DATED this day of 2012

BETWEEN: **THORNDON 190 LIMITED**

AND: **HER MAJESTY THE QUEEN NEW ZEALAND POLICE**

DEED OF LEASE

Premises: Levels 1 to 4, 190 Thorndon Quay, Wellington

New Zealand POLICE
Nga Pirihimana O Aotearoa

DEED made the day of 2012

LANDLORD: **THORNDON 190 LIMITED**

TENANT: **HER MAJESTY THE QUEEN NEW ZEALAND POLICE**

THE LANDLORD leases to the Tenant and the Tenant takes on lease the premises and the carparks (if any) described in the First Schedule together with the right to use:

(a) The Landlord's fixtures and fittings contained in the premises.

(b) The driveway giving access to the premises.

(c) 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 THE TENANT covenant as set out in the Second Schedule.

SIGNED by the Landlord)
THORNDON 190 LIMITED)
in the presence of:)

STEVE YEE
CHARTERED ACCOUNTANT
WELLINGTON

SIGNED by the Tenant)
HER MAJESTY THE QUEEN)
ACTING BY AND THROUGH THE)
COMMISSIONER OF POLICE)
by)
in the presence of:)

FIRST SCHEDULE

PREMISES:	Levels 1 to 4, 190 Thorndon Quay, Wellington being 564m² per floor including Landlord's air-conditioning and including toilets and stairwell and twenty (20) carparks together with the use in common with the Landlord and other Tenants in the building of the common areas of the property including the ground floor comprising entry, lift lobby and accessible toilet and the driveway giving access to the premises as outlined on the plan attached as Schedule 3.
TERM:	Six (6) years
COMMENCEMENT DATE:	1 May 2012
FURTHER TERMS:	Two (2) further terms each of three (3) years
RENEWAL DATES:	1 May 2018 and 1 May 2021
FINAL EXPIRY DATE:	If both renewals are exercised 30 April 2024
ANNUAL RENT: (Subject to review if applicable)	$451,040.00 plus GST per annum more particularly comprising the following: (a) Offices: $393,840.00 plus GST (b) Carparks: 20 carparks at $55.00 per carpark per week (plus GST)
MONTHLY PAYMENTS OF RENT:	$37,586.67
RENT PAYMENT DATES:	The 1st day of each month commencing on 1 May 2012
RENT REVIEW DATES: (Clause 2.1)	1 May 2015, 1 May 2018 and 1 May 2021 (if renewal is exercised
PROPORTION OF OUTGOINGS: (Clause 3.1)	The proportion that the nett lettable area of the premises bears to the nett lettable area of the building, of which the premises forms part.
DEFAULT INTEREST RATE: (Clause 5)	2% above the daily posted 90 day bank bill rate.

BUSINESS USE:
(Clause 18.1 and 18.2)

New Zealand Police purposes and any other activity associated with the operation of a New Zealand Police facility and any other activity permitted by the District Plan within the zone in which the premises are located.

INSURANCE:
(Clause 9)

Cover for fire, flood, explosion, lightning, storm, earthquake and volcanic activity on the basis of full replacement and reinstatement (including loss, damage or destruction of windows and other glass).

OUTGOINGS
(Clause 3)

1. Charges for water gas electricity telephones and other utilities or services including line charges.

2. Rubbish collection charges.

3. Costs of the cleaning of the premises, supplied by the Landlord and used by the Tenant
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4. Provisioning of toilets.

SECOND SCHEDULE

TENANT'S PAYMENTS

Rent

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 by direct payment to the Landlord or as the Landlord may direct.

Rent Review

2.1 The annual rent shall be reviewed by either Landlord or Tenant, as follows:

(a) The Landlord or the Tenant shall commence a review by not earlier than three (3) months prior to a review date and not later than six (6) months after a review date, by giving written notice to the other party specifying the annual rent considered by the party giving notice to be the current market rent as at that review date ("the Initial Notice").

(b) If, by written notice within twenty (20) working days after receipt of the Initial Notice, the party receiving the Initial Notice ("Recipient"), gives written notice disputing that the proposed new annual rental is the current market rent and specifying the annual rent proposed by the Recipient as the current market rent ("the Recipient's Notice"), then the new rent shall be determined in accordance with Clause 2.3.

(c) If the Recipient fails to give the Recipient's Notice, it shall be deemed to have accepted the annual rent specified in the Initial Notice. The Initial Notice and the Recipient's Notice (if one is given), shall be null and void, if it is not accompanied by a signed registered valuer's certificate substantiating the new rent proposed.

(d) The annual rent so determined or accepted shall be the annual rent payable from the relevant review date or the date of the Initial Notice, if such notice is received later than three (3) months after the relevant review date.

(e) Pending the determination of the new rent, the Tenant shall continue to pay the annual rent then payable.

(f) The annual rent payable from the review date, at the option of either party, may be recorded in a Deed and each party shall bear its own solicitor's costs of and incidental to such a Deed.

(g) Notwithstanding any other provision of this clause, the annual rent payable as from the relevant rent review date shall not be less than the annual rent payable as at the commencement date of the initial term of the Lease.

2.2 Upon determination of the new rent, any shortfall in payment shall immediately be payable by the Tenant.

2.3 Immediately following the service and receipt of the Recipient's Notice, the parties shall endeavour to agree upon the current market rent, but if agreement is not reached within ten (10) working days then the new rent may be determined either:

(a) By one party giving written notice to the other requiring the new rent to be determined by arbitration, or

(b) If the parties so agree, by registered valuers acting as experts and not as arbitrators as follows:

(1) Each party shall appoint a valuer and give written notice of the appointment to the other party within ten (10) working days of the parties agreeing to so determine the rent.

(2) If the party receiving a notice fails to appoint a valuer within the ten (10) working days then the valuer appointed by the other party shall determine the new rent and such determination shall be binding on both parties.

(3) The valuers appointed before commencing their determination shall appoint a third expert who need not be a registered valuer.

(4) The valuers appointed by the parties shall determine the current market rent of the premises and if they fail to agree then the rent shall be determined by the third expert.

(5) Each party shall be given the opportunity to make written or verbal representations to the valuers or the third expert subject to such reasonable time and other limits as the valuers or the third expert may prescribe and they shall have regard to any such representations but not be bound thereby.

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

(c) In either arbitration or valuers settlement under subclause (a) or (b) above the arbitrator, valuers and/or third expert shall take into account (without limitation) the rentals payable on new leases of comparable premises, and any inducements offered to tenants to enter into new leases of such premises and shall make allowance for any improvements made to the premises and the Landlord's fixtures and chattels, by the Tenant.

Outgoings

3.1 The Tenant shall pay duly and punctually on demand to the Landlord or to the person or body to whom payment is due, the outgoings properly and reasonably incurred, as are charged, levied or assessed against the Landlord or the Tenant in respect of the

premises or the Tenant's use of the premises and specified in the First Schedule. Where any outgoing is not separately assessed or levied in respect of the premises, then the Tenant shall pay the proportion as 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.

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

3.3 Notwithstanding any other provision in this lease, but with the exception of Clause 18.2, the Tenant shall only be liable to pay the outgoings specified in the first schedule.

Goods and Services Tax

4.1 The Tenant shall pay to the Landlord or as the Landlord shall direct the Goods and Services Tax payable by the Landlord in respect of the rental and other payments payable by the Tenant hereunder. The tax 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 as and when payment falls due and a tax invoice is given to the Tenant.

4.2 If the Tenant shall make default in payment of the rental or other moneys payable hereunder and the Landlord becomes liable to pay additional Goods and Services Tax then the Tenant shall on demand pay to the Landlord the additional tax payable as a result of the Tenant's default.

Interest on Unpaid Money

5. If the Tenant defaults in payment of the rent or other moneys payable hereunder for twenty (20) 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 down to the date of payment.

Costs

6. Each party shall bear its own solicitor's costs of and incidental to the preparation, negotiation and finalisation of this lease, any Rent Review Deeds, Deeds of Variation or Renewal Deeds and any costs incurred in considering any request by the Tenant for the Landlord's consent to any matter contemplated by this Lease. The Tenant shall also pay the Landlord's reasonable legal costs as between solicitor and client of and incidental to the enforcement of the Landlord's rights, remedies and powers under this lease where breach of lease has occurred.

Responsibility for Loss

7. The Tenant shall be responsible for any damage or loss suffered by the Landlord which results from any negligent act or omission on the part of the Tenant or the Tenant's employees or contractors and which is in breach of any covenant by the Tenant under this lease. The Tenant shall recompense the Landlord for all expenses incurred by the Landlord in making good any damage to the property resulting from any such act or omission. The Tenant shall be liable to compensate the Landlord only to the extent that the Landlord is not fully indemnified under any policy of insurance.

LANDLORD'S PAYMENTS

Outgoings

8. 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.

Insurance

9. The Landlord shall at all times during the term keep and maintain any buildings on the property insured under a policy of the type shown in the First Schedule and such cover may extend to:

   (a) a twelve (12) month indemnity in respect of consequential loss of rent.

   (b) Landlord's loss damage or destruction of windows and other glass and all the fixtures fittings and chattels, and

   (c) adequate public risk cover.

MAINTENANCE AND CARE OF PREMISES

Tenant's Obligations

10.1 The Tenant shall (subject to any maintenance covenant by the Landlord) in a proper and workmanlike manner and to the reasonable requirements of the Landlord:

   (a) **Maintain the premises**

   Keep and maintain the interior of the premises including the Landlord's fixtures and fittings in the same clean order repair and condition as they were in at the commencement 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. In each case the Tenant shall not be liable for fair wear and tear arising from reasonable use. Where the premises are 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, then the Tenant is liable for the cost of making good that damage to the extent that:

   1) the damage was intentionally caused by the Tenant or those for whom the Tenant is responsible;

   2) the 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;

      (i) Occurred on or about the premises; and

(ii) Constitutes and indictable offence within the meaning of the Summary Proceedings Act 1957; or

3) Any insurance monies otherwise payable are rendered irrecoverable because of an act or omission of the Tenant or those for whom the Tenant is responsible.

The Tenant is not liable either for repair to water, drainage or electrical services or for repair, maintenance or rectification of work caused by a design defect or inherent defect.

(b) **Repair minor breakages**

Repair all glass breakages and breakage or damage to all doors, windows, light fittings, light bulbs, ballast and starters, fluorescent tubes and power points in the premises except to the extent that the breakage or damage is covered by the Landlord's insurance, in which case the Landlord is to spend all insurance money received net of insurance excess in reinstatement of the breakage or damage. This provision shall apply notwithstanding any other provision in this lease.

(c) **Floor Coverings**

Keep all floor coverings in the premises clean and replace all floor coverings which are damaged, other than by fair wear and tear, with floor coverings of a similar quality. The Tenant shall not be obliged to replace floor coverings with floor coverings of a quality or condition better than at the commencement of this lease.

(d) **Make good defects**

Make good any damage to the property caused by improper careless or abnormal use by the Tenant or those for whom the Tenant is responsible.

10.2 Where the Tenant is leasing all the property the Tenant shall:

(a) **Maintain Yards**

Keep and maintain any car parks, pavings and other sealed or surfaced areas in good order and repair, fair wear and tear excepted. The Tenant shall not be liable for the repair of car parks pavings and other sealed or surfaced areas caused by inherent defects in the design or construction thereof.

(b) **Care of Grounds**

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

(c) **Water and drainage**

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

(d) **Other Works**

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

10.3 The Tenant shall not be liable for the maintenance or repair of any building service.

10.4 Notwithstanding any other provision of this lease, the Tenant shall not be liable to repair any inherent defect in the premises or the Landlord's fixtures and fittings nor to pay any outgoings incurred by the Landlord in remedying any inherent defect.

10.5 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 clause 10, the Tenant shall with all reasonable speed so comply.

Toilets

11. 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

12. The Tenant shall regularly cause all the Tenant's rubbish and garbage 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.

Landlord's Maintenance

13.1 The Landlord shall at the Landlord's cost keep and maintain the property of which the premises form part including all land, all common areas the Landlord's fixtures and fittings and carparks, the building and all parts thereof including but not limited to the roof, doors, subfloor, foundations and load bearing walls, and all building services in good order and repair (and in respect of the building in a weatherproof and watertight condition, and in respect of the building services operating as they operated at the commencement of the term) and shall comply with all statutes, ordinance, proclamations, orders and regulations affecting or relating to the building and the premises which require compliance by the Landlord, whether or not the Tenant was in occupation thereof PROVIDED THAT nothing herein shall prejudice or affect the liability of the Tenant to observe the terms covenants and conditions on its part contained in this lease AND PROVIDED FURTHER THAT the Landlord shall not be liable for any:

(a) Repair or maintenance which the Tenant is responsible to undertake; or

(b) Loss suffered by the Tenant arising from any want of repair of defect unless the Landlord shall have received notice in writing thereof from the Tenant and shall not within a reasonable time thereafter have taken appropriate steps to remedy the same.

13.2 The Landlord shall keep and maintain service maintenance contracts for all building systems and features contained within the building and/or the property that require routine maintenance to meet the requirements of the Building Act 2004 and/or general industry standard routine maintenance. The Landlord will supply to the Tenant, if requested, copies of all Independent Qualified Persons reports in respect of air

conditioning and water tower checks and will, promptly at the Tenant's request, supply to the Tenant, copies of all reports, maintenance records or other relevant documents pertaining to the maintenance and repair of the premises and any plant, services, fixtures and fittings located on it. The Landlord agrees that whilst routine checks and cleans may be carried out during normal working hours, the replacement of any fan coil units shall be carried out outside normal working hours and the system shall be left in such a state that the balance of the units on the floor left can function as normal during normal working hours.

13.3 The Landlord will within reasonable time of receiving notice from the Tenant make good any design or inherent defects and repairs of a structural nature, and repair or replace any parts of the improvements or of the Landlord's fixtures and fittings or any damage to the common areas arising from fair wear and tear, to enable the Tenant to receive the full benefit of the premises. If the Landlord fails to make good within a reasonable time of receiving notice from the Tenant, the Tenant may carry out and be reimbursed by the Landlord for carrying out any such works, in accordance with clause 16.2.

Notification of Defects

14. The Tenant shall give to the Landlord prompt 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

15.1 The Landlord and the Landlord's employees contractors and invitees may at all times reasonably acceptable to the Tenant on reasonable notice to the Tenant and only when accompanied by a servant or agent of the Tenant enter upon the premises to view their condition. 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 Clause 10 the Tenant shall with all reasonable speed so comply.

15.2 Notwithstanding anything else herein the parties agree that the Tenant may require any person wishing to enter the premises to first provide their details for a security check. If the results of such check are not acceptable to the Tenant for any reason then such person may be refused entry to the premises

15.3 The Landlord shall not provide or allow the provision of any information relating to the structure, or access to, the premises in any way to any person without first obtaining the written permission of the Tenant, except to the extent that the Landlord shall be required by law to provide such information.

Landlord May Repair

16.1 If default shall be made by the Tenant in the due and punctual compliance with any repair notice given pursuant to the previous clause or in the event that 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 such times reasonably acceptable to the Tenant on reasonable notice to the Tenant and only when accompanied by a servant or agent of the Tenant enter upon the premises to execute such works. Any moneys expended by the Landlord in executing such works shall be payable by the Tenant to the Landlord

upon demand together with interest thereon at the default interest rate from the date of expenditure down to the date of payment.

16.2 If the Tenant has given the Landlord notice to comply with its maintenance and repair obligations pursuant to clause 13 and the Landlord fails to comply with the repair notice, or in the event that any repairs for which the Landlord is responsible need to be undertaken as a matter of urgency, then without prejudice to any other rights and remedies the Tenant may have, the Tenant or its employees and contractors, may carry out such works. Any moneys expended by the Tenant in executing such works, shall be payable by the Landlord upon demand, together with interest thereon at the default interest rate from the date of expenditure down to the date of payment, or if the Tenant elects set off against the annual rent.

Access for Repairs

17.1 The Tenant shall permit the Landlord and those employees and contractors of the Landlord that the Tenant has been provided with details of and who have passed the Tenant's security checks, at such times reasonably acceptable to the Tenant on reasonable notice to the Tenant and only when accompanied by a servant or agent of the Tenant to enter the premises to carry out repairs to the premises or adjacent premises and to install inspect repair renew or replace any services where the same are not the responsibility of the Tenant all such repairs inspections and work to be carried out with the least possible inconvenience to the Tenant.

17.2 If the Landlord desires to, or is required to, undertake any building works on the premises, including any repair or maintenance works, that involves the use of contractors or other third parties, the Landlord must procure any contractor or other third party who will have access to the premises to undertake such works to

(a) Complete a security check on terms reasonably acceptable to the Tenant;
(b) Provide the Tenant with a copy of the contractor's health and safety plan which shall be subject to the Tenant's reasonable approval prior to any work commencing; and
(c) Familiarise themselves with and commit to complying with the Tenant's own health and safety plan in all material respects

USE OF PREMISES

Business Use

18.1 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:

(a) Not in substantial competition with the business of any other occupant of the premises;

(b) Reasonably suitable for the premises; and

(c) Conforming with all town planning ordinances, provisions and consents including but not limited to the Resource Management Act 1991 or any other statutory provisions relating to resource consents.

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.

18.2 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 Section 46 of the Act and to pay all compliance costs.

18.3 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 PROVIDED HOWEVER that this subparagraph shall have no effect whilst Her Majesty the Queen for the purposes of the New Zealand Police is the Tenant hereunder.

18.4 The Landlord will not without the prior written consent of the Tenant use or permit any part of the property not forming part of the premises to be used for any use similar to the business use or a use in competition with the business of the Tenant carried on in the premises or is likely to create noise, dust, vibration or other interference with, or disruption to the business of the Tenant. The Landlord agrees to the Tenant withholding consent for incompatible neighbouring uses, provided that such consent is not unreasonably withheld.

Lease of Premises and Carparks Only

19. Subject to the provisions of paragraph 18.4 the Landlord shall at all times be entitled to use occupy and deal with the remainder of the property without reference to the Tenant PROVIDED HOWEVER that the Landlord will not, nor will the Landlord permit or suffer any other tenant or invitee, to obstruct or prevent the Tenant from having and exercising full free and unobstructed passage with or without motor vehicles along the driveway or access to the premises at all times.

Neglect of Other Tenant

20. Subject to the provisions of paragraph 19 hereof, the Landlord shall not be responsible to the Tenant for any act or default or neglect of any other tenant of the property.

Signage

21.1 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 or the appurtenances thereof without the prior approval in writing of the Landlord but such 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 thereby.

21.2 So long as Her Majesty the Queen for the purposes of New Zealand Police is the Tenant hereunder, it shall be entitled without the further consent of the Landlord to paint the exterior of the premises in accordance with its established livery and to affix thereto its usual signs and logo but shall not be entitled to erect billboards. PROVIDED THAT the Landlord shall be entitled to erect billboards on the building so long as they are not incompatible with the Tenant's use of the premises.

21.3 The Landlord agrees that it will not alter the colour of the exterior of the premises without the prior written consent of the Tenant, nor will it permit any other tenant or invitee, to erect any signage to the exterior of the building or on the property which is incompatible with the Tenant's use of the premises.

Additions and Alterations

22.1 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. While Her Majesty the Queen for Police purposes is Tenant hereunder, the Tenant shall be under no obligation to reinstate the premises at the end or earlier termination of the term. For a tenant who is not Her Majesty the Queen for Police purposes, if the Landlord shall authorise any alterations or additions the Tenant will at the Tenant's own expense if required by the Landlord at the end or earlier termination of the term reinstate the premises. If the Tenant fails to reinstate then any costs incurred by the Landlord in reinstating the premises whether in whole or in part, within six (6) months of the end or earlier termination of the term shall be recoverable from the Tenant. The Tenant will promptly discharge and procure the withdrawal of any liens or charges of which notice may be given to the Tenant or the Landlord in respect of any work carried out by the Tenant.

22.2 Notwithstanding anything else in this lease, the Tenant shall have the right to secure the premises by whatever means the Tenant deems necessary. The Tenant shall not be required to provide the Landlord with keys or any other means to access any such security installed by the Tenant until the termination of the lease. While Her Majesty the Queen for Police purposes is Tenant hereunder, the Tenant shall also have the right to install a microwave dish on the roof of the building in which the premises are located for the purpose of microwave-linked communications. PROVIDED THAT such works are undertaken utilizing proper building practices and maintaining the waterproof integrity of the building's roof.

22.3 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 as they relate to the works proposed by the Tenant.

Compliance with Statutes and Regulations

23.1 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:

(a) The Tenant shall not be required to make and shall be under no liability in respect of any structural repairs or alterations or carry out any improvements or upgrading of the building or the building services or other works of any kind, other than those 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.

(b) The Tenant shall not be liable to discharge the Landlord's obligations as owner under the Building Act 2004 and the Tenant shall not be required to comply with any statute ordinance regulation or by-law relating to or affecting the premises which requires compliance by the Landlord whether or not the Tenant was in occupation thereof PROVIDED THAT nothing herein shall prejudice or affect the liability of the Tenant to observe the terms covenants and conditions on its part contained in this lease.

23.2 The Landlord covenants to the best of the Landlord's knowledge that the premises do not contain potential health hazards including but not limited to legionella, asbestos, combustible materials and toxic or chemical substances and if the premises contain any of the above that the Landlord will meet all statutory or health department requirements in respect of the same including cleaning up or managing the risks in accordance with best practices. The Landlord shall on demand provide the Tenant with evidence of such controls.

No Noxious Use

24. The Tenant shall not:

(a) 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 unless such items are at all time securely stored in accordance with applicable occupational health and safety, and industry best practice, standards.

(b) Bring upon or store within the premises nor allow to be brought upon or stored within the premises any machinery goods or things of such weight size or shape which exceeds the maximum floor loading for the building as specified by the Landlord. Prior to the commencement date, the Landlord is to provide maximum floor loadings for both "point" loads, and "uniformally distributed" loads that it is safe for the building to carry.

(c) Contaminate the property and shall undertake all works necessary to remove any contamination of the property other than the contamination which took place prior to the commencement date of the lease term. Contamination means any change in the physical, chemical or biological condition of the property by a "contaminant" as that word is defined in the Resource Management Act 1991.

(d) Use the premises or allow them to be used for any noxious illegal or offensive trade or business; or

(e) 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.

Tenant Not to Void Insurances

25. 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:

(a) Shall make void or voidable any policy of insurance on the property; or

(b) 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.

In any case where in breach of this clause the Tenant has rendered any insurance less effective or void and the Landlord has suffered loss or damage thereby the Tenant shall forthwith compensate the Landlord in full for such loss or damage.

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 untenantable or incapable of being used by the Tenant for its particular business, then the Tenant may terminate the term of this Lease immediately; or

(b) In the reasonable opinion of the Landlord as to require demolition or reconstruction, then the Landlord may within one (1) month of the date of damage or destruction give the Tenant twenty (20) working days written notice to terminate.

26.2 Following termination pursuant to this clause all rent and outgoings shall cease to be payable from the date of termination and all rents and outgoings paid in advance by the Tenant that shall have abated during the period from the date of damage until the date of termination pursuant to clause 26.5 shall be refunded by the Landlord to the Tenant forthwith and any rent and outgoings paid beyond the date of termination shall be apportioned as at the date of termination and refunded by the Landlord to the Tenant forthwith. Any termination pursuant to this clause shall however be without prejudice to the rights of either party against the other.

26.3 If this lease is not terminated, pursuant to this clause, then the Landlord is to reinstate the premises with all reasonable speed, using materials and form of construction and according to such plan as the Landlord and Tenant shall reasonably agree to and shall be sufficient, so long as it is reasonably similar to the materials and form of construction and plan as subsisted prior to the damage or destruction and reasonably adequate for

the Tenant's occupation and use of the premises. Where any rent and outgoings have been paid by the Tenant in advance such rent and outgoings that abate for the period from the date of the damage until the date of the completion of the repairs and reinstatement pursuant to clause 26.5 shall be credited by the Landlord towards the rental and outgoings payable by the Tenant.

26.4 If the Landlord fails to repair or reinstate the premises within a reasonable time either pursuant to this clause or clause 27, then the Tenant may terminate this lease, by giving notice in writing to the Landlord. The term of this lease will then be deemed to have ended as from the date the damage occurred, but will not effect the rights of either party against the other in respect of any prior breach of any of the covenants, conditions or agreements contained or implied in the lease.

26.5 From the date of damage until the date of termination or the completion of repairs or reinstatement (as the case may be) the rent and outgoings payable by the Tenant under this lease will be reduced by a fair proportion according to the nature and extent of the damage.

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 untenantable or incapable of being used by the Tenant for its particular business, 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 shall be obtainable,

then 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 and/or the building and the Landlord must make up any difference between the cost of such repair or reinstatement and the insurance money received from the Landlord's own funds.

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 and Tenant shall reasonably agree to and shall be sufficient so long as it reasonably similar to the materials and form of construction and plan as subsisted prior to the damage or destruction and reasonably adequate for the Tenant's occupation and use of the premises and where any rent and outgoings have been paid by the Tenant in advance such rent and outgoings that abate for the period from the date of the damage until the date of the completion of the repairs and reinstatement pursuant to clause 27.4 shall be credited by the Landlord towards the rental and outgoings payable by the Tenant.

27.3 If any necessary permit or consent shall not be obtainable then the term shall at once terminate but without prejudice to the rights of either party against the other, including in particular the obligation upon the Landlord to refund to the Tenant any rent and outgoings paid in advance by the Tenant that abate for the period from the date of damage until the date of termination pursuant to clause 27.4 or that apply to the period beyond the date of termination as if termination had been effected pursuant to Clause 26 hereof.

27.4 From the date of damage until the date of termination or completion of the repairs or reinstatement (as the case may be) the rent and outgoings payable by the Tenant under this lease shall be reduced by a fair proportion according to the nature and extent of the damage.

DEFAULT

Cancellation

28. The Landlord may (in addition to the Landlord's right to apply to the Court for an order for possession) cancel this Lease by re-entering the premises at the time or any time thereafter:

(a) If the rent shall be in arrear twenty (20) working days after any of the rent payment dates and the Tenant has failed to remedy that breach within ten (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 herein expressed or implied (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 or liquidation of the Tenant; or

(e) If the Tenant shall suffer distress or execution to issue against the Tenant's property goods or effects under any judgment against the Tenant in any Court of a sum in excess of Twenty five thousand dollars ($25,000.00) PROVIDED HOWEVER that this subclause shall have no application or effect whilst Her Majesty the Queen for the purposes of the New Zealand Police is the Tenant hereunder;

And the term shall terminate on such re-entry but without prejudice to the rights of either party against the other.

Chattels

29. Upon re-entry the Landlord may remove from the premises any chattels in the apparent possession of the Tenant and place them in secure premises at the expense of the Tenant and notify the Tenant in writing as to their whereabouts.

Essentiality of Payments

30.1 Failure to pay rent or other moneys payable hereunder within ten (10) working days after the due date and written notice by the Landlord 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. 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.

30.2 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

31.1 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.

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

REMOVAL OF TENANT'S FIXTURES

32. The Tenant not being in breach may at the end or earlier termination of the term, but shall not be required by the Landlord to, remove all the Tenant's fixtures and fittings and make good at the Tenant's own expense all resulting damage. If the Tenant does not remove its fixtures and fittings within five (5) working days of the end or earlier termination of this lease, ownership of the Tenant's fixtures and fittings passes to the Landlord.

QUIET ENJOYMENT

33. The Tenant paying the rent and performing and observing all the covenants and agreements herein expressed and implied 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 TERM

34. If during the term hereof the Tenant has paid the rent and the outgoings at the time and in the manner provided herein and has given to the Landlord written notice at least four (4) calendar months before the expiry of the term of the Tenant's desire to renew the lease (**Tenant's Notice**) and is not at the time of giving such notice in breach of this lease, then the Landlord will grant a new lease for the next further term from the renewal date subject to the following conditions:

(a) The Landlord will notify the Tenant in writing of the annual rent considered by the Landlord to be the current market rent as at the renewal date which notice is to be accompanied by a signed registered valuer's certificate substantiating the new rent proposed, within twenty (20) working days of receiving the Tenant's Notice. If the Tenant disagrees that the proposed new rent is the current market rent, the Tenant is to provide the Landlord with notice in writing disputing that the new rent proposed by the Landlord is the current market rent and specifying the rent proposed by the Tenant as the current market rent for the premises, which notice is to be accompanied by a signed registered valuer's certificate substantiating the new rent. Immediately following the Tenant's notice disputing the rent, the parties shall endeavour to agree upon the current market rent and failing such agreement the annual rent shall be determined in accordance with the provisions of clause 2 of this Lease.

(b) Such annual rent shall be subject to review during the further term on the review dates or if no dates are specified then after the lapse of the equivalent periods of time as are provided herein for rent reviews.

(c) The Landlord as a condition of granting a new lease shall be entitled to have the new lease guaranteed by a guarantor who has guaranteed this lease on behalf of the Tenant who have given notice.

(d) The new lease shall otherwise be upon and subject to the covenants and agreements herein expressed and implied except that the term of this lease plus all further terms shall expire on or before the final expiry date.

(e) If the rent has not been determined in accordance with clause 34(b) above by the renewal date, for the period following the renewal date until the determination of the rent, the Tenant shall continue to pay the annual rent payable immediately prior to the renewal date. Upon determination of the annual rent an appropriate adjustment will be made (if necessary).

ASSIGNMENT OR SUBLETTING

35.1 The Tenant shall not assign sublet or otherwise part with the possession of the premises or any part thereof without first obtaining the written consent of the Landlord which the Landlord shall give if the following conditions are fulfilled:

(a) The Tenant proves to the reasonable satisfaction of the Landlord that the proposed assignee or subtenant is (or in the case of a company 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.

(b) All rent and other moneys payable have been paid and there is not any subsisting breach of any of the Tenant's covenants.

(c) 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) In the case of an assignment to a company (other than a company listed on the main board of a public stock exchange) 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.

(e) The Tenant pays the Landlord's reasonable and proper costs and disbursements in respect of the approval or preparation of any deed of covenant.

35.2 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.

35.3 Where any Tenant is a company which is not listed on the main board of a public stock exchange then any change in the legal or beneficial ownership of any of its shares or issue of new capital whereby in either case there is a change in the effective management or control of the company is deemed to be an assignment of this lease.

35.4 Notwithstanding any Rule of Law or anything herein expressed or implied to the contrary where Her Majesty the Queen for the Purposes of the New Zealand Police as Tenant assigns this lease under the provisions of this clause all the liabilities of the Tenant expressed or implied under this lease whether contingent or otherwise for the payment of future rents or other moneys or the future observance and performance of any of the covenants conditions or agreements on the part of the Tenant shall cease and determine absolutely as from the date of the assignment thereof but without releasing the Tenant from liability for any antecedent breach thereof.

CARPARKS

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

36.2 The Landlord may carry out repairs to the carparks and no abatement of rent or other compensation shall be claimed by the Tenant except pursuant to clauses 26 or 27.

36.3 The Tenant shall comply with the Landlord's reasonable requirements relating to the use of the carparks and access thereto and in particular shall only use the carparks for the parking of one car per parking space.

36.4 The provisions of the Second Schedule shall apply to the carparks as appropriate.

DISPOSAL OF LANDLORD'S INTEREST

37. Subject to the provisions of this clause the Landlord may at any time dispose of the Landlord's interest in the premises provided:

(a) That any such disposal shall preserve to the Tenant all the Tenant's rights and remedies under this lease; and

(b) That while Her Majesty the Queen is the Tenant and occupies the premises the following further provisions shall apply:

(i) The Landlord shall advise the Tenant in writing of the person or corporation to whom the Landlord intends to dispose of its interest in the premises (**proposed Assignee**).

(ii) If the Tenant has any objection to the proposed Assignee because the Tenant reasonably apprehends in good faith that either:

(aa) The proposed Assignee presents an actual or potential threat to the discharge by the Tenant of the Tenant's statutory obligations; or

(bb) The role or function of the Tenant will be prejudiced by the proposed Assignee becoming the Landlord;

then the Tenant shall within five (5) working days of receiving the Landlord's advice pursuant to (i) above, notify the Landlord in writing of its objection to the proposed Assignee and shall substantiate its reasonable apprehension to the reasonable satisfaction of the Landlord;

(iii) If the Landlord does not receive written notice from the Tenant pursuant to sub-clause (ii) (aa) or (bb) above together with grounds to substantiate its reasonable apprehension within five (5) working days from the date of its advice to the Tenant, the Tenant shall be deemed to have accepted the proposed Assignee.

(iv) If the Tenant objects to the proposed Assignee in accordance with sub-clause (ii) (aa) and (bb) above, then the Landlord shall not dispose of its interest to the proposed Assignee.

(v) If the Landlord fails to advise the Tenant in writing of the disposal of its interest in the premises and the Tenant has objections to the assignee based on those reasons set out in subclauses 37(b)(ii)(aa) and (bb) above, then the Tenant shall be entitled at any time thereafter to terminate this Lease on five (5) working days written notice and the Tenant's obligations under this Lease shall cease from the expiration of such notice.

GENERAL

Holding Over

38. If the Landlord permits the Tenant to remain in occupation of the premises after the expiration or sooner determination of the term, such occupation shall be a periodic tenancy only terminable by twenty (20) working days notice at the rent then payable per month for the premises and otherwise on the same covenants and agreements (so far as applicable to a periodic tenancy) as herein expressed or implied.

Access for Re-Letting

39. If the Tenant has not given notice of its intention to renew this lease, the Tenant shall during the period of three months immediately preceding the expiration of the term allow the Landlord at all times reasonably acceptable to the Tenant, on reasonable notice to the Tenant, and only when accompanied by a servant or agent of the Tenant, to enter upon the premises to view the premises provided always such viewing is conducted in a manner which does not cause disruption to the Tenant.

Suitability

40. 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.

Waiver

41. No waiver or failure to act by the Landlord in respect of any breach by the Tenant shall operate as a waiver of another breach.

No Registration

42. The Landlord shall not be required to do any act or thing to enable this lease to be registered and the Tenant will not register a caveat in respect of the Tenant's interest hereunder.

Notices

43.1 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:

(i) in the manner authorised by sections 354 to 361 of the Property Law Act 2007; or

(ii) by personal delivery, or by posting by registered or ordinary mail, or by facsimile transmission.

43.2 All notices to be given to the Landlord or to the Tenant hereunder shall be deemed sufficiently served:

(a) in the case of personal delivery, when received by the addressee at the address detailed in clause 43.3; and

(b) in the case of posting by registered mail, on the 3rd working day following the date of posting to the addressee at the address detailed in clause 43.3; and

(c) in the case of facsimile transmission, on the working day following the date of sending to the addressee's facsimile number designated in clause 43.3 provided that the sender produces a confirmation notice that the facsimile has been sent on that day.

43.3 Details for Notices:

Landlord: Thorndon 190 Limited
C/- PKF Martin Jarvie
3rd Floor
85 The Terrace
WELLINGTON 6011

Tenant: The National Property Manager
New Zealand Police
180 Molesworth Street
Thorndon
WELLINGTON 6011

43.4 A notice shall be valid if given by the duly authorised representative of the party giving the notice. If a notice is not given by the Landlord, it is to be supported by satisfactorily written delegation from the Landlord confirming the appointment of the party giving the notice.

Arbitration

44. (a) Any controversy or claim arising out of or related to this agreement or the breach thereof, including the circumstances in which it was formed, and any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration in accordance with the Arbitration Act 1996 and the express provisions of this clause shall prevail in the event of any inconsistency with the Act, to the extent permitted by law.

(b) The dispute(s) shall be determined by a sole arbitrator.

(c) In respect of the First Schedule to the Arbitration Act 1996 the parties "otherwise agree" to the following:
Article 3 - in addition to the stated methods of giving notice, facsimile shall also be permitted.
Article 11(2) - in the absence of agreement, the arbitrator shall be appointed by the President of the Branch of the New Zealand Law Society in whose region the Premises are located.
Article 26 - the arbitrator shall not appoint any expert to advise except with the written consent of both parties.
Article 31(5) - a sum directed to be paid by an Award shall carry interest at the default interest rate and shall be payable if the sum directed to be paid by the Award is not paid ten (10) working days after the date upon which it was ordered to be paid or in the absence of any such date ten (10) working days after the date of the Award.

(d) In respect of the Second Schedule to the Arbitration Act 1996 the following provisions shall not apply:
Clause 1 - default appointment of arbitrator
Clause 2(2) - consolidation of arbitral proceedings which do not all have the same arbitral tribunal.

Interpretation

45. In this lease

(a) "the Landlord" and "the Tenant" means where appropriate the executors, administrators, successors and permitted assigns of the Landlord and the Tenant.

(b) "the property" and "the building" means the land and building(s) 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.

(c) "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.

(d) "GST" means Goods and Services Tax.

(e) "structural repair, alteration and addition" means a repair, alteration or addition to the structure or fabric of the building but excluding building services.

(f) "renewal" means the granting of a new lease as provided for in clause 35.

(g) "working day" has the meaning given to it in the Property Law Act 2007. Notice is served after 5pm on a working day, or on a day that is not a working day, shall be deemed to be served on the next succeeding working day.

(h) 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.

(i) Where the context requires or admits, words importing the singular shall import the plural and vice versa.

(j) Where the Landlord's consent to any matter is required under this Lease, then unless expressly stated to the contrary in this Lease, in each case the Landlord:

(i) must not unreasonably withhold consent; and

(ii) must, within a reasonable time of the Landlord's consent being requested;

(a) grant that consent; or

(b) notify the Tenant in writing that the consent is withheld.

Special Conditions

46.1 This Lease is conditional upon the Landlord upgrading the building's seismic strength to at least 67% of the relevant New Building Standard as at 31 January 2012. The work to upgrade the building's seismic strength must be completed no later than 31 October 2012.

46.2 The determination as to whether the Landlord has adequately upgraded the building's seismic strength to at least 67% of New Building Standard shall be determined by Stephen Lee at GHD's Wellington office in his sole discretion. Such determination shall be final and binding on the parties.

46.3 In the event that the upgrading work has not been completed to the Tenant's reasonable satisfaction by 31 October 2012, this Lease and the Existing Lease shall be null and void and neither party shall have any further obligation to the other in relation to either this Lease, the existing Lease between the parties dated 11 April 2006 or the Deed of Variation of Lease between the parties dated 12 May 2006. The surrender of the Existing Lease shall not prejudice or effect the rights of either party against the other in relation to any breaches of the Existing Lease occurring prior to the commencement of this Lease and the parties shall be liable for all of their obligations under the Existing Lease until commencement of this Lease.

46.4 This Lease shall replace the current Lease dated 11 April 2006 as varied by the Deed of Variation of Lease dated 12 May 2006 ("the Existing Lease") and upon commencement of this Lease, the Existing Lease shall be surrendered. The surrender of the Existing Lease shall not prejudice or effect the rights of either party against the other in relation to any breaches of the Existing Lease occurring prior to the commencement of this Lease and the parties shall be liable for all of their obligations under the Existing Lease until the commencement of this Lease.

SCHEDULE 3

Plan of Premises

SCHEDULE 4

Photographs of Condition of Premises at Commencement Date

DISCLOSURE STATEMENT

1. The following information has been supplied to Capital Commercial (2013) Limited ("Bayleys") to be made available for distribution on the vendor's behalf to potential purchasers to assist purchasers with their due diligence and to use at the purchaser's discretion.
2. Bayleys and the Vendor do not warrant the accuracy or completeness of the information and recommends that all recipients undertake their own due diligence, obtain their own reports to their satisfaction and seek independent advice prior to committing to purchaser.