

Deed of Lease

141-157 Queens Road

Panmure

Auckland

Between

YY Investment Limited

Landlord

and

Tamaki Redevelopment Company Limited

Tenant

This document is provided for the purposes of facilitating discussion between the parties. The Tenant reserves the right to add or amend this document. The Tenant needs to obtain various internal and external approvals to enter into this agreement. This document is not binding until signed by all relevant parties.

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Deed dated

2019

Parties

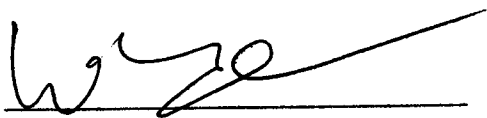
- 1 YY Investment Limited (the Landlord)
- 2 Tamaki Redevelopment Company Limited (the Tenant)

Operative Part

- A The Landlord leases to the Tenant and the Tenant takes on lease the Premises and the Carparks (if any) described in Schedule 1, together with the right to use:
- 1 the Common Areas; and
 - 2 the Landlord's fixtures and fittings,
- for the term, from the Commencement Date and at the annual rent (subject to review if applicable) as set out in Schedule 1.
- B The Landlord and the Tenant covenant as set out in the schedules of this lease.

Execution

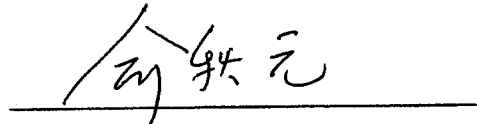
Signed by and on behalf of YY Investment Limited as Landlord by:



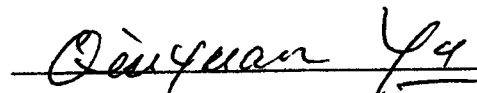
Director's signature



Director's name



Director's signature



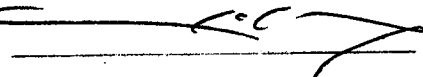
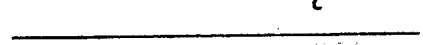
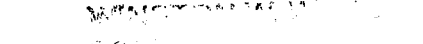
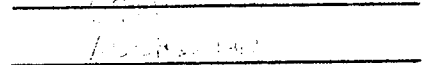
Director's name

Witness signature

Full name

Occupation

City/Town

WINSTON W. WANG
SOLICITOR
AUCKLAND

Signed under attorney for Tamaki Redevelopment Company Limited
as Tenant by:



Authorised signatory's signature
Paul William McElwre CFO

Authorised signatory's name and title

Authorised signatory's signature

Authorised signatory's name and title

Witness signature 

Full name **Katrina Wilson**

Occupation **Solicitor**

City/Town **Auckland**



Schedule 1 Lease Details

1 Land	All that parcel of land situated at 141-157 Queens Road, Panmure, being Lot 8 Deposited Plan 122995 comprised and described in record of title NA71C/390 (North Auckland Registry) shown outlined in red and shaded in orange on the plan attached as Schedule 5 upon which the Building is erected.
2 Building	The single level commercial building situated on the Land and as shown on the plan attached as Schedule 5.
3 Premises	All of the Land and the Building comprising a total rentable area of 1,117m ² made up of an estimated area of more or less 563m ² for the Building.
4 Carparks	No less than 10 exclusive carparks as included in the Premises.
5 Bike parks	Not applicable
6 Term	Two (2) years
7 Commencement Date	1 December 2019
8 Further Terms	One (1) right of renewal of two (2) years
9 Renewal Dates	1 December 2021
10 Final Expiry Date (including all renewals)	30 November 2023



11 Gross Annual Rent	\$120,000.00 per annum plus GST (including the Carparks) comprising:		
a Premises	Total Premises rent	1,117m ² more or less (for the Land and Building)	\$120,000.00 plus GST per annum.
b Carparks	Total Carpark rent		Included in the Annual Rent.
c Storage areas	Total storage areas rent		Not applicable
d Total Annual Rent	= \$120,000.00 plus GST per annum		
12 Monthly Payments of Rent	\$10,000.00 per calendar month plus GST		
13 Rent Commencement Date	1 March 2020		
14 Rent Payment Dates	On the basis of clauses 1.3 and 47.1, the first day of each month commencing on the 1 st day of June 2020		
15 Rent Review Dates	CPI rent review on each renewal date		
16 Default Interest Rate	3% per annum above the 90 day bank bill buy rate disclosed on Reuters screen page BKBK (or its successor page) at 11.00am on the date of commencement of the default.		
17 Permitted Use	Commercial offices for the provision of government or professional services, training, storage and carparks and any other use permitted pursuant to the District Plan of the Territorial Authority having jurisdiction in respect of the Premises.		
18 Insurance	Cover on the basis set out in clause 23.1 or clause 23.2 if applicable against a comprehensive range of risks including, without limitation, loss, damage or destruction by fire, flood, explosion, lightning, storm, earthquake, volcanic activity and such other risks as the parties may agree.		
	a Landlord:	C/- 68 Arney Crescent, Remuera, Auckland 1050 Email: [TBA]	

19	Addresses for service of notices		
		b Tenant:	C/- Paul McElwee, 244 Apirana Avenue, Glen Innes, Auckland 1072 Email: paul.mcelwee@tamakiregeneration.co.nz
20	Schedules	a Schedule 1	Lease details
		b Schedule 2	Covenants
		c Schedule 3	Fixtures and Fittings
		d Schedule 4	Premises Condition Report
		e Schedule 5	Plans
		f Schedule 6	Building Performance Specifications

WPK FM

Schedule 2 Covenants

1 Rent

- 1.1 The Tenant will pay the annual rent by equal monthly payments in advance on the rent payment dates. The first monthly payment (together with annual rent calculated on a daily basis for any period from the rent Commencement Date to the first rent payment date) will be payable on the first rent payment date.
- 1.2 All annual rent will be paid by direct payment to the Landlord or as the Landlord may reasonably direct.
- 1.3 Notwithstanding anything to the contrary, the Tenant will not be liable to commence paying the annual rent for the three-month period commencing on the Commencement Date and ending on the day before the rent Commencement Date (both days included).
- 1.4 The Tenant will not be liable to pay in any way for any:
- a naming rights or signage rights;
 - b the Excluded Areas;
 - c the Bike Parks;
- and nor will these be treated as enhancements for rent review purposes.

2 Rent Review

- 2.1 The annual rent payable from each rent review date may be reviewed on each of the rent review dates in accordance with the following provisions of this clause 2.
- 2.2 At any time not earlier than six months and not later than three months prior to each of the rent review dates (time being of the essence), the Landlord may give written notice (**Landlord's Rent Notice**) to the Tenant specifying the annual rent proposed by the Landlord as the market rent for the Premises and the Carparks as at that rent review date. The Landlord's Rent Notice must:
- a set out the consequences of failing to respond to that notice within 20 Working Days in accordance with clause 2.6; and
 - b be accompanied by a report from a registered valuer which:
 - i substantiates that the Landlord's proposed rent is the market rent as at the rent review date;
 - ii provides evidence of comparable rents and analysis and reconciliation of the evidence to the market rent for the Premises and the Carparks; and
 - iii is otherwise compliant with the New Zealand Institute of Valuers valuation standards.
- 2.3 If the Landlord has not given the Landlord's Rent Notice three months prior to the rent review date, then the Tenant may at any time thereafter commence the review of the annual rent by giving to the Landlord written notice (**Tenant's Rent Notice**) specifying the annual rent proposed by the Tenant to be the market rent for the Premises and the Carparks as at that rent review date. The Tenant's Rent Notice must be accompanied by a report from a registered valuer which:

- a substantiates that the Tenant's proposed rent is the market rent as at the rent review date;
 - b provides evidence of comparable rents and analysis and reconciliation of the evidence to the market rent for the Premises and the Carparks; and
 - c is otherwise compliant with the New Zealand Institute of Valuers valuation standards.
- 2.4 If the proposed annual rent specified in the Landlord's Rent Notice or the Tenant's Rent Notice is accepted by the other party, then the Tenant will commence paying such annual rent from the relevant rent review date.
- 2.5 If within 20 Working Days of receipt of the Landlord's Rent Notice or the Tenant's Rent Notice, the party receiving the notice gives the other party a written notice (**Disputing Party's Notice**) which:
- a disputes that the amount specified in the Landlord's Rent Notice or the Tenant's Rent Notice (as the case may be) as the market rent is the market rent as at the relevant market rent review date;
 - b specifies the annual rent proposed by that party to be the market rent; and
 - c is accompanied by a report from a registered valuer which:
 - i substantiates that the rent specified pursuant to clause 2.5b is the market rent as at the rent review date;
 - ii provides evidence of comparable rents and analysis and reconciliation of the evidence to the market rent for the Premises and the Carparks; and
 - iii is otherwise compliant with the New Zealand Institute of Valuers valuation standards;
- then the market rent will be determined in accordance with the provisions of clauses 2.13 to 2.24.
- 2.6 If a Disputing Party's Notice is not given in accordance with clause 2.5 within the 20 Working Day period specified in that clause (time being of the essence) then the proposed annual rent specified in the Landlord's Rent Notice or the Tenant's Rent Notice (as applicable) will be deemed to have been accepted in accordance with clause 2.4.

Interim rent and adjustment

- 2.7 Pending the determination of the new annual rent, the Tenant will pay an interim rent equal to the rent that was payable by the Tenant immediately prior to the relevant rent review date.
- 2.8 Any variation in the annual rent resulting from the determination of the market rent will take effect on and from the relevant rent review date notwithstanding that the market rent may have been determined after that rent review date.
- 2.9 A tax invoice (where there is a rent shortfall) or credit note (where there is a rent overpayment) will be issued by the Landlord for the rent adjustment within 15 Working Days of the determination of the annual rent.

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2.10 Where the annual rent has increased following review, the rent adjustment will be made by the Tenant making a payment to the Landlord of the amount of the tax invoice no later than the date that is 15 Working Days following receipt by the Tenant of the tax invoice issued pursuant to clause 2.9.

2.11 Where the Landlord is required to issue a credit note pursuant to clause 2.9, the rent adjustment will be made at the Tenant's option by either:

- a a refund payment by the Landlord to the Tenant of the amount of the credit note within 60 Working Days of the determination of the annual rent; or
- b by deduction from the monthly rent payments due under this lease regardless of who the Landlord is at the time of such deduction but without prejudice to the rights of the Tenant against any previous landlord.

If the Landlord is in default of any obligation imposed on the Landlord under clause 2.11a then the Tenant may make deductions in accordance with clause 2.11b.

Negotiations and disagreement

2.12 If either party serves on the other party the Disputing Party's Notice or if the parties cannot agree on the annual rent payable from a renewal date in accordance with clause 28.1a (as applicable) then the following provisions will apply:

- a The Landlord and the Tenant either themselves or through their registered valuers or both will immediately enter into negotiations to agree the market rent.
- b The negotiations (including all correspondence), the registered valuers' reports referred to in clauses 2.2 and 2.3 will be admissible at the determination or arbitration or any other proceedings pursuant to clauses 2.13 to 2.17.
- c If the parties are unable to reach agreement within 30 Working Days from receipt of the Disputing Party's Notice, then the new annual rent will be determined either:
 - i by one party giving written notice to the other requiring the new annual rent to be determined by arbitration pursuant to clauses 38.7 and 38.8; or
 - ii if the parties agree:
 - A by registered valuers acting as experts, and not as arbitrators, in accordance with the following provisions of this clause 2; or
 - B By mediation on the basis set out in clauses 38.2 to 38.5.

Expert determination

2.13 If clause 2.12ciiA applies, each party will:

- a appoint a reputable registered valuer with extensive experience acting as an expert in property and rent review related disputes (collectively the valuers); and
- b give written notice of the appointment to the other party within 10 Working Days (time being of the essence) of the parties agreeing to so determine the new annual rent.

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The written notice will detail the consequences set out in clause 2.14 of a party failing to appoint a valuer.

- 2.14 If a party fails to appoint a valuer and give written notice of the appointment in accordance with clause 2.13 within the 10 Working Day period (time being of the essence) then the valuer appointed by the other party will determine the new annual rent and such determination will be binding on both of the parties.
- 2.15 Within 10 Working Days of the date that both parties have appointed their valuers and given written notice of the appointment to each other the valuers will agree and appoint a third expert who must be a reputable registered valuer with extensive experience in acting as an expert in property and rent review related disputes. If the valuers or the parties fail to agree upon the appointment of a third expert then either party may request the President of the New Zealand Institute of Valuers to appoint a third expert as follows.
- a the President will provide the parties with three possible experts;
 - b the parties may advise the President of any objections or preferences which the parties may have in respect of the experts;
 - c the President will have regard to any such objections or preferences when appointing the third expert from the three possible experts; and
 - d the third expert appointed must be a reputable registered valuer with extensive experience in acting as an expert in property and rent review related disputes who has no conflict of interest and who has sufficient knowledge of the local market.
- 2.16 The valuers will enter into discussions to endeavour to determine the market rent. If the valuers fail to agree the annual rent within 30 Working Days of the appointment of the third expert, or within such other time as agreed by the Landlord and Tenant, then the new annual rent will be determined by the third expert. The third expert will:
- a act as an expert and not as an arbitrator in determining the new annual rent;
 - b take into consideration all documents, information and representations submitted by the valuers and/or the parties which the third expert in his or her absolute discretion considers relevant but will not be bound by such documents, information or representations;
 - c give each party a reasonable opportunity to provide submissions in response to any documents, information and representations submitted by the other party but will not be bound by such submissions;
 - d have the right to require the parties' to make oral representations (but the parties have no right to a formal hearing); and
 - e not be expected or required to obtain or refer to any other documents or information, but may do so if he or she considers it necessary.

The parties will agree the terms of the third expert's engagement (including any indemnities and liability for negligence) but in the event that the parties are unable to reach agreement either party may request the President of the New Zealand Institute of Valuers to agree the terms of the third expert's engagement. The third expert's determination will be final and binding on the parties.



- 2.17 Notwithstanding anything to the contrary, the new annual rent payable from the rent review date will not be less than the rent specified in the Tenant's Rent Notice or more than the rent specified in the Landlord's Rent Notice.

Regards

- 2.18 In determining the market rent the valuers, the third expert or the arbitrator (as applicable) will have regard to:
- a the Tenant's actual use of the Premises for Government office accommodation, for so long as the Tenant is a Crown Organisation;
 - b the provisions of this lease;
 - c the condition of the Premises as set out in the Premises Condition Report and any subsequent deterioration in, or degradation of, or adverse, harmful or deleterious condition of, the Premises or the Building or the Land, including any failure to meet the Building Performance Specifications or the functioning of the Building Services;
 - d any failure of the Landlord to perform any of the Landlord's maintenance, repair, replacement, structural repair or structural replacement obligations and any other of the Landlord's obligations under this lease in accordance with industry best practice;
 - e any inherent defect in the Premises, the Building or the Land;
 - f any breach by the Landlord of clauses 9.15 to 9.30;
 - g any flooding or land subsidence as it may affect the Tenant's use and enjoyment of the Premises;
 - h any faulty design, construction, workmanship or repair in the Premises or the Building;
 - i any fault or failure in the Building or the Premises which results in the Building or the Premises (including the Building Services) failing to operate and perform in Good Operational Repair (unless caused by the Tenant);
 - j the effective rent payable in respect of any recent leaseings in Auckland of premises which are comparable to the Premises;
 - k any inducements offered to the Tenant prior to the Commencement Date of the Initial Term of the lease;
 - l any inducements (including incentives and key money) offered to tenants of comparable premises used or quoted to determine the effective market rent of those comparable premises; and
 - m the Tenant's obligation to pay the consumables under clause 3.

Disregards

- 2.19 In determining the market rent, the valuers, the third expert or the arbitrator (as applicable) will completely disregard and not treat as an enhancement in any way or attribute a rent premium to:
- a the value of any goodwill attributable to the Tenant's business and the value of the Tenant's fixtures and fittings in the Premises;
 - b the Tenant's improvements to the Premises or the Building and any alterations and additional services and modifications to the Landlord's base building works and services paid for by the Tenant;
 - c any Landlord's works carried out by the Tenant pursuant to clause 13 unless the Landlord has fully reimbursed the Tenant for the cost of the same as at the relevant rent review date;
 - d the Tenant's signage rights or naming rights;
 - e the Excluded Areas;
 - f the Permitted Use (other than as it relates to the Tenant's actual use specified in clause 2.18a for so long as the Crown is the Tenant) and the effects of clause 14; and
 - g the provisions of clause 15.
- 2.20 The rent at any rent review date will not be assessed upon the basis of retail or showroom space.

Determination

- 2.21 When the new annual rent has been determined in accordance with this clause 2, the person(s) determining the rent will give written notice of the new annual rent and the reasons as to the basis of the determination of the new annual rent to the parties.
- 2.22 The costs incurred in any expert determination of the new annual rent will be borne by the parties in the following manner:
- a Subject to clauses 2.22b and 2.22c, each party will be responsible for the cost of its own appointed valuer.
 - b Where the determination is made by a single valuer pursuant to clause 2.14, the cost of his or her determination will be apportioned equally between the Landlord and Tenant.
 - c The Landlord and Tenant will equally share the costs of the third expert, unless any party has acted capriciously or unreasonably in any of the proceedings pursuant to the provisions of this clause 2, in which case the third expert may determine the manner in which these costs will be apportioned between the Landlord and Tenant.
- 2.23 The costs incurred in any arbitration to determine the new annual rent will be borne by the parties in the following manner:
- a Each party will be responsible for its own costs incurred, including costs of counsel and witnesses.
 - b The Landlord and Tenant will equally share the other costs of the arbitration, including the costs of the arbitrator, unless any party has acted capriciously or unreasonably in any of the proceedings pursuant to the provisions of this clause 2 and clause 38, in which case the



arbitrator may determine the manner in which these costs will be apportioned between the Landlord and Tenant.

- 2.24 Each party will be responsible for its own costs incurred in any mediation to determine the new annual rent and the costs of the mediation proceedings will be borne equally between the parties in accordance with clause 38.5.
- 2.25 A deed will be prepared by the Tenant's solicitors to document the new annual rent. Each party will meet its own the legal costs of and incidental to the preparation and completion of such deed.
- 2.26 Notwithstanding anything to the contrary, where the Tenant is a Crown Organisation, the Tenant may disclose the following to other agency departments or any other entity comprising a Crown Organisation and its professional advisers:
- a the annual rent payable from a rent review date however determined in accordance with this clause 2;
 - b any registered valuers' certificates, any registered valuers' reports and the evidence of comparable rents and the analysis of the same; and
 - c the determination of the annual rent by any arbitrator, or third expert, or mediator.

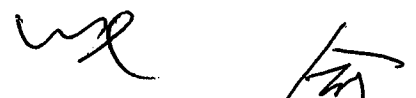
3 Tenant's other payments

Consumables

- 3.1 The Tenant will promptly pay the costs of all properly and reasonably incurred charges for the Tenant's consumables used by the Tenant in the Premises, including:
- a electricity (but excluding any cost of the supply to the Building Services) consumed in the Premises by the Tenant;
 - b energy actually consumed by the Building Services where Building Services are required by the Tenant within the hours of [6.00] pm (on a Working Day) until [7.00] am (the next following day), and at any time on a non-Working Day;
 - c telephones (except for charges for the emergency telephones in the lifts, and any other telephones for security, fire protection or other emergency services and systems, including central plant, of the Landlord);
 - d cable or satellite services including wireless networks supplied to and used in the Premises by the Tenant, including but not limited to the supply of broadband;
 - e cleaning of the interior of the Premises, including the interior face of any exterior windows (but excluding cleaning of any of the Common Areas);
 - f hygiene supplies;
 - g the collection of rubbish and recycling from the Premises (unless the Tenant elects for the Landlord to be responsible for such collection); and
 - h water.

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- 3.2 The Tenant may, at the Tenant's sole option, select and use the supplier of any services which are paid for by the Tenant pursuant to clause 3.1, including energy suppliers, and the Landlord will not object to or obstruct the selection of supplier of the Tenant or require the Tenant to purchase any services from or through the Landlord.
- 3.3 If the Premises are not separately assessed for any of the Tenant's consumables detailed in clause 3.1, then the Tenant will pay a fair proportion of the same provided that the Landlord will pay for the cost of separately metering energy costs so as to clearly identify any energy costs which are the Tenant's responsibility under this lease.
- 3.4 Appropriate consumable adjustments will be made promptly in respect of periods current at the commencement and the expiration, or sooner determination, of the term.
- 3.5 Notwithstanding clause 3.1, the Tenant will not be liable to pay for any increase in consumables which the Tenant is liable for under this lease to the extent the increase is as a result of any of the following matters and the Tenant will not be liable for any additional consumables as a result of any of the following matters:
- a any inherent defect in the Building, the Building Services, or the Premises;
 - b damage to the Building Services caused by flooding (except to the extent that the same is caused or contributed to by the wilful or negligent act or omission by the Tenant), land subsidence or seismic activity;
 - c in respect of the Building Services, faulty design, faulty construction and faulty workmanship undertaken by, or a failure to repair or replace when required by, the Landlord or persons under the control of the Landlord except to the extent that the same is caused or contributed to by the wilful or negligent act or omission by the Tenant;
 - d where and to the extent any consumables are caused by, result from, are attributable to, or increased by the wilful or negligent act or omission of the Landlord, its employees, contractors or agents or for any breach of the Landlord's obligations under this lease; or
 - e are attributable to any act or omission of any other tenant of the Building or the Land.
- 3.6 The Tenant will not be liable to perform any maintenance, repair or replacement obligations, to pay for any outgoings or consumables under this lease, or to pay for any other costs where the same are necessary as a result of or are occasioned by, arise from or are in any way attributable to any of the following matters:
- a inherent defect in the Building or the Premises;
 - b flooding, land subsidence or seismic activity;
 - c are attributable to any act or omission of any other tenant in the Building; or
 - d faulty design, construction, workmanship, repair or fault in the Premises or the Building (including the Building Services).
- 3.7 The Tenant will not be liable for any charges in relation to the Building Services owned by the Landlord or any charges in relation to any alterations and additional services and modifications to the Landlord's base building works and services paid for by the Tenant.

Two handwritten signatures are present at the bottom right of the page. The first signature is a stylized 'W' or 'M' shape. The second signature is a more complex, cursive signature.

4 Goods and Services Tax

- 4.1 The Tenant will pay to the Landlord or as the Landlord directs, or as is otherwise required, the GST payable by the Landlord in respect of the annual rent and any other payments which are the Tenant's responsibility under this lease.
- 4.2 The Tenant will pay the GST payable in respect of the consumables payable by the Tenant in accordance with clause 4.1 directly to the supplier of such supplies and services, if appropriate in the circumstances.
- 4.3 The GST in respect of the annual rent will be payable on each occasion when any annual rent payment falls due for payment. The GST in respect of any other payment to the Landlord, which is the Tenant's responsibility under this lease, will be payable by the Tenant upon the receipt of an appropriate GST Invoice.
- 4.4 If the Tenant defaults in the payment of the annual rent or any other moneys payable under this lease and the Landlord becomes liable to pay Default GST, then the Tenant will on demand pay to the Landlord the Default GST.
- 4.5 The Landlord will provide to the Tenant one scheduled multiple tax invoice in respect of the annual rent payable detailing;
- a such separate supply made identified as follows:
 - i for the Premises on a per-floor basis;
 - ii for the Carparks;
 - iii for the storage areas (if any);
 - b the due date for payment for each such supply; and
 - c the GST inclusive amount payable in respect of each such supply.
- 4.6 The Landlord will provide the scheduled multiple tax invoice referred to in clause 4.5 to the Tenant within 15 Working Days of:
- a the Commencement Date in respect of the period from and including the Commencement Date up to but not including the first review date; and
 - b each rent review date or the determination of the new market rent (whichever is the later) in respect of the period from and including such rent review date up to but not including the next rent review date.

5 Interest on unpaid money

- 5.1 If the Landlord or the Tenant defaults in the payment or the repayment of any annual rent or any other moneys payable or reimbursable under this lease for 20 Working Days (or for such lesser period as may be specified in this lease) after such payment or repayment becomes due, then the Landlord or the Tenant (as applicable) will pay on demand interest to the other party at the default interest rate on the unpaid moneys from the due date for payment until the date of actual payment.

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6 Costs

- 6.1 Each party will pay its own costs of and incidental to the negotiation and preparation of this lease and the preparation or review of any rent review, renewal, variation, or surrender.
- 6.2 The Tenant will pay the Landlord's reasonable legal costs (as between solicitor and client) which directly result from the enforcement of the Landlord's rights and remedies under this lease. Such legal costs will only be recoverable should the need for enforcement, directly arise from the wilful or negligent act or omission of the Tenant or through the Tenant otherwise failing to observe and perform the Tenant's obligations under this lease.
- 6.3 The Landlord will pay the Tenant's reasonable legal costs (as between solicitor and client) of and incidental to the enforcement of the Tenant's rights and remedies under this lease. Such legal costs will only be recoverable should the need for enforcement, arise from the wilful or negligent act or omission of the Landlord or through the Landlord otherwise failing to observe and perform the Landlord's obligations under this lease.

7 Landlord to pay outgoings

- 7.1 The Landlord will pay all outgoings, costs and consumables in respect of the Premises, the Building (including the Building Services) and the Land other than the consumables payable by the Tenant directly to the supplier in accordance with clause 3.

8 Tenant's maintenance and care of Premises

- 8.1 The Tenant will keep and maintain the interior of the Premises in good, clean, order, repair and condition having regard to the condition of the Premises as set out in the Premises Condition Report. The Tenant will at the end or sooner determination of the term yield up the same in good, clean, order, repair and condition but having regard to the age of the Premises at the end or sooner determination of the term.
- 8.2 The obligations of the Tenant detailed in clauses 8.1, 8.4 and 8.5 do not include responsibility for:
- a fair wear and tear;
 - b any damage caused by fire, flood, explosion, lightning, storm, earthquake, or volcanic activity or the occurrence of any other peril;
 - c inherent defects, faulty design, construction, workmanship, repair or any other fault in the Premises or the Building (including the Building Services and dirty or stained ceiling tiles), unless such defects or faults are attributable to a negligent act or omission of the Tenant;
 - d maintenance, repair, and replacement of the whole or any part of the Building Services, unless the provisions of clauses 8.3a and 8.3b apply;
 - e any maintenance or repair required because of any act or omission of any other tenant in the Building; and
 - f cleaning the Landlord's ceiling tiles and any equipment of the Landlord which is located in the underside of the ceiling of the Premises, including the Landlord's air-conditioning diffusers (if any) and the Landlord's lighting equipment (except those items referred to in clause 8.3c), all of which are the responsibility of the Landlord. Notwithstanding that the

Tenant has no responsibility for cleaning the items referred to in this subclause, the Tenant may at its sole option clean those items.

8.3 The Tenant will:

- a repair all breakage or damage to all doors, glass, windows, light fittings and the power points of the Premises which is directly and clearly caused by the Tenant or persons under the control of the Tenant;
- b repair any damage which is directly caused by any abnormal, improper or careless use of the Building, including the Building Services and the Premises, by the Tenant or persons under the control of the Tenant; and
- c after the first anniversary of the Commencement Date, replace all damaged or non-operative light bulbs, globes and tubes in the Premises;

provided that the provisions of this clause 8.3 will not apply if such damage is covered by the Landlord's insurance policy. Prior to the first anniversary of the Commencement Date, the Landlord will, at its cost, replace all damaged or non-operative light bulbs, globes and tubes in the Premises.

8.4 Redecoration:

- a For so long as the Tenant is a Crown Organisation, the Tenant will have no obligation to redecorate the Premises but may paint and decorate to a reasonable standard those parts of the interior of the Premises which have previously been painted and decorated, as and when considered desirable by the Tenant, at the Tenant's sole discretion.
- b If the Tenant is not a Crown Organisation, then the Tenant will paint and redecorate those parts of the interior of the Premises which have previously been painted and decorated when reasonably necessary and to a specification approved by the Landlord. The Landlord will not unreasonably withhold its approval to a specification which is no less than the specification which applied as at the Commencement Date.

- 8.5 The Tenant will keep all floor coverings in the Premises clean and tidy, excepting fair wear and tear. Notwithstanding anything to the contrary, the Tenant is not obligated to replace the Landlord's floor coverings.

9 Landlord's maintenance and care of the Building and the Premises

Maintenance of roof and exterior

- 9.1 The Landlord will, at its cost, during the term and any renewal term keep and maintain the exterior of the Building, (including the exterior fabric, the roof, the exterior doors and the external windows) watertight, weather tight, clean, in good, order, repair and condition, and in compliance with the Building Performance Specifications.
- 9.2 The Landlord will, when reasonably necessary and required by the Tenant, repaint, clean or otherwise redecorate, the exterior of the Building including the roof, external entrance-ways, verandas, exterior doors and exterior windows.

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Water damage

- 9.3 If any goods, merchandise or property of any kind which may be in the Premises during the term or any renewal term are damaged or destroyed by water or otherwise, or through inflow or leakage of water, then subject to clause 9.4 the Landlord will be liable in respect thereof.
- 9.4 The Landlord will not be liable under clause 9.3 where:
- a the Tenant was aware of any defect in the roof or exterior of the Building liable to cause such damage and did not give prior notice to the Landlord of such defect; or
 - b the Tenant becomes aware of the defect when it is too late to prevent such damage occurring, but does not give the Landlord notice of the defect as soon as reasonably practicable following becoming aware of such defect; or
 - c want of repair or damage caused to the Premises has been caused by or contributed to or results from any act or default or negligence of the Tenant or any persons under the control of the Tenant.

Structural maintenance, repair and replacement

- 9.5 The Landlord will at its cost during the term and any renewal term keep and maintain the Building structure and all constituent elements in good order, repair and condition and in compliance with the Building Performance Specifications, including undertaking all structural maintenance, structural repairs and structural replacements (including any roofing repairs) required in respect of the Building and the Premises.

Building and its equipment

- 9.6 The Landlord will, at its cost:
- a maintain the Building in Good Operational Repair at all times; and
 - b make good design, construction, workmanship and repair defects in the Building;
- as soon as reasonably possible.

Maintenance Contracts

- 9.7 The Landlord will enter into and keep current, at the Landlord's cost and to the Tenant's reasonable satisfaction:
- a comprehensive maintenance, service, repair and replacement contracts to ensure that the Landlord complies with its obligations pursuant to clause 10 (**Maintenance Contracts**); and
 - b warranties for all Building Services.

Tenant's maintenance contract approval

- 9.8 The Landlord will give the Tenant prior written notice before it enters into any Maintenance Contracts and, if requested by the Tenant, will submit the Maintenance Contracts to the Tenant, as soon as reasonably practicable, for its prior approval. The Tenant's response will be promptly given and approval will not be unreasonably withheld and the Landlord will supply the Tenant with copies of the signed Maintenance Contracts within a reasonable time of receipt.

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9.9 The Landlord will:

- a advise the Tenant of all reports and any other relevant information that it receives relating to the Building Services; and
- b If requested by the Tenant, at the Landlord's cost, promptly supply the Tenant with copies of all reports and other information requested.

9.10 The Landlord will, at its cost, ensure that all HVAC systems are turned on or fired up so as to ensure that the HVAC systems meet the Building Performance Specifications at the commencement of Normal Business Hours.

Sundry exterior Landlord obligations

9.11 The Landlord will at its cost:

- a promptly remove graffiti from the exterior of the Building;
- b clean the exterior of the Building, (including the roof, any exterior spandrels, solar shading and the exterior doors) as and when reasonably necessary, but not less than four times a year computed from the Commencement Date;
- c use reasonable endeavours to keep pigeons and other birds from perching or roosting on or in the Building;
- d clean and remove any pigeon, other bird, animal, rodent, and pest effluent and detritus from the exterior of the Building;
- e clean the exterior windows of the Building on a regular basis and as and when reasonably necessary but not less than four times a year computed from the Commencement Date;
- f clean the gutters and down pipes of the Building as and when reasonably necessary, but not less than two times a year computed from the Commencement Date;
- g clean and maintain the Common Areas on a daily basis;
- h clean and maintain any canopies, verandas, atriums or skylights which are fixed to, or which are part of the Building as and when reasonably necessary but not less than four times a year computed from the Commencement Date; and
- i keep the Land (including fences, internal and external landscaping, paved areas and courtyards (if any)) and the Building clean, tidy, free from rubbish and weeds and in good order, repair and decorative condition.

Landlord alterations and Common Areas

9.12 The Landlord will not alter the entrance foyer(s), the Common Areas, any directory signage of the Building, or the colour of the exterior of the Building without having first obtained the prior written consent of the Tenant, not to be arbitrarily or unreasonably withheld.

9.13 The Landlord will ensure that a reasonable supply of replacement tiles and standard light fittings are readily available for the ceilings in the Common Areas and the Premises. If at any time the tiles in the Premises are damaged in circumstances where the Landlord is liable for their replacement and there are insufficient original tiles, the Landlord will procure that the replacement

titles are of no lesser quality (including in relation to acoustic qualities) than the tiles in place at the Commencement Date and that visually consistent tiles are used throughout the Premises.

- 9.14 The Landlord will replace the Landlord's floor coverings in the Premises and the Common Areas when reasonably requested by the Tenant with floor coverings of at least the same quality and standard and a similar colour as the floor coverings laid in the Premises as at the Commencement Date and identified in the Premises Condition Report.

Seismic rating

- 9.15 For the purposes of clauses 9.16 to 9.28:

- a **Evaluation** means a detailed engineering evaluation of the Building which is obtained pursuant to clause 9.18.
- b **Expert Engineer** means an appropriately qualified structural engineer appointed to act as an expert pursuant to clauses 9.24 and 9.26.
- c **NBS** means the new building seismic standard in NZS1170.5:2004 as it applies at the Commencement Date or as amended from time to time during the term of the Lease or any renewed or extended term.
- d **Required Standard** means 80% of NBS.
- e **Structural Works** means the works (if any) required to the Building in accordance with clause 9.20a.

- 9.16 The Landlord warrants that as at the Commencement Date the Building will perform to a minimum of [80% for an existing building] NBS of the new building standard (being the new building seismic standard as at the date that the building consent for the Building is issued) at Importance Level 2 of the New Zealand Building Code.

- 9.17 The Landlord will ensure that at all times during the term the Building meets the Required Standard and complies with any other applicable requirements of any Authority in relation to seismic rating.

- 9.18 The Tenant may obtain a detailed engineering evaluation of the Building (**Evaluation**) at any time after an earthquake which:

- i measures MM7 or higher on the New Zealand Modified Mercalli Intensity Scale (or any equivalent standard); or
- ii is classified as 'severe' or greater than 'severe' by GNS Science GeoNet.

- 9.19 If the Tenant elects to obtain an Evaluation pursuant to clause 9.18:

- a the Tenant will provide the Landlord with prior written notice;
- b the Landlord will promptly and fully cooperate with the Tenant and its consultants in relation to obtaining the Evaluation including providing the Tenant and its consultants with access to those parts of the Building not comprising the Premises as reasonably required and subject to the provisions of any applicable leases and in accordance with the Landlord's reasonable requirements;
- c the parties will each meet half of the cost of obtaining the Evaluation; and



- d the Tenant will provide the Landlord with a copy of the Evaluation.
- 9.20 If an Evaluation establishes that the Building will perform to less than the Required Standard, then the Tenant may at its sole discretion:
- a require the Landlord to carry out the works required to the Building so that it will perform to the Required Standard after completion of the works, such works to be carried out on terms acceptable to the Tenant; or
 - b terminate this Lease by giving written notice to the Landlord advising the date on which this Lease will terminate.
- 9.21 No costs involved in the Structural Works or related to the seismic rating of the Building (except half the cost of the Evaluation) will be recoverable from the Tenant.
- 9.22 If the Tenant requires the Landlord to undertake the Structural Works pursuant to clause 9.20, the Landlord will, at its cost:
- a direct its consultants to prepare plans and specifications which identify the Structural Works which are necessary to ensure that the Building will perform to the Required Standard; and
 - b ensure that the plans and specifications are provided to the Tenant within 3 months (or within any further period agreed by the parties) of the Landlord's decision to undertake the Structural Works for its approval (not to be unreasonably withheld provided that the Tenant's structural engineer acting reasonably is satisfied that the Structural Works identified will ensure that the Building will perform to the Required Standard).
- 9.23 The Tenant must provide its approval, or advise the Landlord of its objections if the Tenant withholds its approval, of the plans and specifications within 4 months of receipt of the plans and specifications. If the Tenant withholds its approval:
- a the parties will consult and negotiate to resolve the Tenant's objections; and
 - b if resolved, the Landlord will amend and provide the Tenant with the plans and specifications, with all amendments clearly identified, for the Tenant's approval. This clause 9.23b will apply in respect of the amended plans and specifications.
- 9.24 If the parties do not resolve the Tenant's objections within 2 months (or within any further period agreed by the parties) of the date that the Tenant gives the Landlord notice pursuant to clause 9.23, then either party may, at any time before the dispute is resolved, refer the dispute to the Expert Engineer who will make a determination. Following the Expert Engineer's determination, if applicable the Landlord will amend and provide the Tenant with the plans and specifications within 3 months with all amendments clearly identified, for the Tenant's approval. Clauses 9.23b and this clause 9.24 will apply in respect of the amended plans and specifications provided however that the Tenant must provide its approval, or advise the Landlord of its objections if the Tenant withholds its approval, of the plans and specifications within 2 months of receipt of the amended plans and specifications.
- 9.25 If during the development of, or following the Tenant's approval of, the plans and specifications the Landlord, the Tenant, the Landlord's contractor, any of the Landlord's consultants, or any of the Tenant's consultants become aware of any matter which may have an impact on the ability of the Building to perform to the Required Standard following the completion of the Structural Works, then the parties will agree the amendments (if any) required to the plans and specifications or the



Structural Works which the parties' engineers consider necessary to ensure that following the completion of the Structural Works, the Building will perform to the Required Standard.

9.26 If the parties cannot agree then either party may, at any time before the dispute is resolved, refer the dispute to the Expert Engineer who will make a determination.

9.27 If:

- a the parties cannot agree the terms on which the Structural Works will be carried out; or
- b the Structural Works are not undertaken for any reason;

then the Tenant may terminate this Lease by giving written notice to the Landlord advising the date on which this Lease will terminate.

9.28 Nothing in these clauses 9.16 to 9.28 will prejudice the Tenant's rights pursuant to clauses 22 and 23 or will prohibit the Tenant being a Crown Organisation or the Crown from obtaining at any time an evaluation of the Building for its own or the Crown's purposes provided however that the provisions in clauses 9.18 to 9.27 will not apply where the Tenant, being a Crown Organisation or the Crown, obtains its own evaluation of the building.

9.29 The Tenant may exercise any of its rights pursuant to clauses 9.16 to 9.28 notwithstanding how the Tenant may have previously exercised or not exercised such rights.

NABERSNZ

9.30 The Landlord shall engage a NABERSNZ Accredited Assessor (**Assessor**) to assess the Building and complete an initial certified Base Building Rating within a minimum of one year from the Commencement Date and no later than fifteen months from the Commencement Date.

9.31 Following the initial certified Base Building Rating, NABERSNZ certified Base Building Ratings shall be carried out on or before each subsequent anniversary of the Commencement Date for the duration of the term.

9.32 The Assessor shall carry out its assessment, and complete a certified Base Building Rating, professionally and impartially, and shall provide the results of its assessment, the rationale for that assessment, and any relevant responses on the inputs to the Tenant on request.

9.33 The Landlord shall provide appropriate energy sub-metering to comply with the NABERSNZ metering rules to enable either the Assessor to assess the Building and carry out a NABERSNZ Base Building Rating.

9.34 The Landlord warrants that the Building, in regards to energy performance, shall:

- a target a NABERSNZ 4.5-Star certified Base Building Rating; and
- b shall achieve a minimum of a NABERSNZ 4-Star certified Base Building Rating at all times during the term.



10 Not used

11 Notification of defects

- 11.1 The Tenant will give the Landlord notice of any damage to or defect in the Building (including the Building Services and the Premises) which the Tenant becomes aware of.

12 Landlord's rights of access

- 12.1 The Landlord is entitled to enter the Premises, at all reasonable times during business hours:

- a to view the condition of the Premises;
- b to carry out inspections and repairs to the Premises or to the Building and to install, inspect, repair, renew or replace any part of the Building (including the Building Services) where the same are not the responsibility of the Tenant; and
- c for re-letting or sale purposes;

in accordance with the provisions of this clause 12.

- 12.2 Prior to exercising the Landlord's right to enter the Premises pursuant to clause 12.1, the Landlord must give the Tenant prior written notice which should be at least 48 hours' prior written notice except in the case of an emergency.

- 12.3 If required by the Tenant, such persons must be accompanied by a representative of the Tenant (at the Tenant's sole discretion) or be accompanied by a representative of the Landlord, and hold written authorisations from the Landlord to enter the Premises for the relevant purpose.

- 12.4 The Landlord and any persons accessing the Premises, the Building (including the Building Services and the Common Areas) and the Land and carrying out any works pursuant to this clause 12 must do so with the least possible inconvenience to the Tenant.

- 12.5 If the Tenant's use and enjoyment of the Premises is materially disrupted because of any works carried out in accordance with this clause 12, then during the period from when the works are commenced until the works are completed and all disruption has ceased a fair proportion of the annual rent will 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 obligations under this lease.

- 12.6 The Landlord and any persons accessing or carrying out any works in accordance with this clause 12:

- a will comply with the Tenant's reasonable security requirements and protocols;
- b will comply with the Tenant's reasonable confidentially requirements; and
- c without limitation will not access, use, retain or disclose to any person or organisation any information on the Premises (including confidential information) relating to the Tenant's clients or their identity, and the Tenant's or other person's business.



13 Parties rights to remedy default

Tenant's compliance

13.1 If the Landlord gives the Tenant written notice of any failure by the Tenant to comply with any of the Tenant's obligations under this lease then the Tenant will comply with all reasonable speed.

13.2 If:

- a the Tenant defaults in the due and punctual compliance with any notice given pursuant to clause 13.1; or
- b any repairs which are the Tenant's responsibility are required to be undertaken as a matter of urgency;

(Tenant's Outstanding Works)

then without prejudice to the Landlord's other rights and remedies, the Landlord may, subject to clause 12, enter the Premises, with all necessary equipment and materials, to execute the Tenant's Outstanding Works. The Tenant's Outstanding Works must be carried out with the least possible inconvenience to the Tenant.

13.3 Any moneys reasonably expended by the Landlord in carrying out the Tenant's Outstanding Works will be payable by the Tenant to the Landlord within 20 Working Days of receipt by the Tenant of a GST invoice. If the Tenant fails to pay the costs within the 20 Working Day period the Tenant will pay interest on such costs, or the balance thereof which remains outstanding, at the default interest rate from the due date for payment to the date of payment.

Tenant's right to remedy Landlord's default

13.4 Where there is a failure of:

- a any of the Building Services to meet, operate or perform in accordance with the relevant Building Performance Specification; or
- b the Landlord to otherwise comply with its repair, maintenance or replacement obligations under this lease;

and such failure has a material adverse effect on the Tenant's use, operation and enjoyment of the Premises, the Building or the Land, then, without prejudice to the Tenant's other rights and remedies, the Tenant may give the Landlord written notice specifying the failure and requiring the Landlord to remedy the failure (**Tenant's Failure Notice**).

13.5 If the Landlord fails to remedy any failure set out in a Tenant's Failure Notice (and in the case of a recurring failure fails to permanently remedy the failure) within a reasonable time after receipt of the Tenant's Failure Notice (having regard to the nature, extent and urgency of the failure in any particular case), then after giving the Landlord 5 Working Days' notice of its intention to do so, the Tenant may enter such parts of the Building or the Land as are reasonably necessary to effect such works as are required to remedy the failure.

13.6 In the event of an emergency or the Landlord being unwilling or unable to urgently undertake emergency (being a situation where there is an immediate threat to health and safety or property) repairs or replacements that are the Landlord's obligations under this lease, then the Tenant will not be required to give the Landlord the periods of notice set out in clauses 13.4 and 13.5 prior to



carrying out such works as are required to remedy the failure in accordance with clauses 13.4 to 13.11.

13.7 If:

- a the Tenant elects not to exercise its right to effect works pursuant to clause 13.5; and
- b the Landlord has not remedied any failure set out in a Tenant's Failure Notice;

then a fair proportion of the annual rent will abate according to the nature and extent of the failure (having regard to the part of the Premises adversely affected by the failure). The abatement will apply for each and every day (or part day) from the applicable date of any such failure until the date that:

- c such failure has been made good by the Landlord to the Tenant's reasonable satisfaction; and
- d the Building (including the Building Services, the Common Areas and the Premises) is again meeting, operating and performing in accordance with the Building Performance Specifications.

13.8 The Tenant will be entitled to rely on the rights of entry that the Landlord has to enter any other premises in the Building (in the name of the Landlord) to carry out all work reasonably necessary to remedy the failure. The Tenant will ensure that, in exercising the Landlord's right of entry, the Tenant will not do anything which could cause the Landlord to be in breach of any of its obligations to any other tenant of the Building.

13.9 Any action by the Tenant pursuant to clause 13.5, will not release the Landlord from any liability in respect of the breach or non-observance by the Landlord of any of the Landlord's express or implied obligations under this lease.

13.10 The Tenant will be entitled to recover from the Landlord all actual costs incurred by the Tenant in rectifying the failure (including any legal and other consultant's costs). The Landlord will pay all costs 10 Working Days after the date that the Tenant provides the Landlord with a tax invoice (Due Date). If the Landlord fails to pay all costs on the Due Date, then the Landlord will pay interest on such amount at the default interest rate from the Due Date until the date of payment.

13.11 If the Landlord fails to reimburse the Tenant for the costs by the Due Date, the Tenant may (at the Tenant's sole option and without prejudice to the Tenant's other rights and remedies against the Landlord or any previous Landlord) set-off the costs and interest against future rent payments due under this lease provided that the Tenant will first give the Landlord 10 Working Days' notice of its intention to do so.

13.12 The Landlord will reimburse the Tenant for all damage or loss to the Tenant directly resulting from a negligent act or omission of or a breach of this lease by the Landlord or persons under the control of the Landlord. The Landlord will be liable to reimburse the Tenant only to the extent that the Tenant is not fully reimbursed under any insurance policy.

13.13 Clauses 13.5 to 13.12 will be binding on any subsequent purchasers of the Building or the Land or any part of it and on any successors and assigns of the Landlord and on any mortgagee and any sale or other disposition of the Building or the Land will be made on this basis, reserving any rights that the Tenant may have against any previous Landlord.

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14 Use of Premises

Permitted Use

- 14.1 The Tenant will 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 Permitted Use. The Landlord's consent will be given for any proposed use which is:
- a not in substantial competition with the business of any other occupant of the Building which might be unreasonably affected by the use;
 - b reasonably suitable for the Premises; and
 - c compliant with the Resource Management Act 1991 or any other statutory provision relating to resource management; and
 - d compliant with the District Plan of the territorial authority having jurisdiction in respect of the premises.
- 14.2 For so long as the Tenant is a Crown Organisation under this lease, nothing in clause 14.1 will prevent the Tenant from operating its normal business activities at the Premises.
- 14.3 If any change in use by the Tenant renders any increased or extra premium payable in respect of any insurance policy on the Building then the Landlord as a condition of granting any consent may require the Tenant to pay the increased or extra premium.
- 14.4 The Tenant will pay the Landlord's reasonable and proper costs in respect of any request by the Tenant for a change of the Permitted Use provided that the Landlord will not demand payment of any fine, or payment in the nature of a fine, in relation to such consent.
- 14.5 The carrying on by the Tenant of the actual Crown use recorded in Schedule 1, 16b or any other use of the Premises to which the Landlord has consented will not be deemed to be a breach of clause 14.1.

Removal of Contaminants

- 14.6 Contamination means any change to the physical, chemical, biological or other condition of the Land or the Building by a 'contaminant', as that word is defined in section 2 of the Resource Management Act 1991, and includes any other illegal, detrimental, dangerous, combustible or unhealthy substance.
- 14.7 The Tenant may require the Landlord to promptly, at the Landlord's cost and risk, undertake all works necessary to remove any Contamination from the Land or the Building immediately upon becoming aware of the same.
- 14.8 The Landlord will indemnify and keep the Tenant indemnified against all direct and indirect costs, losses and expenses of the Tenant which may arise as a result of any Contamination (including those arising in the event that the Tenant, at the Tenant's sole option, temporarily relocates its operations to another site until the Land and the Building are free of all Contaminants to the Tenant's reasonable satisfaction).
- 14.9 Clauses 14.7 and 14.8 do not apply to any Contamination caused directly by the Tenant, who will at its cost promptly remove any such Contamination from the Land or the Building.



15 Security systems

15.1 The Tenant may:

- a establish such independent security systems and controls within the Building as it sees fit and control entry to the Premises and access through the Common Areas;
- b utilise the Landlord's security systems in the Building and, at the Tenant's cost, partition such systems to provide security in respect of access to and from the Premises and through the Common Areas; and
- c the Tenant will, at its cost, arrange and be responsible for the management of, and the maintenance contract for, the Tenant's security system in the Premises.

15.2 The Landlord's security systems in the Building will, at the cost of the Landlord, be (or be made) compatible with, and capable of extension to, the Tenant's security system in the Premises.

15.3 Prior to the Commencement Date, the Landlord will at its cost supply such number of adequately programmed security card for the Landlord's security system in the Building as is consistent with the Building Performance Specifications.

15.4 The Landlord will at its cost supply keys to locks for the Building and the Premises as required to provide the Tenant access to the Premises, the Common Areas, and the Exercise Amenities Area.

15.5 Notwithstanding any rights of entry to the Premises granted to the Landlord under the lease, the Tenant may impose such security protocols on any person seeking entry to its Premises as the Tenant, at the Tenant's sole discretion, sees fit.

16 Use of Building by Landlord and other tenants

16.1 This tenancy will only relate to the Premises, the Carparks, the Bike Parks, the Exercise Amenities Areas and the Common Areas and will include the Tenant's unimpeded ingress and egress rights (with or without cars, as applicable) to the Building, including its Common areas, the Premises and the Carparks, the Bike Parks and the Exercise Amenities Area.

16.2 The Landlord will not, without the Tenant's prior written consent (which may be withheld at the Tenant's sole discretion), use or permit the whole or any part of the remainder of the Building or the Land to be used for any use which is:

- a inconsistent, incompatible or in conflict with, or likely to have a detrimental effect on, the Tenant's:
 - i corporate or public image;
 - ii the Permitted Use and, for so long as a Crown Organisation is the Tenant under this lease, the Tenant's normal business activities at the Premises; or
 - iii use and enjoyment of the Premises, the Building and the Land (including the safety of the Tenant's employees and visitors);
- b not reasonably suitable for the Building or the Land and is of a nature which is likely to cause disturbance to the Tenant (including noise, dust, vibration or any other interference).

16.3 When the Landlord seeks the Tenant's prior written consent in accordance with clause 16.2, it will provide the Tenant with details as to the Permitted Use and the restriction or limitations that relate to that Permitted Use (if any).

16.4 Where the proposed use involves the preparation and/or sale of food or beverages but the proposed use will not involve those premises being licenced to sell alcohol, the Landlord agrees it will first seek the Tenant's written consent to such use (which shall not be unreasonably or arbitrarily withheld provided that the provisions of clause 16.2 will be complied with).

17 Neglect of other tenant

17.1 Except as otherwise provided in this lease, the Landlord will not be responsible to the Tenant for any act default or neglect of any other tenant, licensee or occupier of the Building or the Land. However, the Landlord will:

- a not enter into any lease or licence or other occupancy agreement of the Building or the Land which by doing so breaches this lease; and
- b strictly enforce all of the terms of any tenancy with any other tenant, licensee or occupier of the Building or the Land so as to preserve the Tenant's rights under this lease.

18 Signage rights

18.1 The Landlord will, at its cost, provide:

- a readily visible signage on the exterior of the Building clearly identifying the street address of the Building (such signage including the location to be approved by the Tenant. Such approval will not be unreasonably withheld);
- b a directory board at the entrance or within the Building; and
- c signage for the Tenant on the Landlord's directory board.

18.2 The Tenant may at its cost install signage which provides directions to visitors and invitees of the Tenant as reasonably required by the Tenant from time to time.

18.3 The Tenant's signage will be installed in:

- a accordance with the requirements of all competent territorial Authorities;
- b a substantial and proper manner and so as to cause no unreasonable damage to the Building or any unreasonable interference to any tenant or other occupant of the Building.

18.4 The Tenant will at the determination of the term remove the Tenant's signage and make good any damage caused by such removal.

18.5 The Landlord will not without the Tenant's prior written consent:

- a permit any other tenant or occupier of the Building or any other third party to erect any sign, name plate, signboard or advertising device of any description on or to the exterior of the Building or on the Land; or
- b grant naming rights entitling any other tenant or occupier of the Building or any other third party to name the Building.



The Tenant will not unreasonably or arbitrarily withhold its consent where such sign, name plates, signboard or advertising device, and/or the name of the Building, does not:

- c conflict with the signage of the Tenant; and
- d have or is not likely to have a detrimental effect on or be inconsistent with or incompatible with the public image of the Tenant or the Tenant's use and enjoyment of the Premises and the Building.

19 Not Used

20 Tenant additions and alterations

- 20.1 The Tenant will not make any alterations or additions to the Premises without first supplying the Landlord with plans and specifications of the proposed alterations or additions to the Landlord for consent (such consent not to be unreasonably or arbitrarily withheld or delayed, and to be at the Landlord's cost).
- 20.2 The Landlord will not, as a term of the Landlord's consent required pursuant to clause 20.1, require the Tenant's compliance with any redecoration, make good, or any other reinstatement obligations to the Premises, other than the Tenant's compliance with the provisions of clauses 21.1 to 21.3 (as applicable). The provisions of clauses 21.1 to 21.3 will not be deemed to be a valid reason for the Landlord to withhold its consent pursuant to clause 20.1.
- 20.3 Where the Tenant carries out any building work (either as part of its fitout or in the course of making alterations to the Premises or the Building), then the Tenant will at all times comply with the requirements of the Building Act 2004, the then current building code pursuant to that Act and the provisions of any building consent issued under that Act. Such compliance will only be required in so far as any legislative or other requirements relate specifically to the Tenant's actual fitout or alterations to the Premises (**Actual Tenant's Works**).
- 20.4 Notwithstanding anything to the contrary, if any work is required to the Premises or to the Building in order to ensure that on completion of the Actual Tenant's Works the Premises or the Building meet, or will meet, the requirements of the Building Act 2004 then:
- a to the extent that the work is required to the Premises and is as a direct result of the Actual Tenant's Works, then the Tenant will at its cost carry out such work to the Premises; and
 - b to the extent that the required work relates to parts of the Building and the Land other than the Premises, then the Landlord will at its cost carry out such work.
- 20.5 Upon the completion of the Actual Tenant's Works, the Tenant will take all necessary steps to obtain a code compliance certificate, and (if necessary) a certificate of public use pending the obtaining of a code compliance certificate, for the Actual Tenant's Works.
- 20.6 Upon receipt of the code compliance certificate and (if applicable) the certificate of public use for the Actual Tenant's Works, the Tenant will forward an original copy to the Landlord.
- 20.7 Where the use of the Building or alterations to the Building including the Premises by the Landlord or by any previous tenant, licensee or other occupier did not comply with the requirements of the Building Act 2004 or the then current building code pursuant to that Act, and as a result of such non-compliance the Tenant incurs additional costs, losses and expenses in

carrying out the Actual Tenant's Works, then the Landlord will reimburse the Tenant for such additional costs, losses and expenses.

Vehicle charging stations

- 20.8 At any time during the term of the lease (or any renewal term) the Tenant may, at its cost, install vehicle charging stations on any of the Carparks (including where necessary any cabling required for the operation of such charging stations).
- 20.9 Prior to installing any vehicle charging stations, the Tenant shall provide to the Landlord notice in writing of the location of the charging stations to be installed.
- 20.10 Any vehicle charging stations installed by the Tenant shall be a Tenant fixture and the Landlord shall not be responsible for maintenance of the same.

21 Removal of Tenant's fixtures, fittings and chattels

- 21.1 Notwithstanding anything to the contrary, prior to the expiration of the term or within a reasonable period following any earlier determination of the term (including any date(s) of partial surrender or relinquishment provided for in this lease), the Tenant may, at the Tenant's sole option, but will not be required by the Landlord to:
- a leave all or part (as applicable) of the Premises and the Building (including the Building Services) as they then are;
 - b leave all or part of the Tenant's partitions, alterations, equipment, wiring, chattels, fixtures, fittings and improvements then in, on or attached to the Premises, or any surrendered part of the Premises (as applicable) in their then existing condition;
 - c remove all or part of the Tenant's (or any prior tenant's) partitions, alterations, equipment, wiring, chattels, fixtures, fittings and improvements in, on or attached to all or part of the Premises in which event the Tenant will make good any damage caused to any parts of the Premises affected by any such removal (except where clause 24.10 applies); or
 - d remove all or part of any vehicle charging stations installed on the Carparks by the Tenant pursuant to clause 20.8.
- 21.2 Any of the Tenant's (or any prior tenant's) property left in, on or attached to the Premises or any part of the Premises or any of the Carparks (as applicable) pursuant to clause 21.1:
- a for more than 10 Working Days; or
 - b following the expiration of a reasonable period where clause 24.10 applies;
- after the expiration or any earlier or partial determination of the term (if and as applicable) will be deemed to have become the property of the Landlord, at no cost to the Landlord.
- 21.3 The Landlord will have no further claim whether at law, in equity or otherwise against the Tenant for any matter arising from any such removal, leaving, non-redcoration or abandonment of the Tenant's partitions, alterations, equipment, wiring, chattels, fixtures, fittings, improvements and the Premises provided that the Tenant complies with clause 21.1.
- 21.4 Notwithstanding anything to the contrary, at the expiry of the term or any earlier surrender, partial surrender or other date of relinquishment of all or part of the Premises, the Tenant is not



obligated to paint or redecorate or replace floor coverings in any part of the interior of the Premises.

22 Compliance with legislation

Landlord's compliance obligations

- 22.1 The Landlord will, at its cost, comply with all statutes, ordinances, regulations, bylaws, requisitions, notices and the requirements of all competent Authorities relating to the Building or the Premises including any notice or requisition issued under the Resource Management Act 1991, the Building Act 2004, the Health and Safety at Work Act 2015, or any regulation or code made under any of those Acts or like legislation except in those cases where this lease expressly places the responsibility and costs for such works on the Tenant. The Tenant will also comply with the reasonable requirements of the Landlord's building health and safety plan (if provided).

Evacuations

- 22.2 The Landlord will:
- a ensure that for the duration of the term and any renewal term there is an evacuation plan for the Building and the Premises;
 - b promptly supply, at its cost, to the Tenant and to any other tenants of the Building full details of the evacuation plan and the details of any trial evacuations; and
 - c in consultation with the Tenant, and by agreement as to timing, organise trial evacuations in accordance with any competent Authority requirements at the Landlord's cost.

Tenant's compliance obligations

- 22.3 The Tenant will comply with:
- a the provisions of all statutes, ordinances, regulations and by-laws; and
 - b the provisions of all licences, requisitions and notices which are issued by any competent Authority or person;
- in respect of the use of the Premises by the Tenant except as is otherwise provided in this clause 22 and this lease.
- 22.4 Notwithstanding anything to the contrary, the Tenant will not be required to make any structural repairs or alterations or any other alterations or repairs to the Premises or the Building (including the Building Services and the Landlord's fixtures and fittings) other than those required by reason of:
- a any change of use of, or alteration to, the Premises (not ordinarily associated with the Permitted Use) which is initiated by the Tenant for its own convenience; or
 - b the number or sex of the persons employed on the Premises by the Tenant.



22.5 Notwithstanding the provisions of clause 9.5, where the Tenant carries out any alterations to the Premises and:

- a those alterations are of a type and nature which are consistent with the ongoing use of the Premises as office accommodation; and
- b there has been no change to the Permitted Use;

then to the extent that sections 112 and 115 of the Building Act 2004 apply:

- c the Tenant will at its cost carry out any works required to the Premises to meet the requirements of sections 112 and 115 of the Building Act 2004; and
- d the Landlord will at its cost carry out any works required to the Building (other than the Premises) required to enable the issue of a building consent or to otherwise comply with sections 112 and 115 of the Building Act 2004.

23 Insurance

Landlord will insure

23.1 The Landlord will at all times during the term and any renewal term keep and maintain the Building insured for the cover set out in Schedule 1, item 17 on a full replacement and reinstatement (including loss, damage or destruction of windows and other glass) basis except where clause 23.2 applies.

23.2 If at any time the Landlord is unable to obtain insurance on a full replacement and reinstatement basis for any or all of the risks set out in Schedule 1, item 17 because such insurance:

- a is not available for the Building; or
- b is only available at a cost or on terms that are unacceptable to the Landlord and the Tenant;

then the Landlord will keep and maintain the Building insured for the cover set out in Schedule 1, item 17 on such other basis which is acceptable to the Tenant. The Landlord will provide the Tenant with evidence (acceptable to the Tenant) that the Landlord is unable to insure the Building in accordance with clause 23.1.

23.3 At any time upon the receipt of a written request from the Tenant, the Landlord will promptly supply the Tenant with:

- a evidence, including a certificate as to currency furnished by the Landlord's insurer, that the current insurance cover required by this clause 23 is held by the Landlord; and
- b confirmation that all insurance premiums due have been paid by the Landlord.

Tenant not to void insurances

23.4 The Tenant will not carry on or allow upon the Premises any trade or occupation or allow to be done any act or thing which the Tenant knows:

- a will make void or voidable any policy of insurance on the Building and the Land; or
- b may render any increased or extra premium payable for any policy of insurance except where in circumstances in which any increased premium is payable, the Tenant will have

first obtained the consent of the Landlord and paid the Landlord the amount of any such increased or extra premium as may be payable.

- 23.5 The carrying on by the Tenant in a reasonable manner of the Permitted Use, or of any use to which the Landlord has consented, will be deemed not to be a breach of clause 23.4.

When Tenant to have benefit of Landlord's insurance

- 23.6 Where the Premises, the Building or the Land are damaged or destroyed by one or more of the following events:

- a fire, flood, explosion, lightning, storm, earthquake or volcanic activity; or
- b the occurrence of any other peril against the risk of which the Landlord is insured or has covenanted with the Tenant to be insured;

the Landlord must not require the Tenant to:

- i meet the cost of making good the destruction or damage; or
- ii indemnify the Landlord against the cost of making good the destruction or damage; or
- iii pay damages in respect of the destruction or damage; and
- c the Landlord must indemnify the Tenant against the cost of carrying out any works to make good the destruction or damage if the Tenant is obliged by the terms of this lease to carry out those works.

- 23.7 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 done or caused by the Tenant or the Tenant's Agent; or
- b the destruction or damage was the result of an act or omission by the Tenant or the Tenant's Agent that:
 - i occurred on or about the Premises or on or about the whole or any part of the Land; and
 - ii constitutes an imprisonable offence; or
- c any insurance moneys that would otherwise have been payable to the Landlord for the destruction or damage are irrecoverable as a direct result of an act or omission of the Tenant or the Tenant's Agent.

24 Damage to or destruction of Premises

Total destruction

- 24.1 If the Premises or any portion of the Building is destroyed or so damaged:

- a as to render the Premises untenable then the term will at once terminate from the date of destruction or damage; or

- b as to require demolition or reconstruction in the reasonable opinion of the Landlord or the Tenant, then the Landlord or the Tenant may within two months of the date of such damage or destruction give the other party 20 Working Days' written notice to terminate and the term will terminate upon the expiry of such notice.

Partial destruction

- 24.2 Subject to clause 24.5, if the Premises or any portion of the Building is damaged but not so as to render the Premises untenable then the Landlord will with all reasonable speed expend all of the insurance moneys received by the Landlord in respect of the damage towards repairing such damage or reinstating the Building and the Premises.
- 24.3 Any repair or reinstatement may be carried out by the Landlord using such materials, form of construction and according to such plans as the Landlord thinks reasonably fit subject to the Tenant's consent (not to be unreasonably or arbitrarily withheld). Any such repair or reinstatement will 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, Building Services and the Premises will be of no lesser quality, standard and usefulness to the Tenant than existed prior to being damaged. Notwithstanding anything to the contrary, the repaired and reinstated Building, Building Services and the Premises must meet the Building Performance Specifications.
- 24.4 The whole (or a fair proportion, having regard to the nature and extent of the damage and the extent to which the Tenant can lawfully conduct its business from the Premises) of the rent shall cease to be payable for the period starting on the date of the damage and ending on the date when the repairs and reinstatement have been completed and the Tenant can lawfully occupy all the Premises.
- 24.5 If:
- a any necessary permit or consent is not obtainable; or
 - b the insurance moneys received by the Landlord, through no fault of the Landlord, will be inadequate for the repair or reinstatement of the Building and the Premises and the Landlord elects not to provide the requisite additional funding; or
 - c the Landlord has not, or the Tenant can at any time establish with reasonable certainty that the Landlord will not have, repaired or reinstated the Building and the Premises in accordance with clause 24.2 within 6 months or more of the date of damage;
- then the Tenant may at any time thereafter by notice in writing to the Landlord terminate this Lease. The term will terminate upon service of such notice on the Landlord.
- 24.6 For the purposes of this clause 24, the term 'insurance moneys received' means the insurance moneys paid out or agreed to be paid out by the Landlord's insurer (whether to the Landlord, the Landlord's mortgagee or any other party) plus an amount equal to the applicable excess.

Emergency

24.7 If as a result of an Emergency the Tenant is unable to gain access to all parts of the Premises or to fully and lawfully conduct its business from the Premises (for example) because:

- a** access to the Premises, or their use, is not feasible or suitable for health and safety reasons or because of physical impediments to access;
- b** the Premises are situated within a prohibited or restricted access cordon;
- c** the Premises are unable to be used pending the assessment or completion of structural engineering or other reports and appropriate certifications that the Premises are fit for use;
- d** access to or occupation of the Premises is prohibited or restricted by civil defence, national, territorial, defence, police or other emergency authorities; or
- e** access to or occupation of the Premises is not feasible as a result of the suspension, dislocation or unavailability of services such as energy, water, sewerage or air conditioning;

then the Tenant's obligations under this lease will be suspended and the whole (or a fair portion, having regard to the extent to which the Tenant can lawfully conduct its business from the Premises) of the annual rent will cease to be payable for the period starting on the date when the Tenant became unable to gain access to all parts of the Premises or to fully and lawfully conduct its business from the Premises (as the case may be) and ending on the date when:

- f** such inability ceases; or
- g** where clause 24.1 applies, the repair and reinstatement have been completed and the Tenant can lawfully occupy all the Premises;

whichever is the later date. This clause shall apply regardless of whether or not the Premises or the Building are damaged.

24.8 If as a result of an Emergency the Tenant can at any time establish with reasonable certainty that the Tenant will be unable to gain access to all parts of the Premises or to fully and lawfully conduct its business from the Premises as set out in clause 24.7 for a period of more than 6 months from the date of the Emergency, the Tenant may by notice in writing to the Landlord terminate this Lease. The Lease shall terminate upon service of such notice on the Landlord.

Termination

24.9 Any termination pursuant to this clause 24 will be without prejudice to the rights of either party against the other in relation to any breach prior to the date of total or partial damage or destruction or Emergency.

24.10 If the lease is terminated pursuant to this clause 24:

- a** the annual rent shall cease to be payable as from the date of such total or partial damage or destruction or Emergency; and
- b** any annual rent which the Tenant has paid past the date of such total or partial damage or destruction or Emergency shall be promptly refunded by the Landlord to the Tenant.

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24.11 Notwithstanding any termination of this lease pursuant to this clause 24:

- a the Tenant will be entitled to remove all or any of its fixtures, fittings and chattels from the Premises and its signage within a reasonable period following such termination;
- b if required by the Tenant, the Landlord will provide the Tenant with all reasonable assistance to do so including gaining access to the Premises; and
- c the Tenant will be relieved of any obligations pursuant to clause 21.1c and clause 18.4 to make good any damage caused by the removal of its fixtures, fittings and chattels from the Premises and the removal of its signage.

24.12 Notwithstanding anything to the contrary, no payment of the annual rent by the Tenant at any time or any agreement by the Tenant as to an abatement of the annual rent will prejudice the Tenant's rights, pursuant to this clause 24, to:

- a assert that this lease has terminated;
- b exercise a right of termination or cancellation;
- c claim an abatement of the annual rent; or
- d claim a refund of any annual rent paid for any period beyond a termination or in respect of which an abatement applies or should, by the terms of this lease, have applied.

25 Re-entry

25.1 Subject to clause 25.2 and Part 4 Subpart 6 of the Property Law Act 2007, the Landlord may re-enter the Premises at the time or at any time thereafter if:

- a the annual rent is in arrears 20 Working Days after any of the rent payment dates; or
- b the Tenant breaches any covenant or agreement on the Tenant's part expressed or implied in this lease and has not remedied it within a reasonable time after the Landlord has given written notice to the Tenant requiring that breach to be remedied.

The term will terminate on such re-entry, but without prejudice to the rights of either party against the other arising prior to such re-entry.

25.2 For so long as a Crown Organisation is the Tenant in possession then the Landlord will not re-enter the Premises.

26 Arrears of annual rent

26.1 The acceptance by the Landlord of arrears of annual rent will not constitute a waiver of the Tenant's continuing obligation to pay the annual rent.

27 Quiet enjoyment

27.1 The Tenant will be entitled to quietly and peaceably hold and enjoy the Premises throughout the term and any renewal term without any interruption by the Landlord, persons under the control of the Landlord or any person claiming under the Landlord.



28 Renewal of term

- 28.1** If the Tenant has given the Landlord written notice to renew the lease at least three months before the end of the then current term, the Landlord will grant a new lease of the Premises for the next further term from the applicable renewal date on the following terms:
- a** The annual rent payable from the renewal date will be agreed upon by the parties within a period of 30 Working Days from the date of the Tenant's notice to renew the lease. Failing agreement, the annual rent will be determined in accordance with clauses 2.12 to 2.24 provided that the annual rent will be the then market rent of the Premises and the Carparks.
 - b** Subject to clause 28.1a, the renewed lease will otherwise be upon and subject to the expressed and implied terms and conditions in this lease provided that the term of this lease (including any further terms) will expire on or before the final expiry date.
 - c** The annual rent will be subject to review during the renewed term on the rent review date(s) set out in this lease.
 - d** Pending any determination of the annual rent for any renewal of this lease, the Tenant will pay an interim rent in accordance with clause 2.7.
- 28.2** The Tenant may elect to renew this lease pursuant to clause 28.1 in respect of:
- a** the whole of the Premises occupied by the Tenant immediately prior to the applicable renewal date; or
 - b** the whole of the Premises occupied by the Tenant immediately prior to the applicable renewal date, less either one whole floor of the Building or one half-floor of the Building; and
 - c** all of the Carparks leased by the Tenant immediately prior to the applicable renewal date; or
 - d** some of the Carparks leased by the Tenant immediately prior to the applicable renewal date.
- 28.3** Any notice of renewal given by the Tenant pursuant to clause 28.1 will specify the portion of the Premises (if any) and the number of Carparks (if any) to be excluded from the renewed lease pursuant to clause 28.2b above.
- 28.4** If any portion of the Premises excluded from the Tenant's notice ('Excluded Premises') comprises one half-floor of the Building then:
- a** for the purposes of clause 28.128.1a, the lettable area of the remaining area of the Premises shall be re-measured and calculated in accordance with the then current PCNZ/PINZ Guide for the Measurement of Rentable Areas (or the most nearly comparable guide if that guide ceases to exist or be published), such re-measurement to be undertaken by a registered surveyor or such other suitably qualified person appointed by the Landlord, and approved in writing by the Tenant. The Tenant will meet the cost of the calculation; and
 - b** prior to the Renewal Date the Tenant shall at its cost construct an inter-tenancy wall between the Excluded Premises and the balance of the Premises and will undertake such other works to the Building which may reasonably be required in order to enable the Tenant to use and enjoy the remaining area of the Premises in a manner which is consistent with the provisions of this lease.

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29 Assignment or subletting

- 29.1 The Tenant will not assign, sublet or otherwise part with the possession of the Premises, or any part of the Premises, or all or any of the Carparks without first obtaining the written consent of the Landlord. The Landlord will give its consent if the following conditions are fulfilled:
- a The Tenant proves to the reasonable satisfaction of the Landlord that the proposed assignee or subtenant is (or in the case of a company that the shareholders of the proposed assignee or subtenant are) respectable, responsible and has (or have) the financial resources to meet the Tenant's obligations under this lease or in the case of a sublease, the subtenant's obligations under the sublease;
 - b All annual rent and other moneys payable have been paid;
 - c There is no significant subsisting breach of any of the Tenant's obligations under this lease;
 - d In the case of an assignment, a deed of covenant in the customary form approved or prepared by the Landlord is duly executed by the Tenant and delivered to the Landlord;
 - e The Tenant will pay the Landlord's reasonable and proper costs in respect of the approval or preparation of any deed of covenant or guarantee, and all reasonable 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. These costs will only be payable by the Tenant if the proposed assignment or subletting proceeds.
- 29.2 The Landlord will not demand payment of any fine or sum of money in the nature of a fine in relation to such consent.
- 29.3 Where the 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 any of its shares or the issue of new capital where in either case there is a change in the effective management or control of the company, will require the Landlord's consent.
- 29.4 Notwithstanding clauses 29.1 to 29.3, where the Tenant is a Crown Organisation the Tenant may:
- a assign or sublet or otherwise part with possession of all or any part of the Premises or the Carparks to any other Crown Organisation; or
 - b share possession of the Premises or the Carparks with any other Crown Organisation;
- without the consent of the Landlord (unless the consent of the Landlord is required pursuant to clause 14.1) provided that the Tenant gives at least 10 Working Days prior notice to the Landlord.
- 29.5 In the event that the Tenant being a Crown Organisation assigns the Tenant's interest under this lease, then the Tenant will not be liable under the lease beyond the effective date of such assignment, but without prejudice to the Landlord's rights for any prior breach by the Crown as the Tenant.

30 Tenant's first option to lease available space

- 30.1 The Landlord grants the Tenant first pre-emptive and irrevocable right(s) of first refusal to lease any space (**Available Space**) which the Landlord has available, or which becomes available, in or on the Building or the Land or any adjacent land or building owned by the Landlord (or in which the Landlord or any related company (as that term is defined in the Companies Act 1993) of the

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Landlord or any shareholder in, or director of, such a company has the substantial beneficial interest) during the term and any renewal term upon the terms and conditions set out in this clause 30.

- 30.2 The Landlord will by notice in writing offer to lease to the Tenant the Available Space (Landlord's Notice). The Landlord's Notice will set out:
- a the date of availability of the Available Space (Availability Date);
 - b in relation to the Available Space:
 - i the rentable area of the Available Space as determined in accordance with the then current PCNZ/PINZ Guide for the Measurement of Rentable Areas (or the most nearly-comparable guide if that guide ceases to exist or be published); and
 - ii the condition in which the Available Space will be made available to the Tenant on the Availability Date, including details of available Building Services.
- 30.3 The initial rent payable for the:
- a Available Space will:
 - i be the same rent per square metre payable for the level of the Premises which is in the closest proximity to the Available Space as at the Availability Date; or
 - ii where the condition of the Available Space is in the Tenant's opinion not of a comparable condition as the Premises, be the market rent of the Available Space. Such market rent is to be substantiated by a registered valuers' certificate supplied by the Tenant to the Landlord. In any event the rent payable for the Available Space will not be more than the rent per square metre payable for the level of the Premises which is in the closest proximity to the Available Space as at the Availability Date.
- 30.4 The Tenant will have a period of 30 Working Days after the date of receipt of the Landlord's Notice to accept the offer to lease the Available Space on the terms specified in the Landlord's Notice and at the initial rent referred to in clause 30.3 (the Tenant's Notice).
- 30.5 Where the Tenant gives a notice of its acceptance of the lease of the Available Space within the period of 30 Working Days referred to in clause 30.4 a binding agreement to lease the Available Space will exist, commencing on the Availability Date, at a rent calculated in accordance with clause 30.3. The lease of the Available Space will otherwise be on the same terms and conditions as this lease provided that:
- a references in this lease to the Commencement Date will, in respect of the Available Space be to the Availability Date, and the term of the lease in respect of the Available Space will be the remainder of the unexpired portion of this lease (including renewal term(s)) or such shorter term as may be specified by the Tenant in the notice of acceptance given by the Tenant pursuant to clause 30.4;
 - b the rent payable by the Tenant for the Available Space will be subject to review on each of the rent review dates specified in Schedule 1, item 14; and
 - c the parties will at the Tenant's sole option either:
 - i promptly enter into and execute a new lease for the Available Space; or

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- ii take all necessary legal steps to incorporate the Available Space with the Premises in one lease;

on the same terms and conditions as this lease amended as necessary to incorporate the provisions of this clause 30;

- d the documentation required pursuant to clause 30.5c will be:

- i prepared by the Tenant's solicitor and will be subject to the consent of the Landlord's solicitor, such consent not to be unreasonably withheld; and
- ii executed within one month of the Commencement Date of the new lease.

Each party will meet payment of its own costs of and incidental to the preparation and completion of the documentation.

- 30.6 The parties acknowledge that the first pre-emptive and irrevocable right(s) of first refusal detailed in this clause 30 will apply to each and every occasion that the Landlord has or will have Available Space.

- 30.7 If:

- a the Tenant notifies the Landlord that it does not wish to lease the Available Space; or
- b the Tenant fails to give written notice to the Landlord within the 30 Working Day period referred to in clause 30.4;

the Landlord may, within 6 months of the Landlord's Notice, lease the Available Space to any third party but on terms (including the proposed annual rent) no less favourable than those specified in the Landlord's Notice.

- 30.8 In the event that the provisions of clause 30.7 apply and the Landlord then wishes to lease the Available Space on more favourable terms to any third party, then the Landlord will reoffer the Available Space to the Tenant pursuant to clause 30.2 upon those more favorable terms.

31 Unit titling

- 31.1 The Landlord warrants that as at the Commencement Date the Land and the Building does not comprise all or part of a unit or strata title.

- 31.2 Notwithstanding anything to the contrary, the Landlord (and any successor or assigns of the Landlord, mortgagee in possession or a purchaser of the Landlord's interest in the Land, the Building or this lease) undertakes to the Tenant that, so long as the Tenant is a Crown Organisation, it will not create separate unit or strata titles (whether leasehold or freehold) including under the Unit Titles Act 2010 for any level or part of the Premises, the Building and the Land.

32 Carparks

- 32.1 The Landlord agrees that:

- a each of the Carparks will be a single fixed bay, easily accessible, weather proof and secure; and



~~b [number of carparks suitable for disabled access] of the Carparks will be suitable for disabled access; and~~

c the location of the Carparks will remain unvaried during the term.

32.2 The Tenant and those for whom the Tenant is responsible may use the Carparks 24 hours a day, 7 days a week, 365 days a year.

32.3 The Tenant and those for whom the Tenant is responsible will have all reasonable means of ingress to and egress from the Carparks.

32.4 The Tenant grants to the Landlord and the other tenants and licensees of the Building and the Land a licence to pass and repass over the Carparks when they are not in use by the Tenant.

32.5 The Landlord grants to the Tenant access to all designated parts of the Building and the Land which are required to enable the Tenant to have vehicular and pedestrian access to and from the Carparks.

32.6 The Landlord will ensure that:

a the Carparks are adequately secured in accordance with the Tenant's requirements;

b vehicular and pedestrian access to the Carparks, and to that part of the Building in which the Carparks are situate, will be controlled by key or access card system; and

c the Carparks are numbered or named in accordance with the Tenant's requirements.

32.7 The Landlord will be responsible to maintain adequate lighting for the Carparks and will be responsible for the removal of rubbish and graffiti from the areas on which the Carparks are situated.

32.8 The Landlord will keep and maintain the surface of the Carparks sealed and free of potholes and will reseal the surface as reasonably required by the Tenant from time to time.

33 Holding over

33.1 If the Landlord permits the Tenant to remain in occupation of the Premises after the expiration or sooner determination of the term, then such occupation will be:

a a periodic tenancy only;

b terminable by 20 Working Days' written notice by either party; and

c at the same annual rent payable immediately prior to the expiration or sooner determination of this lease and otherwise on the same terms and conditions (in so far as they are applicable to a monthly tenancy) as are expressed or implied in this lease.

34 Suitability

34.1 The Landlord warrants as essential terms of this lease that the Building (including the Building Services, the Common Areas and the Premises) is at the Commencement Date and will for the term and any renewal remain:

a actively maintained by the Landlord, in Good Operational Repair and performing properly and fully complying with the Building Performance Specifications;

- b operating properly and performing in a good reliable working manner in accordance with their design parameters and the Building Performance Specifications;
- c weatherproof and watertight in all respects, free of contaminants and noxious materials and substances which are a threat to health and safety, and free from any inherent or potential defect;
- d watertight, free of any polychlorinated biphenyls, ODP (zero levels), or refrigerant emissions and any other Contamination; and
- e at a minimum of a NABERSNZ 4-Star certified base building rating at all times during the term, and shall target a NABERSNZ 4.5-Star certified base building rating; and
- f fully compliant with all legislative, competent territorial Authority and any other competent person's requirements, including that:
 - i the use of the Premises by the Tenant will comply with the by-laws, ordinances or other requirements of any Authority; and
 - ii a current building warrant of fitness and current compliance schedule(s) pursuant to sections 108 and 110 of the Building Act 2004 (or any equivalent sections) are, and will be, currently held by the Landlord.

Asbestos

34.2 The Landlord warrants as an essential term of this lease that:

- a the Premises and the Building have no asbestos content; or
- b If the Premises or the Building have any asbestos content, then the Landlord will, at the Landlord's cost in all things, remove any asbestos within 20 Working Days of being requested to do so in writing by the Tenant or by such later date as may be agreed between the parties (time being of the essence in all things).

34.3 If the Tenant elects to relocate part or all of its operations from the Premises during the carrying out of any work required pursuant to clause 34.2, the Landlord will pay:

- a the rent for the temporary premises selected by the Tenant;
- b all costs associated with the Tenant's temporary relocation to and from the temporary premises; and
- c any other Tenant costs reasonably incidental to the foregoing;

and the Tenant will continue to pay the annual rent payable under this lease.

34.4 The Landlord acknowledges that the Tenant will not be obliged to reoccupy the Premises until they are certified (to the reasonable satisfaction of the Tenant) by an asbestos testing laboratory to be completely free of all asbestos products and to have an asbestos free air content.

35 No waiver

35.1 Unless the parties both agree in writing, no condition of this lease will be deemed to have been waived and no breach, delay or detail of this lease will be construed as having been excused. No waiver or failure to act by:

- a the Landlord in respect of any breach of this lease by the Tenant; and
 - b the Tenant in respect of any breach of this lease by the Landlord;
- will operate as a waiver of another breach.

36 Not used

37 Notices

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

- a in the manner prescribed by sections 354 to 361 of the Property Law Act 2007; or
- b in all other cases by:
 - i personal delivery;
 - ii posting by ordinary mail;
 - iii email; or
 - iv receipted courier pack.

37.2 In respect of the means of service specified in clause 37.1b, a notice will be 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 email, when acknowledged by the addressee by return email or otherwise in writing except that return emails generated automatically will not constitute an acknowledgement.

37.3 The parties' addresses for the service of notices are as set out in Schedule 1, item 18. A party may from time to time, advise the other party in writing of a different physical, postal or email address for the service of notices.

37.4 If either party is unaware of the other party's last known address in New Zealand, then any notice placed conspicuously on any part of the premises at the last known address of the other party, will be deemed to have been served on the other party on the day on which it is affixed.

37.5 A notice will be valid if given by any authorised representative of the party giving the notice.

37.6 Notices served after 5:00pm on a Working Day, or served on a day which is not a Working Day, will be deemed to have been served on the next succeeding Working Day.

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38 Resolution of disputes

Avoiding disputes

- 38.1 The parties acknowledge and declare the importance to each of them that differences in respect of this lease should be avoided or minimised. The parties agree that in the event of any differences arising each party will discuss them fully and openly and will meaningfully negotiate with the other party with a view to a speedy resolution of such differences.

Mediation

- 38.2 Failing satisfactory resolution of such differences within 20 Working Days of the difference or dispute arising any difference or dispute between the parties arising out of this lease may be referred for settlement by mediation by the service of notice in writing to the other party. Such mediation will be based upon a joint written statement setting out the areas at issue.
- 38.3 The mediator will be agreed by the parties or failing agreement will be appointed, at the request of either party, by the President of the Arbitrators and Mediator's Institute of New Zealand as follows:
- a the President will provide the parties with three possible mediators;
 - b the parties may advise the President of any objections or preferences which the parties may have in respect of the mediators; and
 - c the President will have regard to any such objections or preferences when appointing the mediator.
- 38.4 The mediation will be carried out in accordance with:
- a guidance and instructions issued by the appointed mediator; and
 - b where the mediation is for the purposes of determining the new annual rent pursuant to clause 2, the provisions of clause 2.

Acceptance in writing by both parties will be deemed to be the full and final settlement of any dispute or difference between the parties.

- 38.5 The costs of any mediation proceedings will be borne equally between the parties.
- 38.6 If agreement is not reached by mediation then the dispute will be referred to arbitration in accordance with clause 38.7.

Arbitration

- 38.7 Any dispute, difference or question arising between the parties:
- a as to the construction of this lease; or
 - b concerning anything contained in or arising out of this lease; or
 - c as to the rights, liabilities or duties of the parties pursuant to this lease; or
 - d as to any other matter relating to the relationship of the parties in respect of this lease (including claims in tort as well as in contract);

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which is not resolved by mediation in accordance with the preceding clauses; or

- e If one party gives written notice to the other requiring the new annual rent to be determined by arbitration pursuant to clause 2.12ci;

then the dispute, difference or question will be submitted to the arbitration of one arbitrator who will conduct the arbitral proceedings in accordance with the Arbitration Act 1996.

38.8 The arbitrator will be agreed on by the parties or failing agreement within 10 Working Days of the dispute, difference or question being referred to arbitration will be appointed, at the request of either party, by the President of the New Zealand Law Society as follows:

- a the President will provide the parties with three possible arbitrators;
- b the parties may advise the President of any objections or preferences which the parties may have in respect of the arbitrators;
- c the President will have regard to any such objections or preferences when appointing the arbitrator; and
- d If the arbitration is for the purposes of determining the new annual rent pursuant to clause 2.12ci, then the arbitrator appointed must either be:
 - i a solicitor acting as a barrister, with extensive experience in property and rent review related disputes; or
 - ii a reputable registered valuer, with extensive experience acting as an expert or arbitrator in office accommodation rent review disputes.

Exemptions

38.9 The procedures prescribed in the foregoing provisions of this clause 38 will not prevent the Landlord or the Tenant from:

- a taking proceedings for the recovery of any annual rent or any other moneys payable or repayable under this lease which remain outstanding; or
- b from exercising the rights and remedies (if any), in the event of any default or consequence described in this lease.

39 No implied terms

39.1 The covenants, conditions and powers implied in leases by virtue of the Property Law Act 2007 (whether pursuant to Schedule 3 of that Act or otherwise) will not apply to and are excluded from this lease, to the extent legally permissible.

39.2 Sections 224 and 266(1)(b) of the Property Law Act 2007 will not apply to and are excluded from this lease. This clause does not affect the operation of sections 225 to 229 of the Property Law Act 2007.

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40 Interpretation and definitions

Interpretation

40.1 In this lease:

- a If any provision on strict interpretation is found to be invalid, void, illegal or unenforceable then that provision will be construed in such a reasonable manner as may be necessary to ensure that, for the purposes of this lease, it is not invalid, void, illegal or unenforceable. In the event that any such provision, or part of such provision, cannot be so construed then such provision will be deemed to be void and severable and the remaining provisions of this lease will not be affected or impaired by such a provision.
- b Any reference in this lease to any **Statute** or **Regulation** will be deemed to include all codes, regulations, amendments, revisions, consolidations and replacements made from time to time to, or under, that statute or regulation and any statute or regulation made in substitution.
- c A **person** and a **competent person** will include (as the context requires or admits) any individual, company, corporation, firm, partnership, joint venture, association, organisation, trust, or Authority, in each case whether or not having a separate legal personality.
- d The clause, subclause, section and the sub-section headings and the contents page appear only for the sake of convenience and will not affect the construction of this lease, but with the exception of:
 - i clause and subclause numbering which will (if the context requires or admits) affect the construction of this lease; and
 - ii if a clause heading in this lease is marked **Not Applicable**, then such clause is not applicable to this lease.
- e Whenever words or terms appear in this lease that also appear in Schedule 1, then those words or terms will mean and include the details supplied after them in Schedule 1.
- f All covenants by a party are given jointly and severally by the persons comprising that party.
- g Any obligation in this lease not to do something, includes an obligation not to allow or to cause that thing to be done.
- h The **Schedules** of this lease are deemed to form part of this lease.
- i Unless otherwise stated, references to clauses and subclauses are references to clauses and subclauses within the Schedule of this lease in which they appear.
- j Where the context requires or admits, words importing the singular will import the plural, and vice versa. Words importing one gender include the other gender, as the case may require.
- k **Landlord's consent or Landlord's approval:**
 - i Where the Landlord's consent or the Landlord's approval is required pursuant to any provision of this lease, such consent or approval will be promptly given and will not be arbitrarily or unreasonably withheld or delayed or given subject to unreasonable conditions.



- ii The Landlord must, promptly after its consent or approval has been requested, give the Tenant written notice advising that the Landlord's consent or approval is granted or withheld.
- iii The Landlord's consent or approval will be required for each separate occasion, despite any prior consent or approval obtained for any similar purpose on a prior occasion.
- l Where the words **at the Tenant's sole option** or **at the Tenant's sole discretion**, or similar, appear in this lease then such sole option or sole discretion (as applicable) of the Tenant will be construed as being absolute, unfettered, unchallengeable and completely binding on the Landlord.
- m Where the words **including** or **include** appear in this lease then they will be construed without limitation to their generality, as the context requires or admits.
- n The rule of interpretation known as 'contra proferentum' will not apply to the interpretation of this lease.

Definitions

40.2 In this lease, unless a contrary intention appears:

- a **Actual Tenant's Works** has the meaning set out in clause 20.3.
- b **Authority** means any local, regional, territorial, government, statutory or other competent authority having jurisdiction or authority in respect of the Land, the Building, including the Building Services, the Premises, the Common Areas or their use.
- c **Available Space** has the meanings set out in clause 30.1.
- d **Bike Parks** means those bike parks referred to in Schedule 1
- e **Building** (if appropriate and the context admits) means the building(s) referred to in Schedule 1, Item 2 and includes (whether or not referred to or detailed in full or in part(s) in this lease as applicable):
 - i the Landlord's fixtures and fittings set out in Schedule 3, item 1;
 - ii the Building Services;
 - iii any other equipment provided by the Landlord to service the Building and/or the Premises; and
 - iv any subsequent extensions or additions to the Building by the Landlord which comprise or contain the Premises.
- f **Building Performance Specification** means those specifications as set out in Schedule 6.
- g **Building Services** means the following items located in the Building or on the Land and any items installed in replacement of or in addition to any such item:
 - i fire detection or protection systems;
 - ii security systems;
 - iii heating ventilation and air conditioning (HVAC) systems;

- iv automatic doors;
- v traffic control systems for car parking areas;
- vi lifts and escalators;
- vii water, gas, mechanical, electrical, plumbing and drainage systems;
- viii power generator equipment, switchboards and distribution boards;
- ix building management system;
- x any other systems and services in, on, or to the Premises, the Building or the Land; and

all associated plant and equipment including pipework, controls, sensors, monitors, speed drives, valves, strainers, insulation, dampers, associated measuring devices, interconnecting wiring, distributed controllers, and heating/cooling coils. **Building Services or services** excludes any services which may be installed or provided by the Tenant in, on or serving the Premises.

- h **Carparks** means the carparks specified in Schedule 1, item 4 and also includes motorcycle parking and bicycle parking spaces.
- i **Common Areas** means those parts of the Building and the Land (if any) the use of which is necessary for the enjoyment of the Premises and which are or may be shared with other tenants, licensees and occupiers of the Building or the Land.
- j **Contamination** means any change to the physical, chemical, biological or other condition of the Land or the Building by a 'contaminant', as that word is defined in section 2 of the Resource Management Act 1991, and includes any other illegal, detrimental, dangerous, combustible or unhealthy substance.
- k **CPI** means the Consumer Price Index (All Groups) published by Statistics New Zealand or other government agency and any revised, replaced, or substituted index.
- l **Crown** means the Sovereign in right of New Zealand including all ministers of the Crown, government departments, offices of Parliament, Crown entities (as defined in section 7(1) of the Crown Entities Act 2004) and state enterprises (as defined in the State-owned Enterprises Act 1986).
- m **Crown Organisation** means the Crown and includes but is not limited to all instruments of the Sovereign in right of New Zealand and includes, but is not limited to:
 - i the Executive Government of New Zealand and all Ministers of the Crown;
 - ii the Departments of the Public Service, as set out in Schedule 1 of the State Sector Act 1988;
 - iii all non-public service Departments;
 - iv the Reserve Bank of New Zealand, as continued under section 5 of the Reserve Bank of New Zealand Act 1989;
 - v the entities listed in Schedule 4 of the Public Finance Act 1989; and

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- vi the entities listed in Schedule 1 and Schedule 2 of the Crown Entities Act 2004, together with their subsidiaries under section 8(2) of the Crown Entities Act 2004.
- n **Default GST:**
 - i means any additional GST, penalty, interest, or other sum imposed on the Landlord under the Goods and Services Tax Act 1985 or the Tax Administration Act 1994 by reason of non-payment of any GST payable in respect of the supply made under this lease.
 - ii does not include any sum levied against the Landlord by reason of a default or delay by the Landlord after payment by the Tenant to the Landlord of the GST.
- o **Disputing Party's Notice** in relation to a rent review, has the meaning set out in clause 2.5.
- p **Due Date** means the date that is 10 Working Days after the date that the Tenant provides the Landlord with a tax invoice in respect of reasonable Costs pursuant to clause 13.10.
- q **Emergency** means a situation that:
 - i is a result of any event, whether natural or otherwise, including an explosion, earthquake, eruption, tsunami, land movement, flood, storm, tornado, cyclone, fire, leakage or spillage of any dangerous gas or substance, infestation, plague, epidemic (including any pandemic), failure of or disruption to an emergency service, war, invasion, rebellion, act of terrorism, national emergency; and/or
 - ii any extraordinary occurrence which may cause loss of life or serious injury, illness or seriously endanger the safety of people or property;

and the situation is not caused by any act or omission of the Tenant.
- r **Excluded Areas** means:
 - i any balconies, decks, terraces, courtyards, and lightwells of the Building;
 - ii the ground floor entranceway or any other main entranceway(s), foyer, lift foyer and the dock way of the Building (if any);
 - iii all stairs and stairwells;
 - iv any storage areas; and
 - v all areas excluded under the PCNZ/PINZ Guide for the Method of Measurement of Rentable Areas current as at the date of this lease.
- s **GST** means goods and services tax charged under the Goods and Services Act 1985 and includes any similar tax charged in substitution for that tax.
- t **Good Operational Repair** means that the Landlord will ensure for the duration of the term and any exercised renewal term that the Building will:
 - i achieve, perform to and maintain any agreed performance standards contained in this lease, including the Building Performance Specifications;
 - ii operate reliably and perform within their design parameters of the Building Services;

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- iii provide a good quality office environment for the Permitted Use of the Premises by the Tenant; and

this includes the Landlord repairing and replacing the Building Services or Items comprising the Building Services with services of a similar type and quality (if necessary) such that the same must continue to meet the Building Performance Specifications.

- u **Land** means the land described in Schedule 1, item 1.
- v **The Landlord and the Tenant** means (where the context admits and as applicable) the executors, administrators, successors, permitted assigns and any duly authorised employees, agents, contractors and representatives of the Landlord and the Tenant. References to the parties will be construed accordingly.
- w **Landlord's Rent Notice** in relation to a rent review, has the meaning set out in clause 2.2.
- x **Maintenance Contracts** has the meaning set out in clause 9.7.
- y **Month and monthly** respectively means calendar month and calendar monthly.
- z **Normal Business Hours** means the hours between 7am and 6pm on a Working Day.
- aa **Persons under the control of the Tenant** means the Tenant's employees and contractors and any person on the Premises at the request or invitation or with the authority of the Tenant.
- bb **Persons under the control of the Landlord** includes the Landlord's employees and contractors and the Landlord's other tenants and licensees in the Building or on the Land and any person in the Building or on the Land at the request or invitation or with the authority of the Landlord or its other tenants.
- cc **Premises** means the premises described in Schedule 1, item 3 and includes the Landlord's fixtures and fittings set out in Schedule 3, item 1.
- dd **Premises Condition Report** means the report attached as Schedule 4.
- ee **Reasonable Costs** has the meaning set out in clause 13.10.
- ff **Tenant's Agent** means a person for whom the Tenant is responsible including the Tenant's employees and contractors.
- gg **Tenant's Failure Notice** has the meaning set out in clause 13.4.
- hh **Tenant's Notice** means a notice given in accordance with clause 30.4.
- ii **Tenant's Outstanding Works** has the meaning set out in clause 13.2.
- jj **Tenant's Rent Notice**, in relation to a rent review, has the meaning set out in clause 2.3.
- kk **Working Day** means any day of the week except for:
 - i 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 are situated, and any other day observed as a public holiday throughout New Zealand;

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- ii any day in the period commencing with the 24th day of December in any year, and ending with the 5th day of January in the following year; and
- iii If Waitangi Day or ANZAC Day fall on a Saturday or Sunday, the following Monday.

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FURTHER TERMS

41 Early Access

- 41.1 From 19 December 2019 to the Commencement Date, the Landlord will allow the Tenant access to the Premises for the purposes of fitting out the Premises ("Early Access").
- 41.2 The Tenant shall not be liable for payment of annual rent during the Tenant's Early Access.

42 Fitout

- 42.1 During the three-month rent free period outlined in clause 1.3 above and during Early Access, the Tenant will, at its cost and in a good workmanlike manner complete the following fitout of the Premises as set out below:

- a. Install a commercial alarm system (if not already installed and operational);
- b. Installation of the IT Bridge Connection;
- c. Installation of office furniture;
- d. Installation of wi-fi units and projector on the ceiling;
- e. Installation of cabling/IT (if any); and
- f. Repair/replace dishwasher.

(together the "Tenant's Hard Fitout")

- 42.2 During the three-month rent free period outlined in clause 1.3 above and during Early Access, the Tenant will, at its cost and in a good workmanlike manner complete the following fitout of the Premises on behalf of the Landlord as set out below:

- a. Installation of clear frosting on all front street facing window and side windows running along the internal mall between 141 and 157 Queens Road;
- b. Installation of commercial carpet tiles in a neutral shade on all areas without carpet;
- c. Replace the existing red lineoleum (outside kitchen/toilets/disabled toilets) with black lineoleum tiles;
- d. Replace existing kitchen carpet with black lineoleum tiles;
- e. Repair kitchen cupboards and line where particle board exposed with a wipe clean surface (i.e. melamine/lineoleum covering); and
- f. Reconfiguring timing and access for door entries and exits.

(together the "Landlord's Fitout")

- 42.3 The Tenant acknowledges that the Landlord's Fitout will, on completion of the Landlord's Fitout, vest in the Landlord. For avoidance of doubt, the Landlord's Fitout forms part of the Premises.
- 42.4 Notwithstanding any other clause of this Lease with the exception of clause 42.4, the Tenant will not be required by the Landlord at the end or earlier termination of the term (whether the initial or any renewed term) to remove the Tenant's Hard Fitout and the Tenant's Hard Fitout will pass to



the Landlord. The Tenant will have no liability for the cost of making good any damage to the Premises caused by the Landlord's removal of the Tenant's Hard Fitout.

43 IT Bridge Connection

- 43.1 The Landlord will provide consent to the Tenant and permit the Tenant to run an IT connection between the parties' existing leased premises at 141-153 Queens Road, Panmure to the Premises to enable shared internet resources in the area identified in Schedule 5 as the IT Bridge Connection Area ("IT Bridge Connection"). The Landlord will assist with the final approved location of the IT Bridge Connection. On expiry or earlier termination of the term, the Tenant will remove the IT Bridge Connection and at its cost make good any damage resulting from removal of the IT Bridge Connection.

44 Condition of Premises

- 44.1 The Landlord warrants that, as at the Commencement Date of this Lease, that:
- a. there are no leaks within the Premises that require remediation;
 - b. all airconditioning and electrical services are in good working order; and
 - c. keys or swipe cards to all external and internal lockable doors are available for the Tenant's use and will be provided to the Tenant on commencement of the Lease.

45 Confidentiality

- 45.1 Each party acknowledges that it will be provided or will receive, during the Term of this Lease, commercially sensitive and confidential information regarding the other party's business and operations ("Confidential Information"). Each party acknowledges that it will use such Confidential Information only for the purposes of performing its obligations or exercising its rights under this Lease and will not use or copy the Confidential Information for any other purpose whatsoever without the prior written approval of the other party. Neither party will disclose any Confidential Information to any third party except with the other party's prior written approval or except as may be required by law (including under the Official Information Act 1982).
- 45.2 For avoidance of doubt, Confidential Information includes any information provided during the negotiations and any terms of the term sheet dated 12 November 2019 between the parties and the terms of this Lease.

46 Publicity

- 46.1 No announcement or communication of any kind relating to the negotiations of the parties or the subject matter or terms of this Lease or the terms of the term sheet dated 12 November 2019 between the parties will be made or authorised by or on behalf of the Landlord or the Tenant without the prior written approval of the other unless that announcement or communication is required to be made by law.

47 Deposit

- 47.1 On signing this Lease, the Tenant must pay to the Landlord's rental agent, Bayleys Corporation Limited (or another other entity as the Landlord directs) a deposit equal to 3 Monthly Payment of Rent plus GST to be applied by the Landlord towards the annual rent payable under this Lease.

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48 CPI Rent Review

48.1 The Gross Annual Rent payable from each CPI rent review date specified in item 15 of Schedule 1 ("CPI Rent Review Date") shall be determined as follows:

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

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

Where:

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

B = Annual Rent payable immediately before the relevant CPI rent review date;

C = CPI for the nearest quarter date preceding the relevant CPI rent review date;

D = CPI for the nearest quarter date preceding the most recent Renewal Date; and

provided that (C/D) will never be less than 1.00.

- b. If the CPI is discontinued and not replaced, or if there is a material change to the basis of calculation of the CPI, or a resetting of the CPI, an appropriate index which reflects the change in the cost of living in New Zealand as agreed by the parties and failing agreement to be determined by an expert appointed by the president or vice president of the New Zealand Law Society will be used.
- c. If the relevant CPI is not published at the relevant CPI rent review date, as soon as the CPI is published an appropriate adjustment will be made to the rent (if necessary) with effect from the relevant CPI rent review date.
- d. Notwithstanding any other provision of this clause, the gross annual rent payable as from the relevant CPI rent review date shall not be less than the gross annual rent payable immediately preceding the CPI rent review date (and in the case where the relevant CPI rent review date is a renewal date, the annual rent payable at the expiry of the preceding term).

48.2 The new rent determined pursuant to clause 48.1 shall be payable from the relevant CPI rent review date once it is determined by the Landlord giving notice under that subclause. Pending determination of the new rent, the Tenant will pay the rent that applies prior to the CPI Rent Review Date. On determination of the new annual rent, the Tenant will immediately pay any shortfall to the Landlord."

49 Tenant may elect to undertake Landlord's Maintenance Obligations

49.1 Notwithstanding any other clause of this Lease, the Landlord may give approval for the Tenant to undertake any works required to remedy any damage to or defect in the Building (including the Building Services and the Premises (in part or in full) with all such costs to be paid by the Landlord to the Tenant or to the sub-contractor appointed by the Tenant (at the Tenant's election), provided that:

- a. costs for the works will be on a reimbursement basis;

- b. costs for the works shall be subject to prior approval by the Landlord; and
- c. the sub-contractor shall be subject to prior approval by the Landlord (not to be unreasonably withheld).

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Schedule 3 Fixtures and Fittings

1 Inventory of Landlord's fixtures and fittings

Item	Brand / model	Specifications	Other comments
Air Conditioning			
Ceiling Panels			
Light Fittings			
Toilets			
Kitchen Facilities and Floor Coverings			
Blinds			
Shelving in Stationery Room	Lundia		

2 Inventory of Tenant's fixtures and fittings

All fixtures and fittings located in the Premises except for the Landlord's fixtures and fittings detailed in Schedule 3, and item 1 of this Schedule 3 and includes as at the date of this lease:

Item	Brand / model	Specifications	Other comments
Dishwasher	TBA		
Commercial alarm system	TBA		
wi-fi units	TBA		
IT cabling	NA		
projector on the ceiling	TBA		



Schedule 4 Premises Condition Report

(refer clause 8.1)

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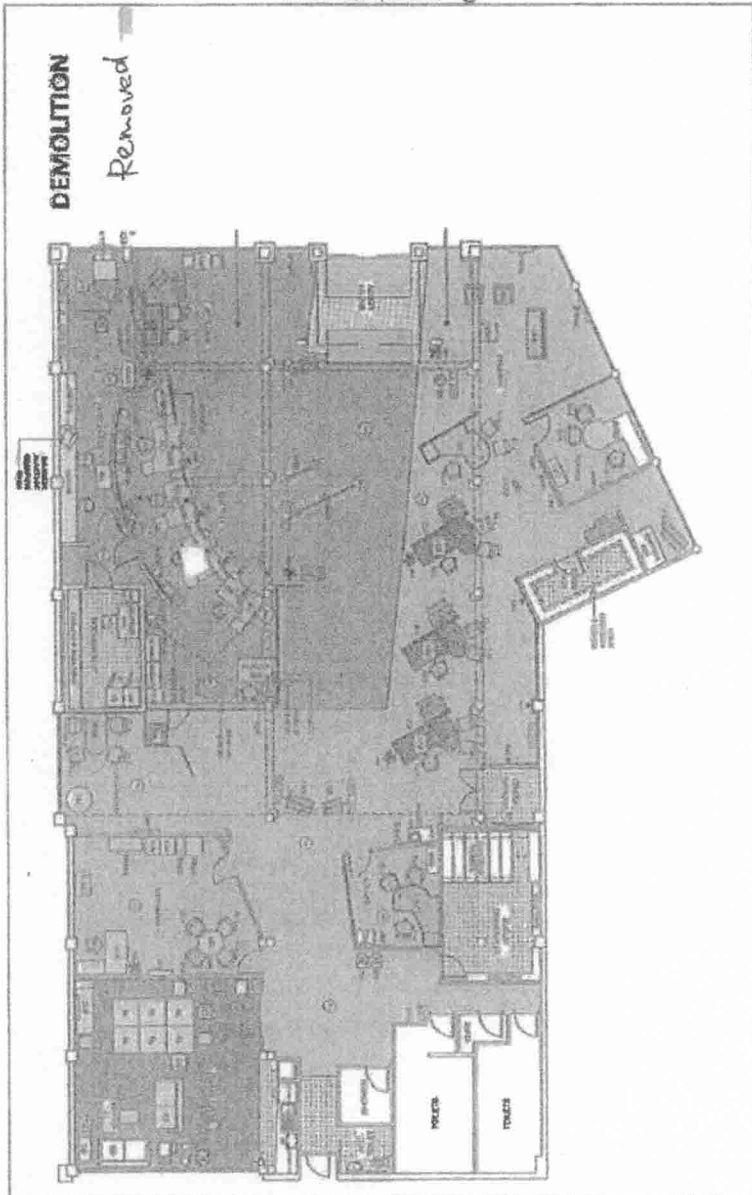
Schedule 5 Plans

Premises plans



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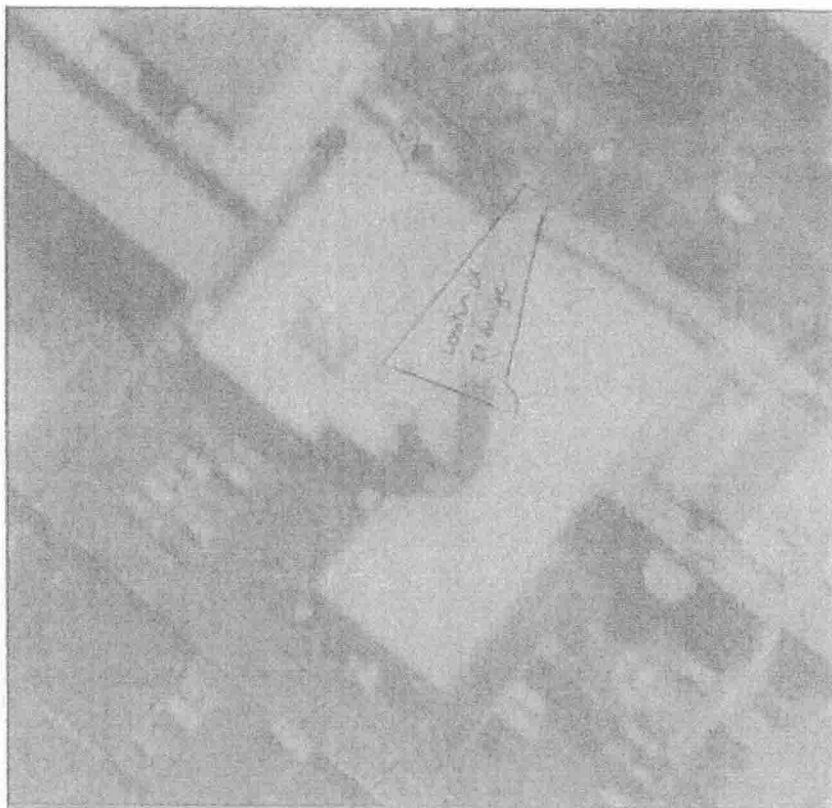
Plan of Building



WZ *FM*

IT Bridge Connection Area

IT Connection Bridge



Wd

1/21

Schedule 6 Building Performance Specifications

(refer clause 9.1)

- Landlord will keep the premises weathertight and compliant with all laws and regulations including window seals and points for water and draught ingress
- Landlord to keep current a building warrant of fitness for the Building at all times and to undertake all works required to obtain a building warrant of fitness as part of regulatory compliance;
- The Landlord and the Landlord's contractors, invitees or persons under the Landlord's control shall comply with all health and safety regulations and wear appropriate personal protective equipment at all times.

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

Certificate of Non-Revocation of Power of Attorney

I, Paul William McElwee of Auckland, Chief Financial Officer certify:

1. That by an instrument in writing executed in accordance with section 180(1)(a) of the Companies Act 1993 dated 29 May 2019, Tāmaki Redevelopment Company Limited of 244 Apirana Avenue, Glen Innes, Auckland, New Zealand appointed me its attorney.
2. That I have not received notice of any event revoking the power of attorney.

Signed at Panmure this 6th day December 2019



Paul William McElwee

