Landlord's consent will only be given where the articles or materials are:
- (a) reasonably necessary and proper for the conduct of the Tenant's business; and
 - (b) of a nature and size as will not in the Landlord's reasonable opinion cause or be likely to cause any structural or other damage to the floors or walls or any other part of the premises.
- 51.2 The Landlord is entitled to prescribe the maximum weight for and proper location of those heavy articles or materials on the premises. Any damage done to the premises or any part of it during the time they are on the premises or when they are taken or removed from it must be made good and/or paid for on demand by the Tenant (as appropriate).
- 51.3 The Tenant must not install any equipment or system on the premises that overloads or may overload the electrical or other services to the premises.
- 51.4 If the Landlord at the request of the Tenant upgrades the services to accommodate any equipment or system which the Tenant wishes to install, the Tenant must pay to the Landlord:
- (a) on demand the entire cost to the Landlord of those alterations (including consultants' fees); and
 - (b) if required by the Landlord, the estimated cost of those alterations before they are commenced.

The Landlord gives no warranty as to the suitability of any such alteration.

52. Early termination right

- 52.1 So long as Northern Regional Alliance Limited is the Tenant under this Lease and the occupier of the premises, and provided the Tenant has duly and punctually observed the terms of this Lease (including, without limitation, paying the annual rent), the Tenant may surrender the Lease on 31 March 2019 (the **Surrender Date**) by providing not less than 9 months prior written notice to the Landlord of its intention to do so (time being of the essence).
- 52.2 Any surrender pursuant to this clause 52.1 shall be without prejudice to the parties' rights and obligations accruing up to and including the Surrender Date.
- 52.3 In event that the Tenant exercises the early termination right under this clause 52, the Tenant shall repay to the Landlord 50% of the landlord contribution paid to the Tenant under the Agreement to lease dated 21 March 2016 being \$340,730.00 plus GST (**Surrender Payment**) on or prior to the Surrender Date. Payment of the Surrender Payment is a condition precedent to the surrender of this Lease. In addition, if the Tenant defaults in payment of the Surrender

Payment, penalty interest shall accrue at the default interest rate from the Surrender Date until the date that the Surrender Payment is paid in full.

53. Right of first refusal

- 53.1 So long as Northern Regional Alliance Limited is the Tenant under the Lease and the occupier of the Premises, and provided the Tenant has duly and punctually observed the terms of the Lease the following further provisions will apply, and prevail over any other provision in the Lease in the event of conflict.
- 53.2 If at any time during the Term any other premises on level 2 of the building becomes available for lease (**Unlet Space**) and the Landlord wishes to lease the Unlet Space, then provided that the Unlet Space is not subject to any prior right or claim by an existing tenant, the Landlord will first offer any new lease of the Unlet Space to the Tenant on the following terms and conditions:
- (a) The Landlord will give notice in writing to the Tenant specifying the terms and conditions including the term, rent and outgoings on which the Landlord would be prepared to lease the Unlet Space (the **Landlord's Notice**) to the Tenant.
 - (a) The Tenant may within 10 days after the receipt of the Landlord's Notice (time being of the essence) (**Notice Period**) give notice in writing to the Landlord of the Tenant's intention to lease the Unlet Space upon the terms and conditions specified in the Landlord's Notice.
- 53.3 The giving of the Landlord's Notice and the giving of the second notice by the Tenant constitutes an agreement to lease the Unlet Space upon the terms and conditions specified in the Landlord's Notice, and otherwise on the terms and conditions of this Lease. The parties will then take all necessary steps to complete a formal deed of lease promptly.
- 53.4 If the Tenant:
- (a) does not within the Notice Period signify its intention to lease the Unlet Space in the preceding manner; or
 - (b) at any time within the Notice Period signifies its intention not to lease the Unlet Space on the terms and conditions specified,
- then the Landlord will be at liberty to lease the Unlet Space to any other person.

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FIFTH SCHEDULE
Landlord's fixtures and fittings

Item	Condition at Commencement Date
Ceiling	
Carpet and floor coverings	
Air-conditioning	
Electrical distribution board	
Fire protection	
Telephone cable	
Fitted kitchen	
Toilets	
Partitions	
Lighting	
[to be confirmed]	

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SEVENTH SCHEDULE

Rules of the Building

Preamble

The Rules set out in this Schedule are made for the safety, care, operation, security and cleanliness of the building and for the preservation of good order, safety and comfort of tenants and occupiers in and visitors to the building.

1. Building directory

The Landlord must maintain a directory of tenants in the main entrance lobby of the building. Name plates on the directory will be fixed for the Tenant by the Landlord at the cost of the Tenant and the form of each will be solely determined by the Landlord.

2. Ejection of rubbish or other articles

The Tenant must not drop or throw or permit to be dropped or to be thrown or to fall any article from or out of the premises, the common areas or the roof of the building or into the lift wells or any public areas and must not place any article upon any sill ledge or other like part.

3. Eviction

The Landlord reserves the right to exclude or evict from the building any person who in the opinion of the Landlord is under the influence of intoxicating liquor or drugs or who in any manner wilfully does any act in violation of these Rules.

4. Name of building

If the name of the building is used by the Tenant on letterheads or other business forms or advertising material then the name so used must be the full and proper name of the building. It is acknowledged by the parties that the Landlord is the owner of all naming and advertising rights of the building.

5. Goods delivery

The Tenant will use for all movement of goods or articles of bulk or quantity only parts of the premises and common areas at the times that the Landlord directs and must comply with all directions of any duly authorised officer of the Landlord concerning the operation of any loading or unloading area in or about the building.

6. Interference with machinery

The Tenant will not interfere with or attempt to control any part of any of the Landlord's machinery installed or to be installed in any part of the building or in the premises.

7. Forbidden activities

The Tenant will not allow members of any charitable or other organisation to hold functions or solicit donations within the premises without the prior written consent of the Landlord.

8. Statements

The Tenant will not issue statements, verbal or written to the media in respect of the building. Requests for statements or interviews shall be referred to the Landlord or its representatives.

9. Emergency contact

The Tenant will advise the Landlord of the private address and telephone number of the Tenant or if the Tenant is a corporation of some responsible person employed by the Tenant and shall keep the Landlord promptly informed of any change of such address or telephone number.

10. External window cleaning

If the Tenant requires cleaning of external window surfaces more frequently than the Landlord considers appropriate, the costs of such additional cleaning will be paid for by the Tenant requesting such additional cleaning, or if more than one Tenant is involved then proportionately by each Tenant calculated on the area of floor space occupied.

11. Dangerous goods

The Tenant will not except for customary office applications use or allow to be used any chemicals or inflammable gases fluids or substances in or on the premises and will not use or allow to be used any method of heating or lighting the premises other than by electric current or gas supplied through the meters.

12. Not to erect window coverings without consent

- (a) The Tenant will not erect internal or external window coverings, blinds, drapes, curtains, screens or awnings without the consent in writing of the Landlord and in any event any such items installed in the premises shall be of non-flammable material and will comply with all relevant standards approved by the Landlord and in compliance with the provisions and requirements of all relevant authorities.
- (b) The Tenant will maintain in a neat, clean and proper state of repair all window curtains or coverings whether supplied by the Landlord or otherwise and will as often as the need (in the opinion of the Landlord) arises replace at the Tenant's own cost any curtain or coverings of a material or type nominated by the Landlord. Where such window curtains or coverings are supplied by the Landlord then despite anything contained in this clause, the Landlord may at its discretion if in its opinion such window curtains or coverings require replacement, replace at its cost.
- (c) Other than as provided in **sub-clause (a)** of this **Rule 12**, the Tenant will not in any way without the express written authority of the Landlord cover or obstruct the windows.

13. Tenant to participate in fire drill

The Landlord will have the right to require the Tenant to perform fire drills from time to time and observe all necessary and proper emergency evacuation procedures including the appointment and participation of appropriate fire wardens and the Tenant and the Tenant's visitors will co-operate with the Landlord in performing such drills and procedures. In no case will there be any compensation payable by the Landlord on account of any loss or damage caused to or sustained by the Tenant and the Tenant's visitors.

14. After hours opening and access to the premises

- (a) The Tenant will be entitled to use the premises throughout the 24 hours of each day in the year. Access to the premises for the Tenant's nominated staff outside normal business hours (being 8am to 6pm on any working day) or otherwise stipulated by the Landlord on weekdays and on Saturdays, Sundays and gazetted public holidays will be regulated by the security procedures provided by the Landlord or otherwise as previously agreed in writing by the Landlord but the Landlord will not be liable for any reason should the Tenant be unable to gain entry to the building.
- (b) The Landlord reserves the right to close the building or any part of the building as may be required to be closed by operation of law or in the case of an emergency or if the Landlord deems such action reasonably necessary for the safety of any person or property within or on the building. The Landlord may close lock off or otherwise control the common areas or any part of it from time to time to protect the Landlord's or any tenant's interest or any public interest as the Landlord may deem necessary or desirable and any such action or actions on the part of the Landlord will not entitle the Tenant to determine the lease or claim an abatement of rental or claim damages or compensation from the Landlord.
- (c) In the event that the Landlord shall at the request of the Tenant open or operate or both plant for any part of the building or premises during any hours of restricted access or at times otherwise than as specified by the Landlord in relation to the operation of the air-conditioning plant or lifts then all costs and expenses of so doing including without affecting to the generality of the foregoing labour, energy, security and air-conditioning (all such costs and expenses to be as assessed by the Landlord from time to time) will be borne by the Tenant and paid to the Landlord immediately upon demand and in the event of default in such payment by the Tenant such costs and expenses shall be deemed to be rent in arrears and recoverable accordingly.

15. Keys, access and security

- (a) The Tenant acknowledges that all keys or access cards relating to the building or to the premises held by the Tenant during its occupancy (whether they have been provided by the Landlord or made or procured by the Tenant for the Tenant's own use) shall be surrendered to the Landlord at the end of this lease and the Tenant shall not cause or suffer to be made any duplicates nor make any changes to it without the prior consent of the Landlord.
- (b) The Tenant will provide keys or access cards only to employees of the Tenant and shall keep a list of the recipients of keys and access cards and their status and shall immediately upon request from the Landlord provide the Landlord with an updated copy of the list. In the interests of effective security the Landlord has the right (at its sole discretion) to restrict the number of keys and cards issued.
- (c) If any key or access card is lost stolen destroyed or mutilated the Tenant will pay all costs and expenses (including the cost of replacement of changing locks as considered necessary by the Landlord) arising therefrom immediately upon demand by the Landlord when demanded by the Landlord regardless of how the cost arises.
- (d) All keys and/or access cards will be provided in the first instance by the Landlord on such conditions as it shall impose including the liability of the Tenant to immediately notify the Landlord of and return obsolete cards and keys if the holder is no longer a Tenant or employee of the Tenant and the Tenant will be responsible for the care and retention of all cards and access keys.

16. Obstruction

The Tenant or the Tenant's visitors will not obstruct or use footpath entrances, lobbies, passages, halls, lifts and staircases (except as may be entirely within the premises) for any purposes other than for entry or exit from the premises and in this respect the Tenant will observe all rules and regulations from time to time imposed by any authority relating to fire and other matters of public safety.

17. Sound reproduction apparatus

The Tenant is not to erect or affix any radio or television mast or antenna to the building. In the event that the Landlord considers that the rights or interests of other Tenants are being adversely affected any consent previously given may be modified or withdrawn on the giving of 14 days notice except with the express prior written consent of the Landlord (and then only in compliance with the terms of such consent).

18. Animals birds or pets

The Tenant will not keep any animals birds or pets in or about the building or the premises.

19. Foodstuffs

The Tenant may prepare or cook food only with the consent of the Landlord (at its sole discretion) and in those areas which are provided and approved by the Landlord for that purpose. The customary serving of morning and afternoon teas at any place within the premises is not affected by this clause.

20. Protection of services

The Tenant will not use or permit to be used in the toilets and other water supply apparatus for any purpose other than that for which they were constructed and will not place or permit to be placed any tea leaves, sweepings, rubbish, rags, ashes or other foreign or corrosive substances in the apparatus. The cost of repairing any damage resulting to the apparatus arising as a result of such misuse by Tenants or by the employees of Tenants shall be borne by all Tenants in proportion to the area occupied by each of them on the floor level at which the damage has occurred. If the person or Tenant responsible for such damage can be ascertained then the Tenant who employs or whose client it is or that Tenant shall bear the whole of the cost involved.

21. Air-conditioning, lifts and other services

- (a) Where any plant machinery or equipment for heating cooling or circulating air (all of which are herein included in the expression **air-conditioning plant**) is provided or installed in the building or the premises by the Landlord:
 - (i) The air-conditioning plant will not be operated on Saturdays, Sundays or gazetted public holidays or on such other days as the building is not open to the public except where the Tenant has independent control of the system affecting the premises.
 - (ii) The Tenant will at all times comply with and observe the reasonable requirements of the Landlord in relation to the air-conditioning plant and will not do or permit or suffer to be done anything to the use or ventilation of the premises which might

interfere with or impair the efficient operation of the air-conditioning plant in the premises or the building.

- (iii) The Tenant will be required to keep the sun protection devices (if any) installed for the purpose of reflecting solar heat, in the proper operational position (as determined by the Landlord) to ensure the efficient performance of the air-conditioning equipment. While the air-conditioning equipment is operating the windows in the premises will not be opened or permitted to remain open by the Tenant and the Tenant's visitors.
- (b) Where a passenger lift or lifts are provided or installed in the building by the Landlord the Tenant will use those lifts only for passengers and will not except with the express consent of the Landlord or its building supervisor use them for the carriage of goods. When goods are being carried in those lifts it will be the responsibility of the Tenant to ensure that the protective equipment supplied by the Landlord is used as designed and the cost of repairing the damage occasioned through use of the lifts for purposes other than passenger carriage may be charged to the Tenant concerned and where consent is given for the carriage of goods the Tenant shall comply with all reasonable requirements of the Landlord relating to the use time protection making good and any other reasonable costs of and incidental to the consent and to the use.

22. Cleaning of premises by Tenant

- (a) The Landlord will use its best endeavours to provide a cleaning service from one contractor who will in a proper and workmanlike manner clean all parts of the building including the exterior and interior of all windows, grease traps and all carparking areas and the premises and the Tenant will use exclusively the cleaning services to the same or better standard and permit access to the premises during or outside normal office hours for the purpose of other cleaning but the Landlord shall not be responsible for any damage suffered by the Tenant and the Tenant's visitors arising out of such cleaning.
- (b) The Landlord will cause the cleaning contractor providing the cleaning service to render separate accounts direct to the Tenant for the cost of cleaning the premises including the cleaning of the internal surfaces of all outside windows the cleaning of all other windows and glass within the premises and the cleaning of the portion of any service area within the premises and the Tenant will pay such accounts within 14 days of receipt of same. All other cleaning costs will form part of the outgoings of the building.

23. Notice to Landlord of damage, accident etc.

The Tenant will give notice to the Landlord immediately when it becomes aware of:

- (a) any damage or defects in the premises or the building or in any of the services or facilities provided by the Landlord in the premises or the building; or
- (b) any circumstances likely to cause any damage or injury within the premises or the building or any accident or injury to any person; or
- (c) any damage or defects in the building's security or surveillance system; or
- (d) any infectious illness occurring in the premises or the building and the Tenant shall also give notice of the same to the proper authorities and at the expense of the Tenant shall thoroughly fumigate and disinfect the premises to the satisfaction of such authorities and otherwise comply with their lawful requirements.

24. Recycling

The Tenant shall participate in any recycling programme put in place by the Landlord in relation to the building. The Tenant shall ensure that all recyclable waste is separated from other waste and placed in the receptacles provided for separate collection.

25. Smoking

- (a) The Tenant shall comply at all times with the provisions of the Smoke-free Environments Act 1990.
- (b) The Tenant shall not and shall not permit any of its employees to smoke in front of the building, in any dockways or in any public areas other than the designated smoking area of the building (if any).

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EIGHTH SCHEDULE

(Clause 20)

Specific "Making Good" Requirements

1. Make good all ceiling penetrations and (where applicable) restore the ceiling grid.
2. Remove all non-standard light fittings and wiring associated with such light fittings and make good all damage and imperfections associated with that removal.
3. Remove all the Tenant's communications and data cables and all associated wiring.
4. Clean all ceilings.
5. Remove all the Tenant's partitions and make good all damage and imperfections associated with that removal, including by way of example (but not in limitation) replacing carpet, if the floor coverage is incomplete or inconsistent as a result of that removal.
6. Clean the Landlord's partitions, carpets, curtains and blinds.
7. Remove all the Tenant's fixtures and fittings and make good all damage and imperfections associated with that removal of those fixtures and fittings.
8. Restore all lights to a single circuit (with the switch located in the relevant floor lift lobby) and remove all wiring made redundant by that restoration of lights to a single current.
9. Restore all lighting, sprinkler and air-conditioning systems to an open-plan configuration (being the original base building design).
10. Remove all non-standard floor coverings and make good all damage and imperfections associated with that removal, including by way of example (but not in limitation) replacing carpet, if the floor coverage is incomplete or inconsistent as a result of that removal.
11. Remove all lettering, signs, notices, name-plates, advertising devices or any other distinctive marks put by or for the benefit of the Tenant on any part of the building or the premises, including doors and partitions, and make good any consequential damage or disfigurement.

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NINTH SCHEDULE Additional Retail Provisions

These provisions shall apply if the Tenant's business use is a retail use

If there is a conflict between the amendments contained in this Schedule and the clauses in the First and Second Schedules, this Schedule shall apply.

1. **Redecoration**

Clause 8.1(c) is amended by adding the following at the end of clause 8.1(c):

"Redecoration under **clause 8.1(c)** shall include if required by the Landlord the upgrading and/or replacement to the approval of the Landlord of the signage, display shelves, merchandise racks and other display fixtures within the premises to ensure that the appearance of the premises is kept in conformity with trends then current in similar retail developments."

2. **Conduct of business**

The following clauses are added to clause 16:

- 16.7 The Tenant will not exhibit or sell merchandise other than goods of the kind usually sold by retailers carrying on the business use described in the First Schedule and will within 3 working days of receipt of notice of any breach of this provision remove any contravening merchandise from the premises. Upon default the Landlord may enter during normal business hours and remove contravening merchandise and hold the same at the Tenant's risk and cost.

16.8

- (a) The Tenant will at all times keep the premises open for full retail trade during such times on such days as are determined from time to time by the Landlord to apply to the building or to that part of the building of which the premises form part. The Landlord will give not less than 10 days' written notice of any change to such hours. The Tenant acknowledges the importance to the Landlord, the Tenant and all other lessees within the building (if any) for each lessee (including the Tenant) to be open and to trade properly during all trading hours for the building. The Tenant further acknowledges that if the Tenant breaches such provision the Landlord and other lessees of the building shall suffer financial loss. The Tenant acknowledges that ceasing trading from the premises during normal business hours to carry out any stocktake is a breach of this clause 16.8(a).
- (b) The Tenant undertakes to pay to the Landlord liquidated damages as an estimate of the loss to the building as a whole of any breach of **clause 16.8** calculated at the rate of \$1,000 for the first hour or part thereof of each day and \$100 per hour or part thereof for each consecutive subsequent hour of that day during which the Tenant fails to open the premises and conduct the Tenant's business as required by **clause 16.8**; such moneys to be used by the Landlord for marketing of the building in such manner as the Landlord sees fit. The Tenant acknowledges that no payment under this clause shall prejudice the right of the Landlord to exercise any other right or power of the Landlord to enforce the provisions of this lease for breach of such covenant, the Tenant specifically, but without limitation, acknowledging that in the case of any such breach the Landlord may apply to the High Court for an order requiring the Tenant to keep the premises open and trading in terms of **clause 16.8**.

- (c) The Tenant will conduct the Tenant's business in accordance with the best retail methods and will not commit or permit any illegal or unlawful act to be committed on the premises.

16.9 Merchandising display

The Tenant shall use to best advantage all space in the premises for display of stock and will keep display windows and the entire premises adequately illuminated during such times as may be required by the Landlord in respect of retail businesses in the building PROVIDED that the Tenant shall not in any way spoil or detract from the architectural form, style or appearance of the premises or the building.

16.10 Adequate staffing & equipping

The Tenant shall engage all necessary staff for the proper conduct of the Tenant's business in the premises and will supply all facilities and stock in trade necessary for such purpose.

16.11 Non-trading radius

The Tenant shall not during the term of this lease either directly or indirectly, and whether as principal, employee, agent, licensee or otherwise, carry on or be concerned in a business of the type stated as the business use in the First Schedule within the radius of 3 kilometres from the building. The Tenant, if a company, shall be deemed to be in breach of this provision if any such business is carried on or owned by a subsidiary or by any person or company who is or has been a director or shareholder of the Tenant at any time during the term of this lease. It shall not be a breach of this provision if the Tenant or such person or company continues to carry on such a business within such radius where the same was being so carried on prior to the commencement date.

16.12 No Noxious Use

Add a new clause 22.1(d) as follows:

- (d) The Tenant will not hold any auction, fire, closing down or lease expired sale on the premises nor will the Tenant carry on business in a manner that is or may be detrimental to the building. If the Landlord determines that unreasonable levels of noise or any offensive or unacceptable smells or smoke or intrusive lights are emanating from the premises then the Tenant will, if required by the Landlord, install such soundproofing within the premises as to reduce the level of noise to that level the Landlord deems is reasonable and will otherwise desist from creating such noise, smells, smoke or lights or (if required by the Landlord) install extraction systems or screens which are acceptable to the Landlord.

16.13 Suitability of premises

The Tenant acknowledges that:

- (a) no representation, warranty or undertaking expressed or implied has been given by or on behalf of the Landlord in respect of the building or the type or style of any present or future business and that no representation, warranty or undertaking has been given to entitle the Tenant to any exclusive trading or operating rights within the building;
- (b) the premises are entirely suitable for the purposes of the Tenant; and
- (c) the building is a mixed use building combining space for a variety of purposes.

16.14 Gross Turnover Figures

- (a) The Tenant shall provide quarterly gross turnover figures for the premises.
- (b) The term "gross turnover figures" means the gross sales (excluding GST) for all merchandise, goods and services sold, leased, hired or otherwise disposed of and all business of any nature whatsoever conducted from the premises.

Agreement to lease

relating to

Part Level 2, 650 Great South Rd

Stride Property Limited

Landlord

and

Northern Regional Alliance Limited

Tenant

Date 21 March 2016

BELL GULLY

4 HICKLAND VERD CENTRE, 41 SHORTLAND STREET
PO BOX 9999, AUCKLAND 1142, NEW ZEALAND
TEL 04 3 594 9900 FAX 04 3 704 9901

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This Agreement to lease is made on 21 March 2016

between (1) Stride Property Limited (Landlord)
and (2) Northern Regional Alliance Limited (Tenant)

Introduction

- A. The Landlord is the owner of the Premises.
- B. The Tenant agrees to take and the Landlord agrees to grant to the Tenant a lease of the Premises on the terms set out in this Agreement, and the parties wish to record the terms and conditions of their agreement.

It is agreed

1. Main terms of lease

- 1.1 In this Agreement the following references are used and they will have for the purposes of this Agreement and for the purposes of completion of the Lease the meanings set out alongside:

Item
<p>1. Premises:</p> <p>Part Level 2 of 650 Great South Road, being 1,271.38m² (subject to final measurement) as the same is shown (for identification purposes only) outlined or hatched on the plan attached, together with:</p> <p>(a) 28 car parks comprised of 13 basement parks and 15 external parks, as detailed on the attached car park plan;</p> <p>(b) the right to use the Common Areas (as that term is defined in the Lease)</p>
2. Term: Six (6) years
3. Commencement Date: 1 April 2016
4. Right of Renewal: 1 x 3 years provided nine (9) months prior written notice of renewal is given by the Tenant
5. Final Expiry Date: 31 March 2025

6. Early Termination:

The Tenant will have the right to break the lease at the end of the third (3rd) year, being 31 March 2019. The Tenant must give notice in writing of their intention to exercise the break option at least nine (9) months before the break date. As a penalty for breaking the lease the Tenant will be required to pay back to the Landlord 50% of the Landlord Contribution detailed in Item 16.

7. Rent

Office: The Tenant will pay a net rental of \$240/m² based on a floor area of 1,271.36m², being \$305,131.20 per annum (plus Goods and Services Tax).

Car Parks: 13 basement at \$45.00 pw and 15 external at \$40.00 pw, totalling \$61,620.00 per annum plus GST. Car Parks highlighted green on attached car park plan.

The existing licences will be surrendered and the above car parks will be documented in the Lease.

Any additional car parks required by the Tenant can be provided from the current Health Alliance allocation, subject to agreement with Health Alliance to surrender the car parks. In that event the car parks would be leased to NRA at the rates below;

Location	Cost per week (plus GST)
Basement	\$45.00
External	\$40.00
Podium - Single	\$35.00
Podium - Stacked	\$30.00

The rent is payable by monthly instalments in advance on the first day of each month, commencing on 1 April 2016.

8. Tenant's Proportion of Outgoings:

In addition to the net rental the Tenant will be responsible for paying a proportionate share of the building operating expenses and rates as set out in the Lease, based on the proportion that the rentable area of the Premises bears to the total rentable of the building from time to time. These are currently estimated at \$69.03/m², being \$87,756.00 per annum (plus Goods and Services Tax). The opex estimate is consistent with the current Health Alliance charges for the tenancy and include a proportionate share of 2nd floor common cleaning and hygiene services.

The Landlord will provide the Tenant with a copy of the 2016 YE operating expenses budget for the building prior to this agreement becoming unconditional.

9. Default Interest Rate:

5% per annum over the Landlord's main trading bank's base lending rate at the time of default.

10. Business Use: Commercial Office
11. (a) Landlord's Insurance: Full replacement and reinstatement/indemnity basis (b) Tenant's Insurance: (i) Replacement of all additions to the Premises owned by the Tenant and Tenant's fixtures and fittings. (ii) Public liability insurance to a level reasonably required by the Landlord (not less than \$5 million for any one event).
12. Deposit: N/A
13. Bank Guarantee/Security Deposit N/A
14. Rent Review The net office rental and car park rental will be reviewed three (3) yearly to market. Soft ratchet (such that the rent following a review cannot be less than the annual rent payable as at the commencement date of the then current lease term) to apply.
15. Legal Costs Each party shall bear their own costs in relation to the preparation and execution of the Deed of Lease and any future lease renewals, rent reviews or lease variations.
16. Landlord Contribution The Landlord will provide the Tenant with a PC sum of \$268/m ² plus GST (being \$340,730.00 plus GST) which the Tenant will put towards Landlord owned works to upgrade the premises, which will include but not be limited to replacement of the carpet, upgrade of the ceiling tiles, lighting, specialist floor finishes, mechanical adjustment, kitchen installation and associated plumbing and electrical, professional fees and any other items as agreed between the parties.
17. First Right of Refusal The Tenant will be granted a first right of refusal over the balance of Level 2 if it becomes available during the term of the lease on market terms and conditions at that time.
18. Sub-Leasing / Assignment The Tenant shall have the right to sub-lease all or part of the premises or assign all of the premises with the Landlord's consent in accordance with the provisions of the Deed of Lease. Such consent by the Landlord is not to be unreasonably withheld.
19. Air-Conditioning Prior to Commencement of the Lease the Landlord will provide a copy of the mechanical services condition report recently completed by Jackson Engineering, which covers level two. In addition the recently completed Astech Electrical inspection checklist and plan will be provided. Any units and/or associated plant highlighted as redundant will be replaced and any other units

and/or plant highlighted as faulty will be repaired. The Landlord will also ensure that all filters are replaced or cleaned prior to the Commencement Date.

The Landlord shall keep and maintain a service maintenance contract for the air conditioning system. If at any stage the air conditioning system cannot be maintained in good order and repair through regular maintenance, the Landlord will if reasonably required replace all services necessary to ensure the efficient running of the air conditioning system. The air conditioning must perform to a standard that allows the temperature in the premises to remain at 21 degrees Celsius at the point of measure (plus or minus 2 degrees).

In the event of the failure by the Landlord to comply with the above then the Tenant may give the Landlord written notice specifying the failure and requiring the Landlord to remedy the failure. If on receipt of the notice the Landlord fails to remedy the issue (and in the case of a recurring failure fails to permanently remedy the issue) within 15 working days of receipt of the notice or such reasonable time in the circumstances then the Tenant may execute such works and carry out such works and do all acts and things necessary to remedy the Landlord's failure. Any works done by the Tenant will not release the Landlord from their obligations under their lease.

Any moneys expended by the Tenant in executing any works for which the Landlord was liable should be payable to the Tenant by the Landlord upon demand (together with interest at the Default Interest Rate) from the date of expenditure down to the date of payment and may be set off against or deducted from the rental and other payments payable by the Lessee.

20. Make Good

The attached fitout plan will form the baseline for the make good obligation at the end of the term. The Landlord however reserves the right to insist on reinstatement of any subsequent works to the floor over the term of the lease or any renewal period.

Notwithstanding the above the Tenant will be required to hand back the floor in a clean and tidy condition and repair any damage not attributed to fair wear and tear.

21. Landlord's fixtures and fittings

Ceiling

Carpet and floor coverings

Air-conditioning

Electrical distribution board

Fire protection

Telephone cable

Fitted kitchen

Toilets

Partitions

Lighting

22. Special Conditions

This Agreement is subject to the partial surrender of Lease between Stride Property Limited and

2. Terms of lease

The Landlord agrees to lease and the Tenant agrees to lease the Premises on those terms and conditions specified in clause 1 and otherwise in the form of lease attached to this Agreement (Lease) subject only to such changes or variations as are necessary by virtue of this Agreement.

3. Formal lease

- 3.1 The Landlord shall cause execution copies of the Lease to be prepared in accordance with the covenants, terms and conditions set out in the Lease, such Lease being expanded or completed to be consistent with the terms of this Agreement.
- 3.2 The Tenant is to execute the Lease within 10 working Days of receipt of execution copies of the Lease, and in any event prior to the Commencement Date. The Tenant is not entitled to possession of the Premises until it has executed and returned the Lease to the Landlord and has complied with all obligations under this agreement (unless there is outstanding information required to allow the Lease to be completed which means it cannot be completed until a later date).
- 3.3 Pending execution of the Lease in accordance with clause 3.2, the Tenant is to be bound by and shall observe and perform all of the obligations under this Agreement and the Lease as if the Lease had been executed.

4. Deposit

Not applicable.

5. General

- 5.1 The Tenant shall not assign or transfer its interest under this Agreement to Lease.
- 5.2 The Tenant shall not register a caveat against the title to the Land.
- 5.3 The obligations and warranties of the parties contained in this Agreement shall not merge with the execution of the Lease but shall remain in full force and effect.
- 5.4 Notices to be given under this Agreement may be given in the manner described in Sections 253 to 361 of the Property Law Act 2007 and in any case, shall be sufficiently given by either party if served personally on the addresses for service detailed below, or sent by ordinary registered mail (in which case they will be deemed to have been served within two (2) working days of being posted).

The Landlord: **Stride Property Limited**
Level 12
34 Shortland St

Auckland
Attention: Ben Harding

The Tenant: **Northern Regional Alliance Limited**
PO Box 112147
Penrose,
Auckland 1642

- 5.5 The Tenant shall not disclose to any third party the existence or any term or terms of this Agreement unless the consent in writing of the Landlord has first been obtained.
- 5.6 It is expressly acknowledged by and between the parties that the terms and conditions set out in this Agreement and the schedules and any approvals and consents in writing provided for in this Agreement and given prior to execution of this Agreement contain the entire Agreement as concluded between the parties.
- 5.7 This agreement may be signed in any number of counterparts all of which, when taken together, will constitute one and the same instrument. A party may enter into this agreement by signing an original copy, counterpart copy or a facsimile copy of this agreement.
- 5.8 If the Tenant has not paid any money payable by the Tenant to the Landlord under this Agreement on the due date (whether any demand for that money has been made or not), then that money will bear interest at the Default Interest Rate computed from the due date until payment in full.

6. Tenant's Fitout

6.1 In this clause:

- (a) **Handover Date** means the later of the date when:
- (i) this Agreement is signed
 - (ii) all conditions in clause 8 are satisfied or waived;
 - (iii) the Deposit is paid;
 - (iv) the Landlord receives the public liability insurance certificate (and confirmation that the Tenant's contractors have the insurance cover required under the Tenancy Fitout Manual);
 - (v) the Tenant has obtained the Landlord's approval of the Tenant's Fitout pursuant to clause 6.2; and
 - (vi) the Tenant has obtained and provided copies of all relevant consents and approvals in respect of the Tenant's Fitout (from any relevant authority) to the Landlord.
- (b) **Tenant's Fitout** means the Fitting Out works to the Premises to be undertaken by the Tenant for the Tenant's occupational requirements in accordance with this clause 6 including signage.

- 6.2 Prior to the Handover Date, the Tenant is to supply to the Landlord, for the Landlord's approval, plans and specifications prepared for the Tenant's Fitout. The Tenant's Fitout is to be designed so as to integrate with the building services, structural elements and architectural finishes of the Building. The Tenant is to provide the Landlord with all such information and details in relation to the Tenant's Fitout as the Landlord reasonably requires.

- 6.3 From the Handover Date the Landlord will endeavour to allow the Tenant non-exclusive access to the Premises to carry out the Tenant's Fitout. The Tenant's Fitout is to be done in a good and workmanlike manner to the satisfaction of the Landlord under the supervision of any property manager or other person appointed so to do by the Landlord and in accordance with the Landlord's current Tenancy Fitout Guide. Neither the Tenant nor the Tenant's contractors are to do or omit anything which adversely affects or invalidates any warranty or guarantee held by the Landlord.
- 6.4 The Tenant is to obtain all necessary consents for the Tenant's Fitout from the relevant authorities and is to comply with their requirements. The Tenant is to pay for all work to comply with such requirements whether they relate to the Premises or the Building (as the case may be). On completion of the Tenant's Fitout to the extent required by the building consent the Tenant is to advise the relevant authorities and obtain a code compliance certificate under the Building Act 2004.
- 6.5 The Tenant must not commence business from the Premises until a code compliance certificate in respect of the Landlord's Works and/or Tenant's Fitout or a public use certificate in respect of the Premises has issued if any of these certificates are required for the Tenant to be able to legally use the Premises for the Business Use. For the avoidance of doubt the Tenant must not commence business from the Premises in breach of section 363 of the Building Act 2004.
- 6.6 The Tenant is to ensure that it obtains all guarantees and warranties generally available in the market for works of the nature of the Tenant's Fitout and assigns to the Landlord all such guarantees and warranties obtained by the Tenant from contractors and/or suppliers of the Tenant's Fitout and goods and services consumed in completing the Tenant's Fitout.
- 6.7 Subject to clause 6, the fixtures fittings and equipment comprising the Tenant's Fitout will remain the Tenant's exclusive property throughout the term of the Lease.

7. Contribution to Landlord Owned Tenant Works

- 7.1 For the purpose of this clause 7 Works means fitout alterations and tenant's fitout including soft furniture.
- 7.2 The Landlord will contribute to the cost of the Works on the following basis:
- (a) The maximum amount payable by the Landlord under this clause 7 will be \$340,730 plus GST (Landlord's Contribution).
 - (b) The Tenant is not authorised to incur any liabilities on behalf of the Landlord and no joint venture or agency shall exist between the Landlord and the Tenant. The Tenant shall at all times be the employer and the party contractually bound to make payment to the contractors employed in respect of the Works.
 - (c) Subject to clause 7.3, the Landlord will pay the Landlord's Contribution to the Tenant within 15 days after the date when:
 - (i) the Works have been completed strictly in accordance with the terms of the Landlord's approval;
 - (ii) the Tenant has produced to the Landlord the original invoices for the Works;
 - (iii) the Tenant has provided the Landlord with "as built" or "as laid out" plans and all appropriate code compliance certificates under the Building Act 2004;

- (iv) the Tenant has delivered the correctly executed Lease to the Landlord; and
 - (v) the Commencement Date,
- (whichever is the latest).

7.3 The Landlord's Contribution shall be applied to contribute to the cost of the following Works;

- Replacement of carpet
- Upgrade of ceiling tiles
- Lighting
- Specialist floor finishes
- Mechanical adjustment
- Kitchen installation and associated plumbing and electrical
- Professional fees and any other items as agreed between the parties

7.4 In the event that the cost of the Works exceeds the maximum amount of the Landlord's Contribution then the Landlord may specify which items of the Works it will own, provided that the cost of those items, in total, will not exceed the amount of the Landlord's Contribution.

7.5 The Lease will record that the items referred to in clause 7.3 – 7.4 (Landlord's Items) will be owned by the Landlord. During the term(s) of the Lease the Landlord's Items shall be maintained by the Tenant, unless the Landlord specifies otherwise.

7.6 If pursuant to the Building Act 2004 any work is required to be done to the building of which the Premises forms a part either:

- (a) as a result of the Tenant's use of the Premises; or
- (b) because of the Works,

such work shall be carried out by the Landlord at the Tenant's cost in all things.

8. Landlord's board approval

8.1 This Agreement is conditional upon the approval of the Landlord's board of directors to this Agreement in all respects seven (7) working days after the date of this Agreement. The approval or otherwise of the board is at the board's absolute and unfettered discretion and the Landlord is not to be called upon or obliged to give any reason or justification for the board's decision whatsoever.

8.2 This condition is inserted for the sole benefit of the Landlord and may at any time prior to the date for fulfilment be waived by the Landlord by giving written notice to the Tenant.

8.3 The Tenant is to provide the Landlord with all information required by the Landlord in considering whether to grant board approval including a statement of financial position. The Tenant by signing this Agreement authorises the Landlord to conduct a credit check on the Tenant and Guarantor.

9. Expiry of agreement

If this Agreement has not been signed by the Tenant by 4pm on Friday the 4th of March time being of the essence, then this Agreement shall be deemed to have expired and the Landlord may offer the Premises to other parties.

10. Landlord not bound until signed

The Landlord is not to be bound by this Agreement until such time as the Landlord has actually executed this Agreement.

11. Attachments

- (a) Plan of Tenancy
- (b) NRA Fitout Plan
- (c) Car Park Plan
- (d) Lease
- (e) Tenancy Fitout Guide

Execution

Executed as an agreement

Stride Property Limited by

Director

Peter John Alexander

Print Name **CEO / AUTHORISED SIGNATORY**

Director/Authorised Signatory

Andrew Thomas Hay

AUTHORISED SIGNATORY

Print Name

Witness to both signatures
(if not signed by two directors)

Print Name

Witness

Name

Eve Denny

Occupation

Lease Administrator

Occupation

Address

Auckland

Address

Northern Regional Alliance
Limited by

Director

Print Name

G. MARTIN

Witness to both signatures
(if not signed by two directors)

Print Name

Corporate & Business Support Manager

Occupation

11-650 Great South Road, Penrose

Address

Director/Authorised Signatory

Print Name

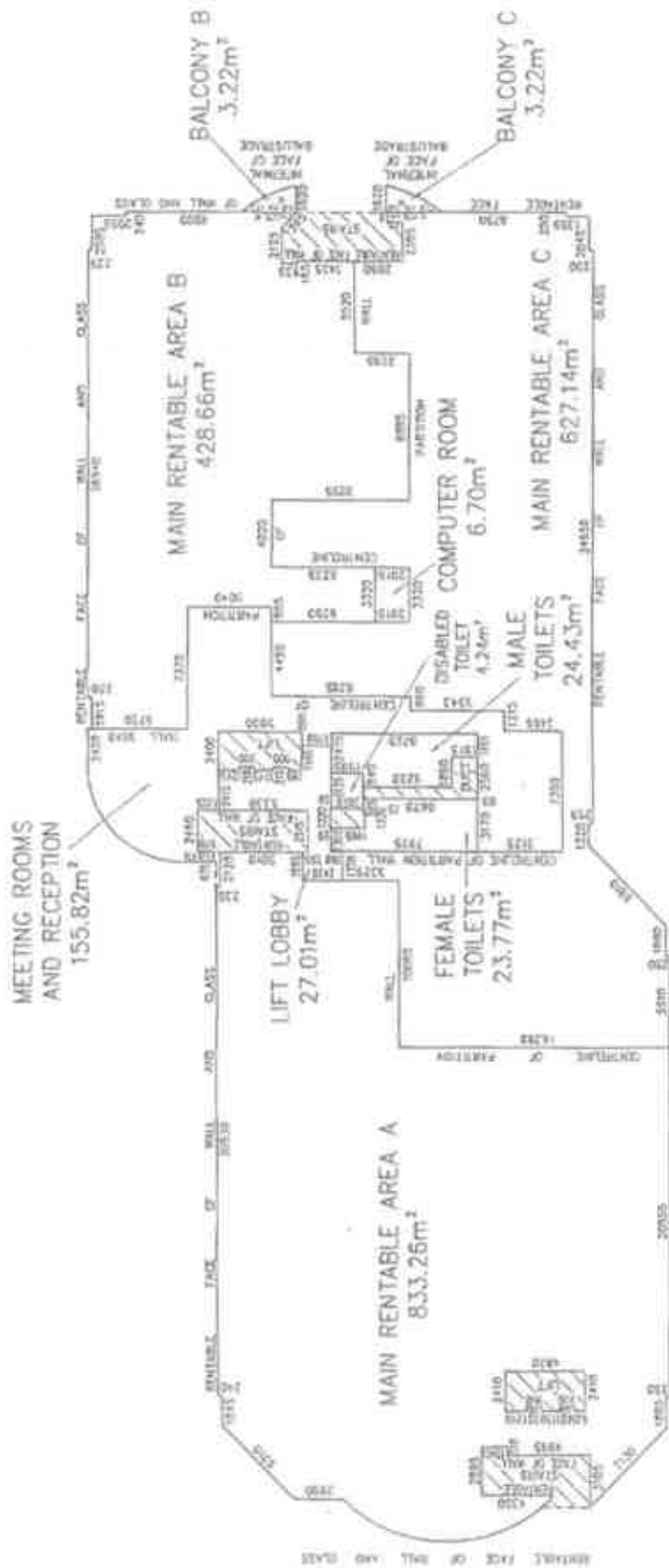
SIGNED by Guarantor's Name)
in the presence of :)

Witness Signature

Print Name

Witness Occupation

Place of residence



SHIRLEY CARRIED OUT IN ACCORDANCE WITH THE FORD/ANON (FORMERLY ROMA) RECOMMENDED STANDARDS FOR MEASUREMENT OF OFFICE BUILDINGS (METHOD 2 OF THE 1995 EDITION)

FOR THE RENTABLE AREAS UPDATES HAVE BEEN TAKEN TO THE INTERNAL FACE OF GLASS AND WALL AND TO THE CONTINUING OF PARTITION WALLS WHERE THEY ABUT OTHER RENTABLE AREAS. THESE RENTABLE AREAS ABUT AREAS EXCLUDED FROM THE RENTABLE AREAS SUCH AS LIFT SHAFTS AND STAIRS ENCLOSURES HAVE BEEN TAKEN TO THE INTERNAL FACE OF BUILDING WALLS AND DOORS LEADING ACCESS TO LIFTS.

MADE: SAMUEL SCHWEN
FOR THE RENTABLE AREAS UPDATES HAVE BEEN TAKEN TO THE INTERNAL FACE OF GLASS AND WALL AND TO THE CONTINUING OF PARTITION WALLS WHERE THEY ABUT OTHER RENTABLE AREAS. THESE RENTABLE AREAS ABUT AREAS EXCLUDED FROM THE RENTABLE AREAS SUCH AS LIFT SHAFTS AND STAIRS ENCLOSURES HAVE BEEN TAKEN TO THE INTERNAL FACE OF BUILDING WALLS AND DOORS LEADING ACCESS TO LIFTS.

15.09.05

COMMON AREA I COMPRISING OF:

LIFT LOBBY	27.01m²
FEMALE TOILETS	23.77m²
MALE TOILETS	24.43m²
DISABLED TOILET	4.24m²
TOTAL	89.50m²

COMMON AREA II COMPRISING OF:

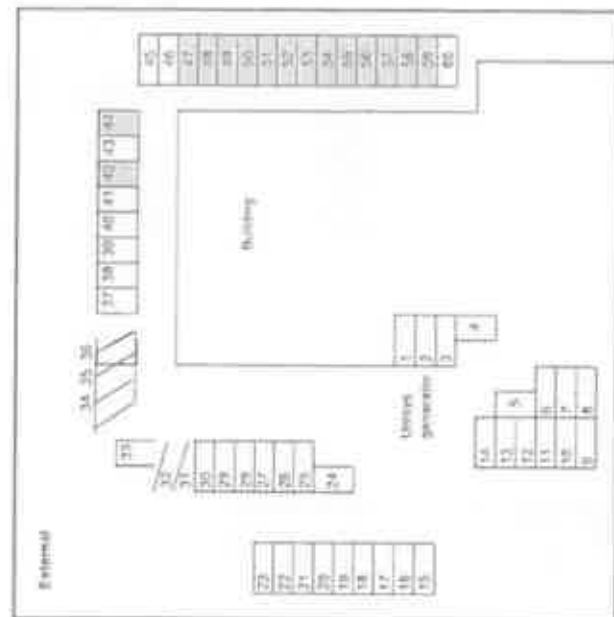
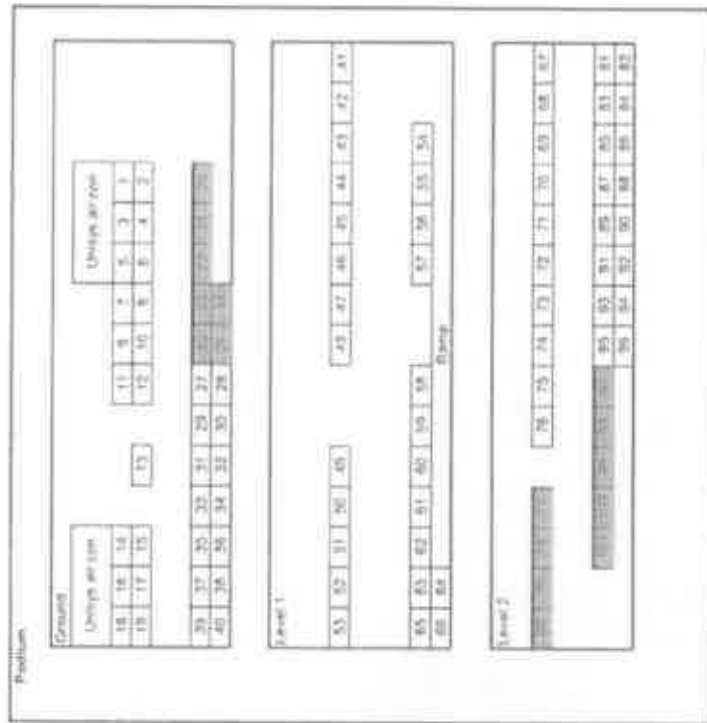
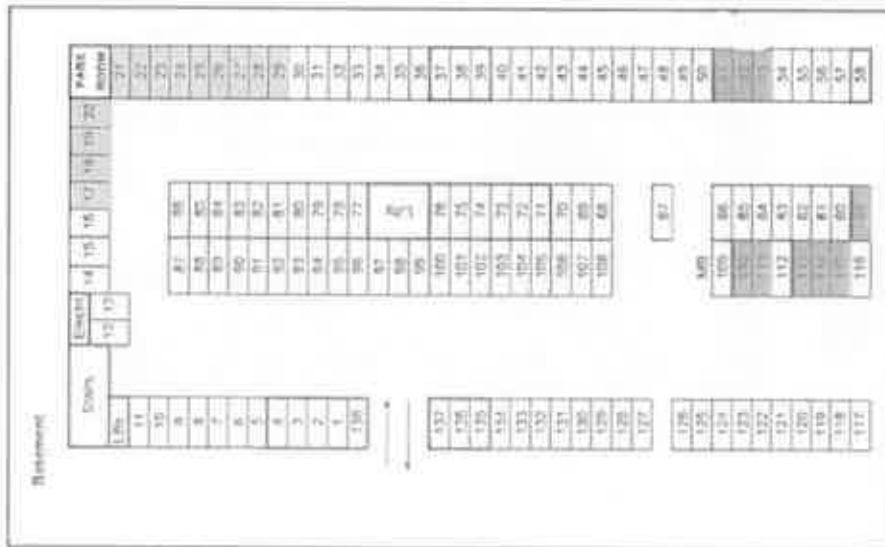
MEETING ROOMS & RECEPTION	155.82m²
COMPUTER ROOM	6.70m²
TOTAL	162.52m²

AREA SCHEDULE

MAIN RENTABLE AREA A	833.26m²	8959.11m²
PRO RATA SHARE OF COMMON AREA I	89.50m²	9359.71m²
MAIN RENTABLE AREA B	428.66m²	4614.11m²
PRO RATA SHARE OF COMMON AREA I	21.54m²	231.81m²
PRO RATA SHARE OF COMMON AREA II	65.98m²	710.21m²
MAIN RENTABLE AREA C	627.14m²	6750.50m²
PRO RATA SHARE OF COMMON AREA I	31.52m²	339.30m²
PRO RATA SHARE OF COMMON AREA II	96.54m²	1039.10m²
TOTAL	2140.93m²	23044.77m²
BALCONY B	3.22m²	34.71m²
BALCONY C	3.22m²	34.71m²

PLAN SHOWING RENTABLE AREA FOR LEVEL 2

		DONOHUE RUNDIS LTD 850 GREAT SOUTH ROAD PERSEUS		TENANCY LEASE PLAN		121211-BM02	
15, Broad Street, London, W1P 3JF, UK Tel: 020 7554 1000 Fax: 020 7554 1001 Email: info@hambros.co.uk Website: www.hambros.co.uk		15, Broad Street, London, W1P 3JF, UK Tel: 020 7554 1000 Fax: 020 7554 1001 Email: info@hambros.co.uk Website: www.hambros.co.uk		15, Broad Street, London, W1P 3JF, UK Tel: 020 7554 1000 Fax: 020 7554 1001 Email: info@hambros.co.uk Website: www.hambros.co.uk		15, Broad Street, London, W1P 3JF, UK Tel: 020 7554 1000 Fax: 020 7554 1001 Email: info@hambros.co.uk Website: www.hambros.co.uk	



Room	Location	Number	Cost p.m.	Cost p.h.
11	Basement	11	140.00	250.00
12	Basement	12	140.00	250.00
13	Basement	13	140.00	250.00
14	Basement	14	140.00	250.00
15	Basement	15	140.00	250.00
16	Basement	16	140.00	250.00
17	Basement	17	140.00	250.00
18	Basement	18	140.00	250.00
19	Basement	19	140.00	250.00
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21	Basement	21	140.00	250.00
22	Basement	22	140.00	250.00
23	Basement	23	140.00	250.00
24	Basement	24	140.00	250.00
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26	Basement	26	140.00	250.00
27	Basement	27	140.00	250.00
28	Basement	28	140.00	250.00
29	Basement	29	140.00	250.00
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33	Basement	33	140.00	250.00
34	Basement	34	140.00	250.00
35	Basement	35	140.00	250.00
36	Basement	36	140.00	250.00
37	Basement	37	140.00	250.00
38	Basement	38	140.00	250.00
39	Basement	39	140.00	250.00
40	Basement	40	140.00	250.00
41	Basement	41	140.00	250.00
42	Basement	42	140.00	250.00
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48	Basement	48	140.00	250.00
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51	Basement	51	140.00	250.00
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54	Basement	54	140.00	250.00
55	Basement	55	140.00	250.00
56	Basement	56	140.00	250.00
57	Basement	57	140.00	250.00
58	Basement	58	140.00	250.00
59	Basement	59	140.00	250.00
60	Basement	60	140.00	250.00

STRIDE.

Deed of surrender

space

"Rear space", part Level 2, 650 Great South Road, Penrose, Auckland

Stride Property Limited

Landlord

and

HealthAlliance N.Z. Limited

Tenant

Date

BELL GULLY

AUCKLAND VERO CENTRE, 48 SHORTLAND STREET
PO BOX 4199, AUCKLAND 1140, DX CP20509, NEW ZEALAND
TEL 64 9 916 8800 FAX 64 9 916 8801

Contents

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This Deed of surrender is made on

2016

between (1) **Stride Property Limited (Landlord)**

and (2) **HealthAlliance N.Z. Limited (Tenant)**

Introduction

- A. The Landlord and the Tenant are the current parties to the Lease of the Premises.
- B. The Landlord and the Tenant have agreed to the surrender of the Lease as from the Surrender Date on the terms of this deed.

It is declared

1. Interpretation

1.1 Definitions

In this deed, unless inconsistent with the context:

Landlord includes the Landlord's successors, executors, administrators and assigns;

Lease means the lease of the Premises dated 12 January 2006 between the Landlord's predecessor in title and the Tenant as varied, extended and renewed by a deed of variation, extension and renewal dated 1 June 2012;

Outgoings mean the outgoings or operating expenses from time to time payable under the Lease;

Premises means the "rear space", part Level 2 situated at 650 Great South Road, Penrose, Auckland, as described in the Lease;

Rent means the rent from time to time payable under the Lease;

Surrender Date means 31 March 2016;

Tenant includes the Tenant's successors, executors, administrators and permitted assigns; and

Tenant's Fixtures and Fittings means all of the Tenant's fixtures and fittings in the Premises.

1.2 Construction of certain references

In this deed, unless inconsistent with the context:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes each other gender;

- (c) a covenant given by more than one person binds each person jointly and severally; and
- (d) headings and the table of contents cannot be used to interpret this deed.

2. Surrender

On the Surrender Date:

- (a) the Tenant surrenders and assigns to the Landlord all of its interest in the Lease and the Premises; and
- (b) the residue of the term of the Lease is surrendered and extinguished.

3. Acceptance of surrender

3.1 Acceptance of surrender and assignment

The Landlord accepts the surrender and assignment of the Lease.

3.2 No prejudice

The surrender of the Lease is without prejudice to the rights of each of the Landlord and the Tenant in respect of any breach of any of the terms of the Lease by the other party up to and including the Surrender Date.

3.3 No unremedied breach

The Tenant represents to the Landlord that it is not aware of any breach of any term of the Lease that is unremedied at the date of this deed.

4. Performance of obligations

4.1 Rent and Outgoings

The Tenant remains liable for the payment of Rent and Outgoings up to and including the Surrender Date.

4.2 Each party shall perform

Each party shall perform and observe all of its obligations under the Lease up to and including the Surrender Date but, without prejudice to the other provisions of this deed, the Landlord releases the Tenant absolutely and unconditionally from all its obligations under the Lease from the Surrender Date.

5. Outgoings

As soon as practicable after the Surrender Date, the Landlord shall give the Tenant a full and detailed account of the Outgoings apportioned up to and including the Surrender Date.

6. Obligations on surrender

6.1 Tenant to yield up Premises

On the Surrender Date, the Tenant shall yield up the Premises in a clean and tidy condition.

6.2 Removal of chattels by Tenant

The Tenant shall remove all of its chattels, signage and other items bearing its corporate identity by the Surrender Date and will repair any damage caused by that removal to the reasonable satisfaction of the Landlord.

6.3 Landlord may inspect

The Landlord may inspect the Premises before and on the Surrender Date to ensure the Tenant has complied with its obligations under this clause 6.

6.4 No requirement to reinstate

Subject to the Tenant complying with its obligations in this clause 6, the Tenant will not be required to reinstate, redecorate or otherwise reinstate the Premises as required under the Lease.

7. General

7.1 Costs

The Tenant shall pay the Landlord's legal costs and disbursements for the negotiation, preparation and execution of this deed.

7.2 Effect

This deed has no effect until executed by all parties.

Execution

Executed as a deed.

BELL GULLY

Stride Property Limited by

Director

Director/Authorised Signatory

Print Name

Print Name

Witness to both signatures
(if not signed by two directors)

Print Name

Occupation

Address

HealthAlliance N.Z. Limited by

Director

Director/Authorised Signatory

Print Name

Print Name

Witness to both signatures
(if not signed by two directors)

Print Name

Occupation

Address