
AGREEMENT TO LEASE

Parties

The Woolstore Seven Limited (6054434)
("the Landlord")

and

Engie Services New Zealand Limited (4020058)
("the Tenant")

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AGREEMENT TO LEASE

Parties

1. The Woolstore Seven Limited (6054434) ("the Landlord")
2. Engie Services New Zealand Limited (4020058) ("the Tenant")

Background

- A. The Landlord is the registered proprietor of that land being Computer Freehold Register WNF1/1374 and Computer Interest Register 123917 being Part Lot 3 Deposited Plan 7690 and Lot 1 Deposited Plan 45578 Wellington Land Registration District known as 8 Burnham Street, Petone on which the building ("the Building") and garage ("the Garage") have been erected.
- B. Upon completion of the premises and fitout works to the Building the parties have agreed that the Landlord shall lease and the Tenant shall take a lease of firstly that part of the Building more particularly situated on the First Floor comprising 419.23 m² approximately exclusive area as is outlined in yellow on the attached Plan (Appendix A) and secondly the Garage comprising 90.00 m² approximately exclusive area as is outlined in green on the attached Plan (Appendix B) together called the Premises with the right of the Tenant its servants, agents and invitees in common with the Landlord, its tenants, and their servants, agents, invitees to use the Building's general entrances, driveways, passages, corridors and steps leading to and from the exclusive and common areas, the ten car parks and the Garage.
- C. The parties wish to record the terms and conditions on which the Landlord will lease the Premises and carparks to the Tenant.

The Parties Agree

1. Interpretation

In this deed unless the context indicates otherwise:

1.1 Definitions

- "Building" means the Building situated at 8 Burnham Street, Petone.
- "Carparks" means the 10 uncovered carparks located as shown outlined in yellow on the attached Plan (Appendix B).
- "Commencement Date" means 7 November 2016.

- “Garage” means the large Skyline garage situated at 8 Burnham Street, Petone.
- “Lease” means the form of lease attached as the First Schedule.
- “Premises” means the First Floor of the Building and the Garage being more particularly described at Background B.
- “Working Day” means any day of the week other than;
 - a. Saturday, Sunday, Good Friday, Easter Monday, Anzac Day, the Sovereign’s birthday, Labour Day, Waitangi Day and the provincial anniversary day as observed at the place where the Premises is situated; and
 - b. a day in the period commencing with the 25th day of December in any year and ending with the 15th of January in the following year.

1.2 Defined Expressions

Expressions defined in the main body of this deed have the defined meaning in the whole of this deed including the background;

1.3 Headings

Section, clause and other headings are for ease of reference only and do not form any part of the context or affect this deed’s interpretation;

1.4 Parties

References to parties are references to parties in this deed and include each party’s executors, administrators and successors;

1.5 Persons

References to persons include references to individuals, companies, corporations, partnerships, firms, joint ventures, associations, trusts, organisations, governmental or other regulatory bodies or authorities of other entities, in each case whether or not having separate legal personality; and

1.6 Plural and Singular

Singular words include the plural and vice versa.

1.7 No Contra Proferentem Construction

The rule of construction known as the contra proferentem rule does not apply to this agreement.

2. Lease

- 2.1 The Landlord agrees to lease to the Tenant and the Tenant agrees to take on lease from the Landlord the Premises and carparks subject to the following terms and conditions and the rent and on the other terms and conditions as set out in the form of lease attached as the First Schedule hereto.

3. Landlord to Complete Building and Specified Items of Fitout

- 3.1 The Landlord shall prior to the Commencement Date complete construction of the first floor area of the Building, specified items of fitout and all services thereto so that the same shall be fully operational as set out in clauses 4 and 5. The Landlord shall complete such work with all reasonable expediency in a good and workmanlike manner using new materials and in accordance with accepted professional trade practices and to an above average quality standard so that it complies with all relevant statutes, regulations and other code requirements.
- 3.2 The Landlord shall obtain the Tenant's written approval that the Building and fit out works have been completed to the reasonable satisfaction of the Tenant prior to the Commencement Date, such approval not to be unreasonably or arbitrarily withheld.
- 3.3 The Landlord shall ensure that all building services are operating satisfactorily and shall at its cost certify that at the Lease Commencement Date the Building complies with all relevant statutes, regulations and other code requirements.

4. Landlord to Complete Premises

- 4.1 Without limitation to the Landlord's obligations pursuant to clause 3 above the Landlord shall complete construction of the following works within or for the benefit of the first floor area of the Premises prior to the Commencement Date and otherwise in accordance with and to the standard described in clause 3 above;
- 4.1.1 Secure the first floor space by installing a partition to create a reception area and a secure entrance door as approximately highlighted in orange on the Appendix C - Office Plan.
- While the parties acknowledge that this partition will need to comply with the appropriate fire ratings it is the intention that if possible it will be glazed or at least partly glazed to allow natural light to enter the premises.
- 4.1.2 Remove the existing partition approximately highlighted in pink and make good.
- 4.1.3 Install a new suspended ceiling tiles within the area approximately outlined in blue on Appendix C - Office Plan.

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The water damaged ceiling tile located in the kitchen/staff room area shall be replaced and all other tiles shall be checked to ensure they are correctly positioned and any damaged tiles replaced.

- 4.1.4 Install modern fluorescent lighting recessed into the suspended ceiling. Lighting levels shall be 320 lux at the desktop.
- 4.1.5 Reinstate and/or install new (where necessary) sprinkler heads or droppers in the ceiling grid as required and shall ensure fire egress to the Tenant's first floor premises complies with all the relevant statutes and bylaws and takes into consideration the number of occupants to be accommodated in the building.

Ensure that all other fire protection equipment is operational and where required affixed in the appropriate places.

- 4.1.6 All existing light switches and electricity outlets/sockets are to be properly fastened and checked to ensure that they are operational.
- 4.1.7 Install new double data outlets to the spaces provided for this purpose in the area approximately outlined in blue on Appendix C - Office Plan and ensure that all Cat 6 cabling (from where the patch panel is to be installed) to all the outlets located in the first floor area are operational.
- 4.1.8 Install four ceiling mounted air conditioning cassette units to the office space plus a unit in the staff room. The Landlord shall give the Tenant the first opportunity to quote for the supply and installation of the units and if a mutually acceptable arrangement can be reached the Tenant shall undertake this work on the Landlord's behalf.
- 4.1.9 Redecorate the toilet areas as required inclusive of replacing the two cisterns, seats and bowls in the mens' toilets so they match those existing in the women's toilets.

Replace the hand basins in both toilets in the mens' and ladies' toilets.

Remove the existing urinal in the men's toilets, make good and replace with a wall hung urinal.
- 4.1.10 Paint the reception area. The colour scheme shall be determined in consultation with the reasonable requirements of the tenant but is to fit into the existing colours scheme.
- 4.1.11 Touch up any internal surfaces in the premises where required to a good and even standard. In the staffroom repair the water damaged surface and repaint. All painting is to match the existing colour scheme.
- 4.1.12 Install new good quality commercial grade solution dyed nylon carpet tiles to the office areas. The style and colour of the carpet shall be determined in consultation with the Tenant.

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- 4.1.13 Install new good quality commercial grade vinyl to the toilets, staff room and corridor. The style and colour of the vinyl shall be determined in consultation with the Tenant.
- 4.1.14 Install security on the entrance door to the reception area. The type of security system is to be discussed with the Tenant. The security system is to be compatible with any internal system installed by the Tenant.
- 4.1.15 Install a separate electricity sub meter to service the leased premises if one is not already in place.
- 4.1.16 Ensure that all window latches and door handles are operational and that any doors that require easing are attended to.
- 4.1.17 Arrange for the First Floor office space to be cleaned prior to occupation by the Tenant.
- 4.1.18 The Landlord shall meet all costs of the base building works including without limitation any consent fees.

5. Landlord to Complete Specified Fitout Work to the Premises

The Landlord shall at its cost replace the existing kitchen stainless steel bench top with a new Melteca laminate bench top and install overhead kitchen cabinetry above the sink bench to match the existing kitchen cabinetry. The colour of the bench top shall be determined in consultation with the Tenant.

6. Tenant's Works

- 6.1 The Landlord agrees that the Tenant may prior to the Commencement Date enter the Premises to ensure the Tenant's IT infrastructure and phone lines shall be operational on the Commencement Date. Entry will also be made available for the Tenant to install its chattels to first floor space.
- 6.2 The Landlord agrees that the Tenant may complete its relocation works to the Premises over the weekend [5 November to 6 November 2016] notwithstanding the First Lease shall not commence until 7 November 2016.
- 6.3 The Landlord agrees the Tenant may erect signage adjacent to the main entrance doors at ground floor level. This will replace the current Pink Batts sign on the exterior wall to the stairway. Refer Appendix D.

The Tenant shall also have normal signage rights to the premises and other areas approved by the Landlord in accordance with the provisions of the ADLS lease.

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7. Commencement Date

The Commencement Date shall be 7 November 2016 and the Landlord shall beforehand have completed all works required of it pursuant to clauses 3, 4 and 5 above and shall ensure that the Premises are available for the Tenant's occupation in a clean and tidy condition ("the Landlord's Works").

8. Form of Lease

The parties shall enter into and execute a lease on the terms contained in the form of lease attached as the First Schedule completed and amended to incorporate the terms of this Agreement prior to the Commencement Date. In the event of any inconsistency between this Agreement and the lease the provisions of this Agreement shall prevail. Until the lease has been duly executed and delivered the parties shall be bound by the terms of this Agreement and the leases as if the lease had been duly executed. The lease shall be prepared by the Tenant as soon as practicable following determination of the Commencement Date.

9. Costs

The parties shall each meet their own costs arising under this Agreement and the Lease.

10. Notices

All notices including requests, demands and other communications under this Agreement, to be given by a party to any other party, shall be in writing to the address set out below (unless otherwise directed by the relevant party) and may be given if personally delivered or sent by an accepted means of electronic transmission to the other party. Any notices personally delivered in the manner set out above shall be deemed given when personally delivered or if sent by electronic transmission in the manner set out above shall be deemed given on the first business day following the day of sending of the electronic transmission.

Address of Landlord:

The Woolstore Seven Limited (6054434)
262 Thorndon Quay
Pipitea
WELLINGTON 6011

Address of Tenant:

Engie Services New Zealand Limited (4020058)
1 Gabador Place
Mount Wellington

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11. Disputes Resolution

- 11.1 Any dispute or difference which may arise between the parties concerning the interpretation of this Deed or relating to any other matter arising under this Deed will be actively and in good faith negotiated by the parties with a view to a quick resolution of such dispute or difference.
- 11.2 If the parties cannot resolve a dispute or difference within fifteen (15) Business Days of any dispute or difference arising then, unless otherwise expressly provided in this Deed, they will without prejudice to any other right, explore whether such dispute or difference can be resolved by agreement between them using informal dispute resolution techniques such as meditation. The rules governing any such techniques if adopted will be agreed between the parties or as selected by the organisation known as "LEADR" (Layers Engaged in Alternative Dispute Resolution).
- 11.3 If the parties cannot agree on any dispute resolution technique within a further fifteen (15) Business Days of any dispute or difference being considered for referral by both parties to any informal dispute resolution technique under clause 11.2 then the dispute or difference shall be settled by reference to arbitration. Except as otherwise expressly provided in this Deed the reference shall be to a sole arbitrator. The arbitrator shall be agreed upon by the parties. If the parties cannot agree upon an arbitrator within (5) Business Days from the date of referral to arbitration, the arbitrator shall be appointed by the President or his or her nominee of the District Law Society of the district in which the premises is situated or a successor body of that society. Such arbitration shall be carried out in accordance with the Arbitration Act 1996 and the substantive law of New Zealand.
- 11.4 The parties will co-operate to ensure the expeditious conduct of any arbitration. In particular, each party will comply with any reasonable time limits sought by the other for settling terms of reference, interlocutory matters and generally all steps preliminary and incidental to the hearing and determination of the proceedings.

12. No Representations

Each party warrants that it has entered into this Agreement solely in reliance upon its own skill and judgement and it has not relied upon any oral or written representation made to it by the other party(s) or its employees or agents, and that it has made (and has been permitted a reasonable opportunity to make) its own independent investigations into all matters relevant to the subject matter of this Agreement.

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13. No Assignment

The Tenant shall have no right to assign this Agreement or any part of it but this provision shall not affect in any way any right of assignment contained in the lease (as referred to in Clause 8) after its execution.

14. Entire Agreement

This Agreement constitutes the entire agreement between the parties in relation to its subject matter and supersedes any prior agreement(s) between the parties whether written or oral and any such prior agreements are cancelled as at the date hereof but without prejudice to any rights which have already accrued to party thereunder.

15. Non-Merger

The rights interests and entitlements of the parties granted in this Agreement shall not merge with, be subsumed into, or otherwise be prejudicially effected by the execution of any agreement the entry into which the parties (or any of them) is required by, or contemplated by, the provisions of this Agreement.

16. Jurisdiction

This Agreement is governed by New Zealand law in every particular including formation and interpretation and notwithstanding the domicile of the parties nor the place of its execution shall be deemed to have been made in New Zealand, and the parties shall and do hereby submit to the jurisdiction of the New Zealand courts.

17. Variation

Any provision in this Agreement may be varied by written agreement between the parties. No Variation to this Agreement will be legally enforceable unless it is in writing and signed by the parties ("Variation Notice").

No party to this Agreement shall:

- (a) Tender to any court, tribunal, mediator or arbitrator or other judicial or Quasi-judicial body, any evidence in support of any variation other than a Variation Notice, or
- (b) Assert or attempt to assert any equitable entitlement upon the basis of any variation purportedly made in contravention of this clause.

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19. Confidentiality

The Tenant shall not reveal any information concerning this Agreement or its subject matter to any third party other than:

- if the Tenant is a listed company, as required by law or the New Zealand Stock Exchange Listing Rules;
- on a confidential basis to the Tenant's professional and financial advisers;
- information already in the public domain;
- with the prior written consent of the Landlord.

20. Publicity

The Tenant shall not issue any press release of information concerning this Agreement or its subject matter or in respect of the building to the news media without the prior written approval of the Landlord.

21. Deposit

The Tenant shall pay to the Landlord a deposit of \$15,460.84 plus GST upon the execution of this agreement by the parties such deposit to be applied towards payment of the first two months rental.

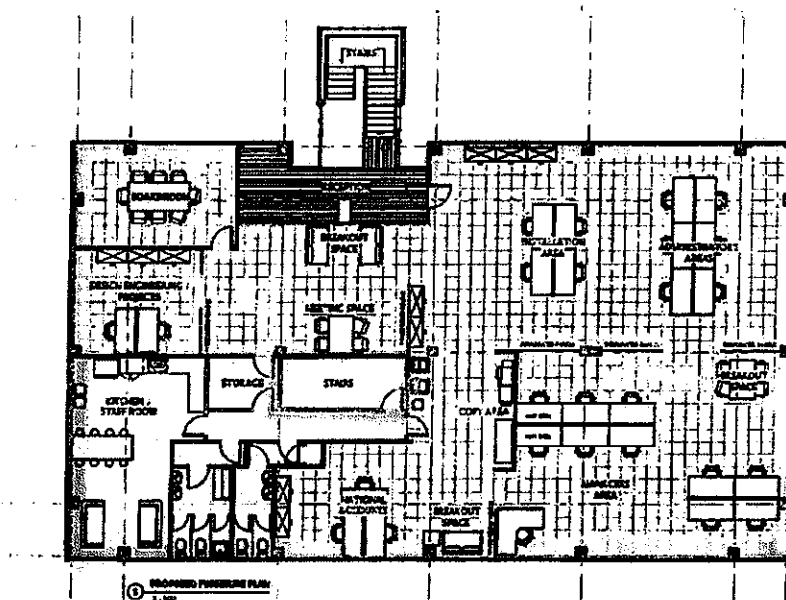
22. Landlord's Contribution to Tenant's Costs

The Landlord will contribute \$45,000.00 plus GST to the Tenant's costs of moving and fitting out the premises. Such payment to be made upon completion of the Premises and Fit out works pursuant to clauses 3, 4 and 5 above.

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Appendix A

Office Plan



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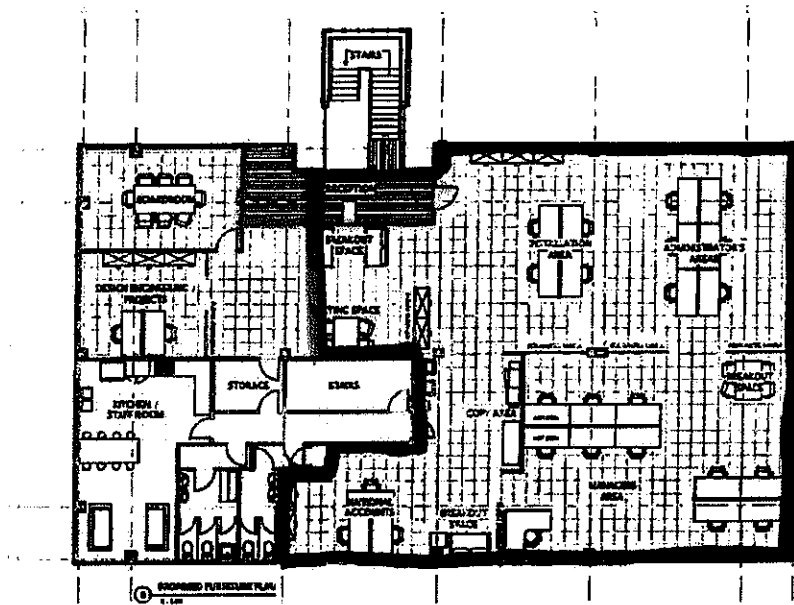
Appendix B



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Appendix C

Office Plan



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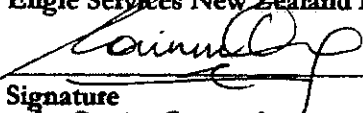


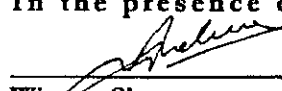
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Dated this 19 day of September 2016

Signed on behalf of:

Engie Services New Zealand Limited (4020058): In the presence of


Signature
CORINNE ONG
DIRECTOR
(Specify Position in Company)


Witness Signature

Witness Name: ANDREW CHAN

Witness Occupation: SOLICITOR

Witness Address: 124 ABRUTT ROAD, HALLAM
VICTORIA, AUSTRALIA

Signed on behalf of:

Engie Services New Zealand Limited (4020058): In the presence of


Signature
BENJAMIN ROBINSON
DIRECTOR
(Specify Position in Company)


Witness Signature

Witness Name:

BRIAN SMITH

Witness Occupation:

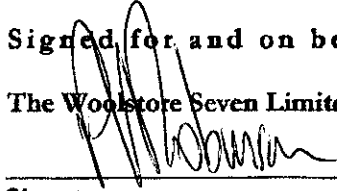
FINANCIAL CONTROLLER

Witness Address:

1 CITYVIEW CRT
ELTHAM VIC 3095

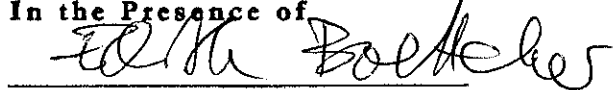
Signed for and on behalf of

The Woolstore Seven Limited (6054434) by:


Signature

(Specify Position in Company)

In the Presence of


Name Edith Boethcher

Witness

Address Thorndon Quay
Wellington

Occupation Manager

Signed for and on behalf of

The Woolstore Seven Limited (6054434) by:

Signature

(Specify Position in Company)

In the Presence of

Name

Witness

Address

Occupation

DEED OF LEASE

First Schedule

SIXTH EDITION 2012 (4)

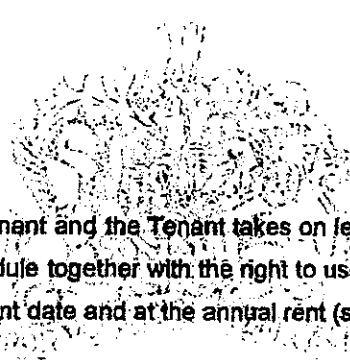
GENERAL address of the premises:
8 Burnham Street, Lower Hutt, Wellington

DATE: 2016

LANDLORD:
The Woolstore Seven Limited (6054434)

TENANT:
Engie Services New Zealand Limited (4020058)

GUARANTOR:


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, ^{and} Second and Third Schedules, including Additional Clauses (Second Schedule).

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



SIGNED by the Landlord *
The Woolstore Seven Limited (6054434)

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 *
Eagle Services New Zealand Limited (4020058)

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)

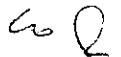
Signature of Tenant

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.

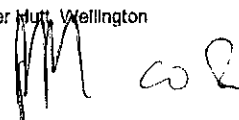
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FIRST SCHEDULE

1. **BUILDING:** The buildings situated at 8 Burnham Street, Lower Hutt erected on Computer Freehold Register WNF1/1374 and Computer Interest Register 123917 being Part Lot 3 Deposited Plan 7690 and Lot 1 Deposited Plan 45578 Wellington Land Registration District.
2. **PREMISES:** That part of the buildings comprising:

First floor office (as is outlined in yellow on the attached Plan A)	419.23 m ²
Skyline Garage (as is outlined in green on the attached Plan B)	<u>90.00 m²</u>
Total Area of Exclusive Premises	<u>509.23 m²</u>
3. **COMMON AREAS:** The Building's general entrance, passages, corridors, stairwells and foyer including to and from the Premises and driveways and yards in common with the Landlord and other Tenants inclusive of those areas as approximately shown outlined in orange on Plans A and B.
4. **CARPARKS:** Ten uncovered car parks approximately marked in yellow on the attached Plan B are included with the Premises
5. **TERM:** Four years from the Commencement Date.
6. **COMMENCEMENT DATE:** 7 November 2016.
7. **RIGHTS OF RENEWAL:** Two further terms each of three years commencing on 7 November 2020 and 7 November 2023.
8. **RENEWAL DATES:** 7 November 2020 and 7 November 2023.
9. **FINAL EXPIRY DATE:** 6 November 2026 if all rights of renewal are exercised.
10. **ANNUAL RENT:**

Premises	Office Space	\$73,365.04	plus GST
	Skyline Garage Space	\$9,000.00	plus GST
(Subject to review if applicable)	Car Parks	<u>\$10,400.00</u>	plus GST
	TOTAL	<u>\$92,765.04</u>	plus GST
11. **MONTHLY RENT:** \$7,730.42 plus GST
12. **RENT PAYMENT DATES:** The 1st day of each month commencing on 7 January 2017 by direct credit into the Landlord's nominated bank account.
13. **RENT REVIEW DATES:** 7 November 2018, 7 November 2020 and 7 November 2023.
(Market rent review dates)



14. **PROPORTION OF OUTGOINGS:** (subclause 3.1) Nil, although the Tenant shall be responsible for 100% of those consumables or utilities in respect of the Tenant's exclusive premises set out (under the heading Outgoings) from the commencement date.
15. **DEFAULT INTEREST RATE:** (subclause 5.1) 2 % per annum above the ANZ Bank's index rate (or its equivalent).
16. **BUSINESS USE:** (subclause 16.1) Light manufacturing, warehousing, servicing and ancillary uses or any other uses permitted under the local authority's operative District Plan.
17. **LANDLORD'S INSURANCE** (subclause 23.1) Full replacement and reinstatement (including loss damage or destruction of windows and other glass) cover for the building against damage and destruction by fire, flood, explosion, lightning, storm, earthquake and volcanic activity. The tenant shall be entitled upon demand to inspect the insurance cover on each renewal date.
18. **NO ACCESS PERIOD** (subclause 27.6) Nine months

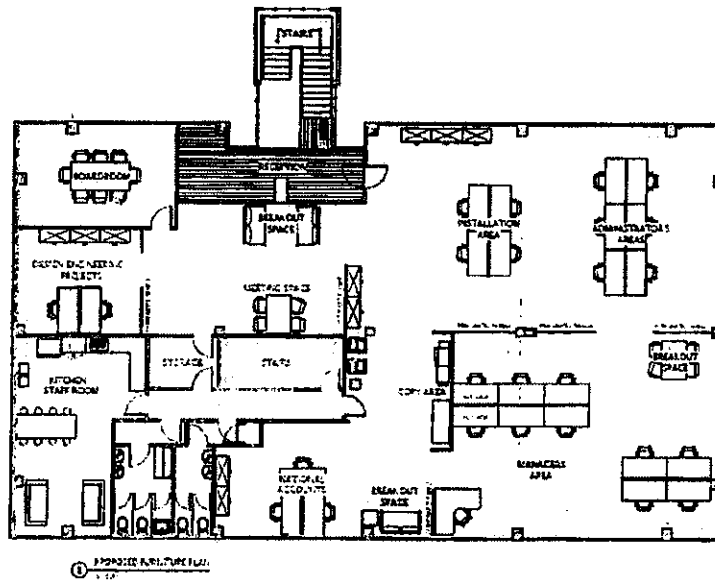
OUTGOINGS
(clause 3)

- CO 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 charges and internal cleaning costs.
4. ~~New Zealand Fire Service charges and the maintenance charges in respect of all fire detection and fire fighting equipment.~~
- CO 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, other building services and security services.~~
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.~~
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.~~
- CO 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 3.7).~~
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.~~

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WOOLSTORE

Plan A



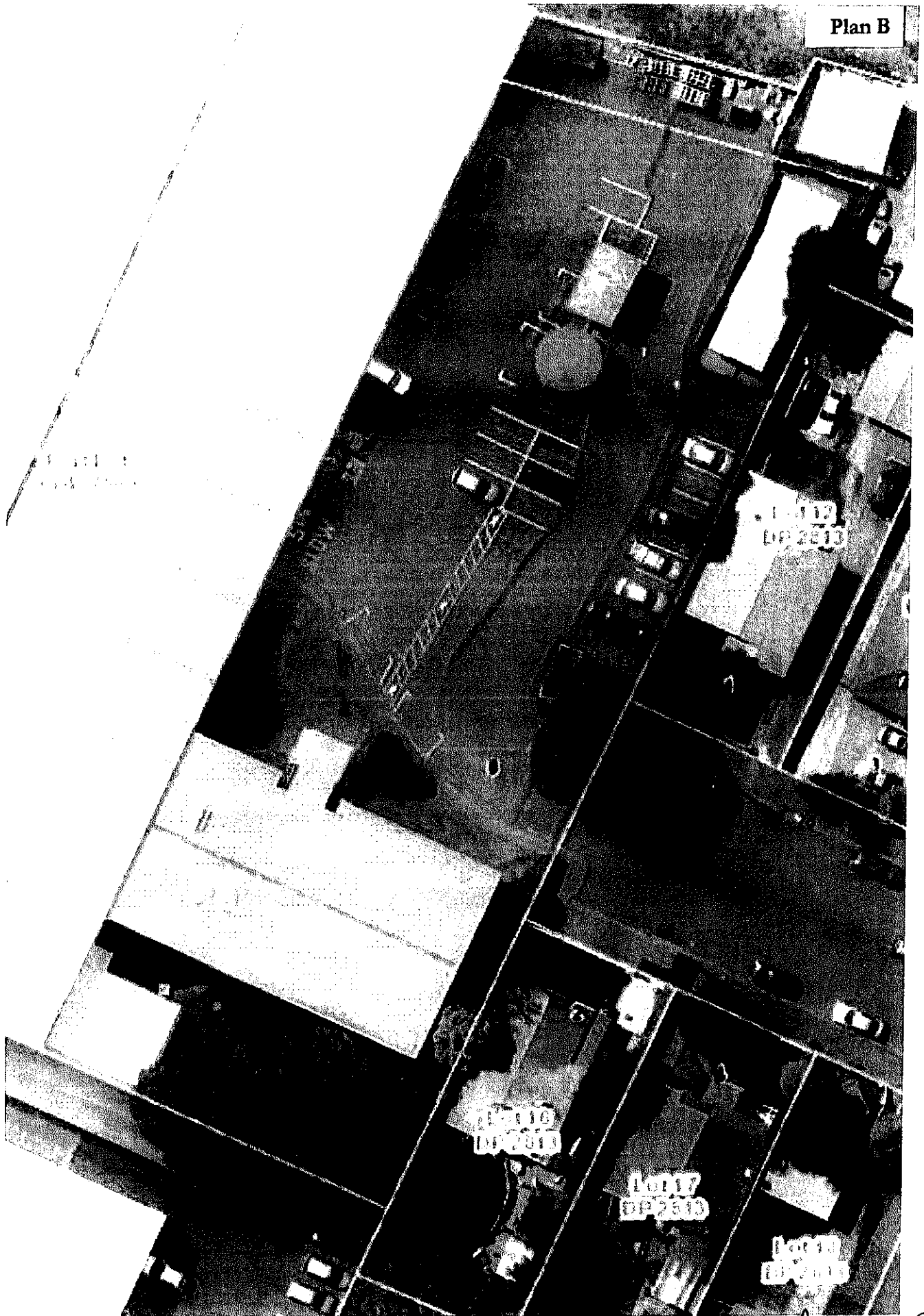
Exclusive Area

Common Areas/Emergency Access



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Plan B



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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 GPI 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, together with a registered valuer's report supporting the assessed rental.
 - 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 be recorded in a deed. The Tenant and the Landlord shall pay their own solicitors costs of and incidental to the preparation of any Deed.

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.
 - 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 ~~estimate~~ ^{report} 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 ~~estimate~~ ^{report}, the interim rent payable shall be the rent substantiated by the ~~estimator~~ ^{report}; or
 - If no registered valuer's ~~estimate~~ ^{report} is 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. 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 subjected to adjustment.

GPI Rent Review

2.5 The annual rent payable from each GPI 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 GPI by giving notice to the Tenant of the increase (if any) using the formula:

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

Where:

A — the GPI reviewed rent from the relevant GPI rent review date

B — the annual rent payable immediately before the relevant GPI rent review date

G — GPI for the quarter year ending immediately before the relevant GPI rent review date

D — GPI 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 GPI 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 (G+D) shall not be less than 1;

- (b) If the GPI is discontinued and not replaced, or if there is a material change to the basis of calculation of the GPI, or a resetting of the GPI, an appropriate index which reflects the change in the cost of living in New Zealand as agreed by the parties and falling 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 GPI is not published at the relevant GPI rent review date, as soon as the GPI is published an appropriate adjustment will be made to the rent (if necessary) with effect from the relevant GPI rent review date;
- (d) Notwithstanding any other provision of subclause 2.5, the annual rent payable as from the relevant GPI rent review date shall not be less than the annual rent payable immediately preceding the GPI rent review date (and in the case where the relevant GPI 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 GPI 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 GPI rent review date. On determination of the new rent, the Tenant will immediately pay any shortfall to the Landlord.

Outgoings See clauses 3.1, 3.2, 3.3 and 3.4 Substitute Clause page.

- 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 falling agreement determined by arbitration.
- 3.2 The Landlord shall 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 overpayment 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.

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.

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. The Landlord shall pay all outgoings in respect of the property not payable by the Tenant direct.
- 7.2 The Landlord shall be responsible for any wealth tax or capital gains tax whether realised or unrealised (if any).

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

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, or from insurance risks, or force majeure.

(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. (subject to the Landlord's rights and obligations to claim insurance reimbursement).

(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.

(e) **Damage or Loss**

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 faulty design, construction or workmanship.

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. This clause also applies in a reciprocal manner to any Tenants notice(s) requesting the Landlord to fulfil its obligations under the Lease.

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.

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. See additional clauses for clause 11.1.1, 11.2, 11.3, 11.4, 11.5 and 11.6.

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.

*The Landlord will provide copies to the Tenant on request.

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.
- requested by the Tenant
- 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.
- 16.3 ~~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. No fee or time shall be charged by the Landlord in respect of any consent given under clause 16.1~~ col

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 as long as the Landlord is not affecting the Tenant's business use of the premises.

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, provided that the Landlord shall use its best endeavours to ensure no other Tenant of the property detrimentally affects the Tenant's use and enjoyment of the premises. col

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

- 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 the 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.~~ col
- 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.

- 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 20.4 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.

*caused by the removal of the Tenant's chattels

- 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.

Compliance with Statutes and Regulations Subject to the provisions of Additional Clause 11.6

- 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:
- (a) 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.
 - (b) 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.
 - (c) 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 See Additional Clauses for Clause 21.6 No Noxious Use

- 22.1 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, or of a weight size or shape as is likely to cause damage to the building or any surfaced area.
 - (b) 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.
 - (c) Use the premises or allow them to be used for any noxious noxious illegal or offensive trade or business.
 - (d) 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 271 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 ** negligent act or wilful default of the Tenant or those for whom the Tenant is responsible,

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:
- (a) Shall make void or voidable any policy of insurance on the property.
 - (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.
- 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.
- 24.3 See Additional Clauses for Clause 24.3

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 ^{or the Tenant} as to require demolition or reconstruction, then the Landlord ^{or the Tenant} shall within 3 months of the date of damage ^{or destruction} 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 ^{or destruction}.
- Any termination pursuant to this subclause shall be without prejudice to the rights of either party against the other. any rent or outgoings paid in advance past the date of damage or destruction shall be promptly refunded by the Landlord to the Tenant.

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:
- See Additional Clauses for Clause 27.2
- (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 ~~an amount greater than the full insurance value of the building required by this Lease.~~ ^{an amount greater than the full insurance value}
- ~~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.~~
- 27.5 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, arising prior to the date of such damage including the Tenant's right to have the rental and the outgoings abate from the date of damage.

No Access In Emergency

- 27.6 ~~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.
- 27.7 ~~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 ^{27.4} ~~27.5~~. 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 See Additional Clauses for Clause 28.1 and 28.2**

- ~~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 245 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 3 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:
- (a) 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.
 - ~~(b) If the renewal date is a CPI rent review date, the annual rent shall be determined in accordance with subclause 2.6;~~
 - (c) 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.
 - (d) 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.
 - ~~(e) 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.~~
 - (f) 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.
 - (g) Notwithstanding anything contained in subclause 32.1(f) the interim rent referred to in that subclause shall not be less than the annual rent payable as at the commencement date of the immediately preceding lease term.
 - (h) 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:
- (a) 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.
 - ~~(b) All rent and other moneys payable have been paid and there is not any subletting 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 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.
 - (e) The Tenant pays the Landlord's reasonable costs and disbursements in respect of the approval and the preparation of any deed of covenant or guarantee and (if appropriate) all fees and charges payable in respect of any reasonable inquiries made by or on behalf of the Landlord concerning any proposed assignee subtenant or guarantor. All such costs shall be payable whether or not the assignment or subletting proceeds.
- 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.

UNIT TITLE PROVISIONS

SIXTH EDITION 2012 (4)

~~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 28.1 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 20 working days 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

- 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

38.1 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 286(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, ~~fire and security systems~~ 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:
 - (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) "inherent defect" includes faulty design, construction or workmanship.
- (x) "current market rent" means the annual rental that shall be determined to be the current market gross rental to the intent that the Landlord will be responsible for all outgoings other than those charges referred to in clause 3.
- (y) "Tenants chattels" includes those set out in the Fifth Schedule.

See Additional Clauses (Second Schedule) for Clause 48, 49 and 50

SUBSTITUTE CLAUSES (SECOND SCHEDULE)

Outgoings and Consumables

- 3.1 The Tenant shall promptly pay to the proper authorities the GST inclusive amount of all charges for water, electricity, telecommunications (including line charges) on the Tenant's exclusive premises and all charges for cleaning and the collection of rubbish from the exclusive premises. Otherwise all other charges/outgoings are to be the Landlord's responsibility.
- 3.2 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 such outgoing shall not be payable by the Tenant.
- 3.3 Appropriate adjustments shall be made in respect of periods current at the commencement and expiration or sooner determination of the term.
- 3.4 If the Tenant defaults in payment of such charges the Landlord may pay them (and any penalties for late payment) and forthwith recover the amount paid as if it were arrears of rent payable by the Tenant.



ADDITIONAL CLAUSES (SECOND SCHEDULE)

Additional Rental Determination Clauses (Clause 2.2)

- 2.2 (8) The rent is to be determined to be the current market gross rental to the intent that the Landlord will be responsible for all outgoings other than those charges referred to in clause 3.

Additional Landlord's Maintenance Clauses (Clause 11.1.1, 11.2 to 11.6)

- 11.1.1 Where a defect or repair requires immediate or urgent attention and the Landlord shall have failed to carry out the works required under this clause within a reasonable time the Tenant may on giving the Landlord oral notice carry out such work and set off its reasonable costs incurred in completing the work.

In all other cases should the Landlord shall have failed to carry out the works required under this clause within a reasonable time the Tenant may on giving the Landlord 14 days notice in writing carry out such work and set off its reasonable costs incurred in completing the work.

- 11.2 The Landlord shall keep and maintain service maintenance contracts for air-conditioning and all other building services in the building and at the Landlord's option any other building services supplied by the Landlord. The Landlord will provide copies to the Tenant on request.

11.3 Maintenance of Roof and Exterior

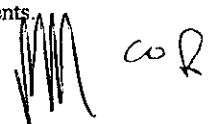
That the Landlord shall at its own cost keep and maintain the roof and exterior of the building including exterior doors and windows in good and substantial repair order and condition and in a watertight condition throughout the term and shall when reasonably necessary repaint or otherwise redecorate those parts of the exterior of the building that have previously been painted or decorated including the roof as may be appropriate. The Landlord shall be under no obligation to accept any liability hereunder where want or repair or damage caused to the premises has been caused by or results from any act or default or negligence of the Lessee or other Tenant or any persons under the control or any Tenant in the building.

11.4 Structural Maintenance Repair and Replacement

The Landlord shall be responsible for all structural maintenance, repair and replacement required in respect of the premises or the building of which the premises form part other than such work required by reason of the particular nature of the use carried on by the Tenant or the number or sex of persons employed on the premises by the Tenant.

11.5 Compliance with Legislation

The Landlord shall at its own cost comply with all legislation requiring the Landlord to expend moneys on any improvement addition or alteration to the building or premises including any notice or requisition issued under the Building Act 2004 or any regulation or code made under the Act or like regulation except in those cases where the provisions of Clause 8.1(a) place the responsibility and costs for such work on the Tenant or where expenditure is necessary as a result of the Tenant's particular use of the premises.

Handwritten signature and initials, possibly 'WR' or 'WR' with a flourish.

11.6 Building Services Repair and Replacement

The Landlord shall be responsible for any servicing, repair, replacement, major overhaul or upgrading required of any building services.

Additional Compliance Clause (Clauses 21.6)

- 21.6 The Landlord shall at all times comply with the Health and Safety at Works Act 2015 ("the Act") and put in place a Health and Safety management plan, in respect of its employees and all other persons in the premises or on the property who are the responsibility of the Landlord, when those persons are in the premises or on the property, and the Landlord shall comply with the provisions of the Act, including but not limited to Section 101 where any work is required by the provisions of this lease to be undertaken by the Landlord.

Additional Tenant Not to Void Insurances (Clause 24.3)

- 24.3 This clause shall only apply where the Landlord has produced copies of the relevant insurance policies to the Tenant prior to the Tenant carrying on a trade or occupation upon the Premises which cause a breach under this lease.

Additional Partial Destruction Clause (Clause 27.2 to 27.4)

- 27.2 Any repair or reinstatement may be carried out by the Landlord using such materials, form of construction and according to such plan(s) as the Landlord thinks reasonably fit subject to the Tenant's consent, not to be unreasonably or arbitrarily withheld. Any such repair or reinstatement shall be sufficient so long as it is reasonably adequate for the Tenant's use, enjoyment and occupation of the building and the premises provided that the repaired and reinstated building, including its plant, equipment, services, systems and the Premises shall be of no lesser quality, standard and usefulness to the Tenant than existed prior to being damaged.
- 27.3 Until the completion of the repairs or reinstatement, and as from the date of such damage, a fair proportion of the annual rent and the outgoings payable by the Tenant under this Lease shall cease to be payable, according to the nature and the extent of the damage.
- 27.4 Where under this provision the Landlord shall have commenced any repair or reinstatement but following commencement and for any reason whatsoever the Landlord does not continuously nor diligently carry out such repair or reinstatement through to completion so that in the reasonable opinion of the Tenant the repair or reinstatement is unreasonably delayed, then the Tenant may give to the Landlord one month's written notice to terminate and the Lease term shall terminate upon the expiry of such notice.

28 Cancellation Clause (Clause 28.1 to 28.2)

- 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

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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 specific in a notice served on the tenant in accordance with section 246 of the Property Law Act 2007.

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

28.2 For the purposes of subclause 28.1(b) a breach of the Tenant's obligations contained in that subclause shall include the following situations:

- (a) 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.
- (b) in the event of the insolvency, bankruptcy, statutory management, voluntary administration, receivership or liquidation of the Tenant.
- (c) 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).

Clause 48.1: Additional Landlord's Obligations Clause (Clause 48.1)

48.1 The Landlord shall at its own cost throughout the term of this lease or any renewal entered into pursuant to the rights contained in this lease punctually comply with, satisfy and/or discharge all obligations as owner of the property under all legislation, regulations, bylaws or notices by any governmental or territorial authority and shall ensure that the property is managed to a high standard in accordance with best property management practices and shall ensure that the building is kept locked and secure from the public outside of normal working hours, during weekends and Public Holidays.

Clause 49: Tenant's Internal Cleaning (Clause 49)

49.1 The Landlord agrees that the Tenant shall attend to its own internal cleaning of the Premises unless otherwise agreed and the same shall not be levied as an outgoing by the Landlord.

Clause 50: Restrictions on Landlord Leasing Space in the Building to Certain Tenants (Clause 50)

50.1 The Landlord shall not allow any other tenant to carry on a business in the building:

- a. that is harmful to the Tenant or its clients or visitors; or
- b. that detracts from the general character of the Building as a good quality premises for professional firms or institutions.



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Clause 51: Landlord to Provide Keys to the Security Gates at the Property Entrance (Clause 51)

- 51.1** The Landlord shall provide the Tenant with keys to the security gates giving access to the Building if the gates are padlocked after hours.

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~~THIRD SCHEDULE~~

~~FURTHER TERMS (if any)~~


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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:~~

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FIFTH SCHEDULE

LANDLORD'S FIXTURES AND FITTINGS

(Subclause 45.1 (f))

- All partitions, doors, glazed reception area, kitchen cabinetry and sink bench, existing instantaneous hot water unit and all associated fitting and plumbing.
- Suspended ceiling.
- Light fittings.
- Mens' and womens' toilets including urinal, WCs, hand basins and all associated plumbing.
- Sprinklers/Fire alarm system.
- Security system and the alarm system in the Skyline garage.
- Power outlets/switches.
- Data points.
- Data cabling.
- Carpet and vinyl.

TENANT'S FIXTURES, FITTINGS AND CHATELS

(Subclause 45.1 (x))

- Fridge.
- Microwave.

Handwritten signature and initials in the bottom right corner of the page.

SIXTH SCHEDULE

PREMISES CONDITION REPORT

(Subclause 8.1)

A handwritten signature in black ink, appearing to be 'M' or 'M.' with a long vertical stroke.Handwritten initials 'wf' in black ink.

Dated

2016

Between

The Woolstore Seven Limited (6054434)

Landlord

and

Eugie Services New Zealand Limited (4020058)

Tenant

and

Guarantor

DEED OF LEASE

General address of the premises:

8 Burnham Street, Lower Hutt, Wellington

MM
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AGREEMENT TO LEASE

Parties

The Woolstore Seven Limited (6054434)

and

Engic Services New Zealand Limited (4020058)



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.