


(Sub-sublessee)

AND

South East Queensland Sports Aircraft Club Incorporated ABN 85 577
075 106
(Sublessor)

**SUB LEASES
HANGAR A3 KILCOY AIRFIELD**

HW Litigation
PO Box 1221
SOUTHPORT QLD 4215
Tel: (07) 5556 7100
Fax: (07) 5556 7111

170056

NO.	DOCUMENT	DATE
1.	Deed of Surrender of current sub-sublease effective 31 December 2018	
2.	Sub Lease – Hangar A3	01.01.2019 to 31.12.2021
3.	Sub Lease – Hangar A3*	01.01.2022 to 31.12.2024
4.	Sub Lease – Hangar A3*	01.01.2025 to 31.12.2027
5.	Sub Lease – Hangar A3*	01.01.2028 to 31.12.2030
6.	Sub Lease – Hangar A3*	01.01.2031 to 31.12.2033
7.	Sub Lease – Hangar A3*	01.01.2034 to 31.12.2036
8.	Sub Lease – Hangar A3*	01.01.2037 to 31.12.2039
9.	Sub Lease – Hangar A3*	01.01.2040 to 31.12.2042
10.	Sub Lease – Hangar A3*	01.01.2043 to 31.12.2045
11.	Sub Lease – Hangar A3*	01.01.2046 to 31.12.2048
12.	Sub Lease – Hangar A3*	01.01.2049 to 31.12.2051

*subject to and conditional upon the head lease being extended for the option period


(Sub-sublessee)

AND

South East Queensland Sports Aircraft Club Incorporated ABN 85 577 075 106
(Sublessor)

Deed of Surrender

Hangar A3 Kilcoy Airfield

HW Litigation Pty Ltd
Suite 30803, Level 8
Southport Central 3
9 Lawson Street
SOUTHPORT QLD 4215
Tel 07 5556 7100
Fax 07 5556 7111

Contents

Parties	1
Recitals	1
1 Definitions	2
1.1 Definitions	2
1.2 Interpretation	3
1.3 Definitions in Sub-sublease	3
2 Surrender of Sub-sublease	3
2.1 Surrender of Sub-sublease	3
2.2 Sub-subslessee's Obligations	4
2.3 Indemnity	4
3 Confirmation of no Compensation	4
4 Release by Sub-subslessee	4
5 Bar to Actions	4
6 Confidentiality	4
7 Exceptions to Confidentiality	4
8 General	5
8.1 Notices	5
8.2 Governing Law	5
8.3 Entire Agreement	5

Deed of Surrender

This Deed is made on ^{31st} day of ^{March} 2018

Parties

1. **South East Queensland Sports Aircraft Club Incorporated** ABN 85 577 075 106 c/- HW
Litigation Pty Ltd, Suite 30803, Level 8 Southport Central Tower 3, 9 Lawson Street in the State of
Queensland (Club)
2. **John Terrence Adams** of 53 Seacrest Court, Cleveland in the State of Queensland (Sub-sublessee)

Recitals

- A. The Somerset Regional Council ABN 50 138 958 249 ("Council") leased the Property from
Queensland Bulk Water Supply Authority trading as Seqwater ABN 75 450 239 876 ("Seqwater")
under the Lease.
- B. The Council sublet the Property to the Club under the Sublease.
- C. The Club subsublet the Hangar to the Sub-sublessee under the Sub-sublease.
- D. The Sublease has been merged into the reversion of that sublease under the Lease and the Lease
has been assigned by the Council to the Club, so that the Club is now the lessee under the Lease.
- E. Seqwater has consented to the Club entering into subleases in respect of aircraft hangars located
on the Property so long as the same is in the form approved by Seqwater ("Approved Sublease").
- F. The Club and Sub-sublessee have agreed to enter into this Deed so as to surrender the Sub-
sublease on the basis that contemporaneously with the entry into this Deed, the Club will enter into
an Approved Sublease with the Sub-sublessee.
- G. The Club and the Sub-sublessee have agreed to finalise all matters relating to the Sub-sublease
and to surrender the Sub-sublease from the Surrender Date on the terms and conditions set out in
this Deed.

It is agreed as follows.

1 Definitions

1.1 Definitions

Unless otherwise indicated, all capitalised terms in this Deed have the meanings given to them in the Sub-sublease or as follows:

Claims means all debts, allegations, audit, costs (including legal costs on a full indemnity or solicitor and own client basis), expenses, damages, causes of action, potential causes of action, sums of money, loans, liens, losses, liabilities, orders (including, without limitation any costs orders), interest, investigations, accounts, contracts, actions, suits, arbitrations and all claims, demands and legal proceedings whatsoever, either at law or in equity or otherwise howsoever, which any of the Parties now have or has, or ever had or might or could have, on any account whatsoever, concerning or arising out of, or in any way connected with the facts and matters which are set out in the Recitals in this Deed.

Hangar means aircraft hangar A3 located on the Property and as depicted in Annexure A hereto.

Lease means the lease of the Property registered over the title to the Property under dealing number 602170874 (K935953B) granted by Seqwater to the Council commencing 1 January 1992 and expiring 31 December 2021 together with a 30 year option.

Property means Lot 361 and 362 on CP CG4017 on Title Reference 15728041 and 15728042.

Sublease means the sublease of the Property registered over the title to the Property under dealing number 602170875 granted by the Council to the Club commencing 1 January 1992 and expiring 30 December 2021.

Sub-sublease means the sub-sublease of the Hangar located on the Property and dated 21 June 2011 granted by the Club and subsequently assigned to the Sub-sublessee commencing 1 July 2017 and expiring 30 June 2020 and commencing 1 July 2020 and expiring 29 December 2021.

Surrender Date means 31 December 2018.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation. The following rules of interpretation apply unless the context requires otherwise.

- (a) The singular includes the plural and conversely.
- (b) A gender includes all genders.
- (c) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (d) A reference to a person includes a body corporate, an unincorporated body or other entity and conversely.
- (e) A reference to a clause, annexure or schedule is to a clause of, or annexure or schedule to this Deed.
- (f) A reference to any party to this Deed or any other agreement or document includes the party's successors and permitted assigns.
- (g) A reference to any agreement or document is to that agreement or document as amended, novated, supplemented, varied or replaced from time to time, except to the extent prohibited by this Deed.
- (h) A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it.
- (i) A reference to **dollars** or \$ is to Australian currency.
- (j) A reference to **conduct** includes any omission and any statement or undertaking, whether or not in writing.
- (k) Mentioning anything after **include, includes or including** does not limit what else might be included.

1.3 Definitions in Sub-sublease

Words and expressions defined in the Sub-sublease, where used in this Deed, have the same meaning as in the Sub-sublease, unless they are otherwise separately defined in this Deed.

2 Surrender of Sub-sublease

2.1 Surrender of Sub-sublease

Subject to the Sub-subslessee complying with its obligations under clause 2.2, the Club and Sub-subslessee agree that the Sub-sublease is surrendered from the Surrender Date. This condition is for the benefit of the Club who may waive it at any time.

2.2 Sub-sublessee's Obligations

The Sub-sublessee must perform all obligations of the Sub-sublessee under the Sub-sublease up to and including the Surrender Date.

2.3 Indemnity

2.2.1 The Sub-sublessee is liable for and indemnifies:

2.2.1.1 the Club; and

2.2.1.2 any person claiming through or under the Club,

against all Claims for which they may become liable in respect of, arising from or in connection with, or contributed to by, the Sub-sublessee's occupation or use of the Hangar and/or the Sub-sublease, however occurring, except to the extent it arises from or in connection with, or is contributed to by the negligent act or omission of the Club or its agents or employees or from a breach by the Club of this Deed.

3 Confirmation of no Compensation

The Sub-sublessee agrees that if the Sub-sublease is surrendered in accordance with this Deed, the Sub-sublessee is not entitled to any compensation, damages or other amounts from the Club because of such surrender.

4 Release by Sub-sublessee

On and from the date of this Deed and to the fullest extent permitted by law, the Sub-sublessee immediately and forever releases and discharges the Club and its officers, employees, agents and contractors from all Claims of any nature and whether arising before or after the date of this Deed, connected with or incidental to:

(a) the Sub-sublease; and

(b) the surrender of the Sub-sublease, whether or not the facts or circumstances on which such matters were based were or could reasonably have been known to the Sub-sublessee as at the date of this Deed.

5 Bar to Actions

The Sub-sublessee agrees that, to the fullest extent permitted by law, this Deed shall operate as an absolute bar to all Claims threatened or brought or attempted to be brought by the Sub-sublessee or in its name arising out of or in connection with the matters referred to in clause 4.

6 Confidentiality

Subject to clause 7, each party and their legal representatives shall keep the terms of and existence of this Deed confidential.

7 Exceptions to Confidentiality

A party may, if it reasonably thinks necessary to do so, disclose any term of this Deed to:

- (a) any professional advisers, auditors, bankers, financial advisers and financiers;
- (b) comply with any law or requirement of any regulatory body (including any relevant stock exchange); or
- (c) comply with any legal obligation.

8 General

8.1 Notices

- (a) Any notice given under this Deed:
 - (i) must be in writing addressed to the intended recipient at the address shown at the start of this Deed or at the address last notified by the intended recipient to the sender;
 - (ii) must be signed by a person duly authorised by the sender,
 - (iii) will be taken to have been given when delivered, received or left at the address referred to in paragraph (a)(i) above.
- (b) If delivery or receipt occurs on a day when business is not generally carried on in the place to which the notice is sent, or is later than 4pm (local time), it will be taken to have been duly given at the commencement of business on the next day when business is generally carried on in that place.

8.2 Governing Law

This Deed is governed by the laws of Queensland and the parties submit to the non-exclusive jurisdiction of the courts exercising jurisdiction there.

8.3 Entire Agreement

This Deed contains the entire agreement between the parties with respect to its subject matter. It sets out the only conduct, representations, warranties, covenants, conditions, agreements or understandings (collectively **Conduct**) relied on by the parties and supersedes all earlier Conduct by or between the parties in connection with its subject matter. No party has relied on or is relying on any other Conduct in entering into this Deed and completing the transactions contemplated by it.

Deed of Surrender

EXECUTED by the parties as a deed.

Each attorney executing this Deed states that he or she has no notice of revocation or suspension of the power of attorney.

Signed sealed and delivered under)
the Common Seal of **South East**)
Queensland Sports Aircraft Club)
Incorporated ABN 85 577 075 106)
pursuant to a resolution of its)
Management Committee, by two)
members of that committee, who)
certify that they are the proper offices)
to affix the deal:)



Member, Management Committee

Douglas McGregor Muir

Full Name (*Print*)

Member, Management Committee

Colin Keith Fearnside

Full Name (*Print*)

Signed sealed and delivered)
by **John Terrence Adams** in the)
presence of:)

John Terrence Adams
Name of Witness

MARK RODERICK FOY
SOLICITOR, QLD

Annexure A to Deed of Surrender – Depiction of Hangar Location

DIAGRAM

Scale @ A3 1:500

ALL MEASUREMENTS ARE APPROXIMATE

LEGEND

Lease Area



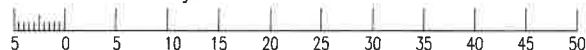
Apron Area

Water Tank/
Maintenance Area

— Outside face of Building

--- Centreline of Wall

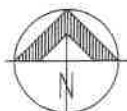
Lengths are in Metres

**LEASE A3**165m²362
CG4017**BUILDING A**

BLDG B

Lease
No. 602170874

BLDG C

Sub-Lease A3 does affect Lease 602170874 and does not
affect Lease 602170873 or Emts. A-C on RP 854245.
Dated 30/10/2017362
CG4017**LEASE A3**
VIDE DIAG.303
CG3813

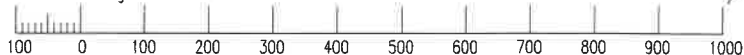
#8248

ROAD

361
CG4017**LEASE CONNECTION**

LINE	BEARING	DISTANCE
A-B	Abt 57°15'	Abt 68.6

Lengths are in Metres



Meridian: CG4017

Map Ref: 9444-33234

NOTE
Lease dimensions & areas taken to
outside face of building and
centreline of internal walls.R. KEATING
QBCC Lic. No. 06545820 Bushlark Court
Upper Caboolture 4510
Ph.: (07) 5497 0334

BOB KEATING DESIGN & DRAFTING

PLAN FOR LEASE PURPOSESBeing part of Lease No. 602170874 in
Lots 361 & 362 on CG4017
(TR15728041 and 15728042)Parish: KILCOY
Locality: WINYACounty: CANNING
Local Gov.: SOMERSET R.C.

CLIENT

South East Qld Sports Aircraft Club

SCALE (A3)

1:8000

PLAN NO.

Lease-A3



OFFICE USE ONLY

Privacy Statement

Collection of information from this form is authorised by legislation and is used to maintain publicly searchable records. For more information see the Department's website.

1. Sublessor	Lodger (Name, address, E-mail & phone number)	Lodger Code
South East Queensland Sports Aircraft Club Incorporated		

2. Lot on Plan Description	Title Reference
Lot 361 on CP CG4017	15728041
Lot 362 on CP CG4017	15728042

3. Sublessee Given names	Surname/Company name and number	(include tenancy if more than one)
John Terrence	Adams	

4. Interest being subleased
Lease 602170874 (K935953B)

5. Description of premises being subleased
That part of the building erected on the land, indicated as area "A3" on the plan in Annexure A

6. Term of lease	7. Rental/Consideration
Commencement date/event: 1 January 2019	See attached schedule
Expiry date: 31 December 2021	
Options: Nil	

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule

Witnessing officer must be aware of his/her obligations under section 162 of the Land Title Act 1994

..... signature	
..... full name	See Enlarged Panel
..... qualification	/ /

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

Sublessor's Signature

9. Acceptance

The Lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

..... signature	
..... full name	See Enlarged Panel
..... qualification	/ /

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

Sublessee's Signature

Title Reference 15728041 and 15728042

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule



Given under the common seal of the South East Queensland Sports Aircraft Club Incorporated in accordance with its Rules of Club in the presence of

a member of the Management Committee and the

Secretary/member of the Management Committee who certify that they are the proper officers to affix such seal:

..... signature

..... full name

..... qualification 2 / 12 / 2018

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

Sublessor's Signature

9. Acceptance

The Sublessee accepts the sublease and acknowledges the amount payable or other considerations for the sublease.

..... signature

..... full name

..... qualification

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

Sublessee's Signature

MARK RODERICK FOY
SOLICITOR, QLD

2 / 12 / 18

J. T. Adams

Title Reference 15728041 and 15728042

1 Definitions and interpretations

Definitions

1.1 In this document:

Term	Definition
Accounting Period	means each of the following periods: the period from the Commencement Date to the immediately following 30 June; each full period of 12 months from 1 July to 30 June during the Term; and the period from 1 July immediately preceding the Termination Date.
Agents	means agents, servants, employees, licensees and invitees.
Airfield	means the land known as Kilcoy Airfield situated at Kennedy's Road, Kilcoy and more particularly described as Lease A (No. 602170874 (K935953B)) in Lots 361 and 362 on Plan CP CG4017, Title Reference 15728041 and 15728042, such land being nominally divided into precincts for specific uses as specified in the Master Plan.
Approval to Operate	means a written approval issued by the Landlord for the carrying out of specified activities (nominated in that written approval) on specific areas of the Airfield as designated on the Master Plan.
Apron Area	means the area shown on the plan in Annexure A.
Business Day	means a day on which trading banks are open for business in Brisbane, Queensland.
Club	means the Landlord and its successors.
Commencement Date	means the commencement date of this Sublease stated at Item 4 of the Reference Schedule.
Cover Page	means page 1 of this Sublease.
Default Interest Rate	means that rate which is 2% above the rate charged by National Australia Bank on overdraft amounts in excess of Fifty Thousand Dollars (\$50,000).
Demised Premises	means the premises described at Item 5 on the Cover Page of this Sublease.
Development Control Plan	means the development control plan for the Airfield dated February 2008.
Environmental Management System	means the document titled the environmental management system and which is applicable to the Airfield dated February 2005.
Guarantor	means the guarantors named in Item 9 of the Reference Schedule (if any).
Head Lease	means lease number 602170874 (K935953B) dated 16 January 1992 between Seqwater and South East Queensland Sports Aircraft Club Incorporated in relation to the Airfield.
Item	means an item in the Reference Schedule of this Sublease unless it is specified to be an item on the Cover Page of this Sublease.
Landlord	means South East Queensland Sports Aircraft Club Incorporated, being the sublessor identified in Item 1 of the Cover Page of this Sublease and the tenant named in the Head Lease.
Licensed Areas	means those parts marked and shown as 'Apron Area' and 'Water

Title Reference 15728041 and 15728042

Term	Definition
	Tank/Maintenance Area' on the plan in Annexure A.
Master Plan	means the plan designating the uses authorised by Seqwater and Somerset Regional Council, for specified precincts of the Airfield dated June 2007 and other plan in force from time to time together with conditions of approval of the Somerset Regional Council or other relevant authority (where the context requires) in force from time to time.
Operating Expenses	means all net amounts paid or payable by the Landlord in any one Accounting Period (after taking into account the benefit of any discount, rebate, allowance or concession): (a) for municipal rates and charges of a periodic nature assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period; (b) for other fees, levies, taxes or charges assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period by any statutory or other authority.
Permitted Use	means the permitted use stated at Item 7 of the Reference Schedule.
Reference Schedule	means the reference schedule attached to this Sublease.
Rent	means the rent stated at Item 8 of the Reference Schedule.
Sequential Lease	means a sublease to the Sublessee of the Demised Premises (other than this Sublease) which is entered into at the same time as this Sublease but which is for a period either before or after the Term.
Seqwater	means the Queensland Bulk Water Supply Authority trading as Seqwater, being the registered proprietor of the Airfield and the landlord under the Head Lease.
Shared Water Tank	has the meaning given in clause 6.10.
Sublease	means this schedule, the Cover Page and the Reference Schedule attached to this Sublease.
Tenant	means the sublessee identified in Item 3 on the Cover Page of this Sublease.
Tenant's Proportion	is calculated in accordance with the formula: $TP = \frac{1}{TH}$ where: TP = the Tenant's Proportion TH = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a sublease granted by the Landlord.
Tenant's Water Tank	has the meaning given in clause 32.
Term	means the term of this Sublease stated at Item 3 of the Reference Schedule.
Termination Date	means the termination date stated at Item 5 of the Reference Schedule.

Interpretation

1.2 In this Sublease, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa;

Title Reference 15728041 and 15728042

- (b) 'person' includes a firm, a company, a body corporate, an unincorporated Club or an authority in so far as it relates to the Lessor, its agents or others associated with the Sublease with the exception of the Lessee who will at all times remain a natural person.
- (c) an agreement, representation or warranty:
 - (i) in favour of two or more persons is for the benefit of them jointly and severally; and
 - (ii) on the part of two or more persons binds or is given by them jointly and severally;
- (d) a reference to:
 - (i) a person includes a person's legal personal representatives, successors, substitutes (including persons taking by novation) and assigns;
 - (ii) a document includes any variation or replacement of it;
 - (iii) a law includes regulations and other instruments under it and amendments or replacements of any of them;
 - (iv) a thing includes the whole and each part of it;
 - (v) a group of persons includes all of them collectively, any two or more of them collectively and each of them individually; and
 - (vi) the president of a body or authority includes any person acting in that capacity;
- (e) 'including' when introducing a list of items does not limit the meaning of the words to which the list relates to those items or to items of a similar kind;
- (f) a reference to time is the time at Brisbane;
- (g) a reference to a clause is a reference to a clause of this Sublease; and
- (h) where any word or phrase is given a defined meaning any grammatical form or other part of speech in respect of such word or phrase shall have a corresponding meaning.
- (i) Headings have been inserted for convenience and do not affect the interpretation of this Sublease.
- (j) A gender includes all genders, the singular includes the plural and conversely, and persons include corporations and conversely.
- (k) If a party to the lease consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- (l) No covenant is implied in the lease by Section 107(4) *Property Law Act 1974*.
- (m) This Sublease comprises the whole of the agreement between the Landlord and the Tenant and no further or other terms or agreements shall be deemed to be implied or to arise by way of collateral or other agreement by reason of any promise, representation, warranty or undertaking by or on behalf of the Landlord or the Tenant on or prior to the execution of the Sublease.
- (n) Any notice, notification or consent under the Sublease and any variation of the Sublease must be in writing.
- (o) The Sublease is a deed even if it is not registered.

Title Reference 15728041 and 15728042

- (p) The Sublease must be interpreted so that it complies with the laws of Queensland and of the Commonwealth of Australia. If any provision of the Sublease does not comply the provision must be read down so as to give it as much effect as possible. If the provision cannot be given any effect it must be severed from the Sublease.

2 Head Lease

- 2.1 This Sublease and the rights of the Landlord and the Tenant under this Sublease are subject to all the covenants and conditions of the Head Lease. The Landlord and the Tenant agree that so far as relates to the Demised Premises and this Sublease, the Tenant covenants with the Landlord that it will not do any act or permit any act to be done which if done or permitted to be done would constitute a breach of any of the covenants and conditions in the Head Lease. If the Head Lease requires a consent or approval (from Seqwater) for the doing of any act or thing, by a tenant, then the Tenant shall procure such consent or approval before doing the act or thing (and provide a copy of it to the Landlord).
- 2.2 The Tenant acknowledges having received a copy of the Head Lease before the Tenant entered into this Sublease.
- 2.3 If the Head Lease is terminated or otherwise determined, this Sublease shall simultaneously terminate without notice or further act of the parties and without any liability on the part of each party to the other party but without prejudice to the rights of each party in respect of any antecedent breach of the covenants and conditions of this Sublease by the other party.
- 2.4 If the provisions of this Sublease (other than this clause 2) conflict with any of the provisions of the Head Lease, then the provisions of the Head Lease shall prevail.

3 Landlord's Covenants

- 3.1 If the Tenant does everything which the Tenant is required to do under this Sublease the Landlord must permit the Tenant to have possession of the Demised Premises and to use the Demised Premises for the Permitted Use without interruption or disturbance by the Landlord or by any other person lawfully claiming under the Landlord.
- 3.2 The Tenant's right to be free of interruption or disturbance is subject to the rights of the Landlord under this Sublease.
- 3.3 The Landlord covenants with the Tenant that the Landlord will pay the rent payable under the Head Lease and will do everything which the Landlord is required to do under the Head Lease.

4 Landlord's rights of access to the Demised Premises

- 4.1 The Tenant must allow the Landlord or any person authorised by the Landlord to enter the Demised Premises at any reasonable time for any of the following purposes:
- (a) inspect the condition of the Demised Premises or any construction built by the Tenant on the Demised Premises;
 - (b) to check the use of the Demised Premises;
 - (c) to do any work that the Landlord must or may do pursuant to this Sublease or the law;
 - (d) to value the Demised Premises;
 - (e) to inspect the Demised Premises or to affix a notice on the Demised Premises or on the outside of any construction on the Demised Premises within the last six months of the Term of this Sublease or at any time after the termination of that period in relation to a prospective letting of the Demised Premises;

Title Reference 15728041 and 15728042

- (f) to carry out any improvements or repairs to the Demised Premises or adjoining premises considered by the Landlord to be desirable so long as the work is done without undue interference with the occupation and use of the Demised Premises by the Tenant;
 - (g) to allow entry by Seqwater or the Landlord where entry is or may be required to allow exercise of a right or fulfilment of an obligation under the Head Lease; or
 - (h) to carry out any work on any structure or thing on the Demised Premises because the Tenant is in breach of this Sub-lease and has failed to remedy the breach.
- 4.2 The Landlord must give the Tenant at least five days' notice of access or entry to the Demised Premises except in an emergency where no notice is needed.

5 Alterations to the Demised Premises

- 5.1 The Tenant must not make or allow to be made any alterations or additions to any construction on the Demised Premises (including without limitation erecting any sign or notice or painting any improvements) unless:
- (a) the Tenant first obtains the consent of Seqwater, and the Landlord, and the approval or consent of any relevant authority; and
 - (b) the alterations or additions comply with the Master Plan and the consents and approvals referred to in clause 5.1(a).
- 5.2 Any construction, alteration or addition must be carried out in a proper and workmanlike manner at the expense of the Tenant and (if so required by the Landlord) subject to the supervision of the Landlord's architect whose fees must be paid by the Tenant.
- 5.3 If any construction, alteration or addition is made by the consent of the Landlord upon the condition that the Demised Premises are to be restored to their former condition at the expiry or on earlier termination of this Sublease then upon the expiry or on earlier termination of this Sublease the Tenant must restore the Demised Premises accordingly.

6 Use of Demised Premises

- 6.1 The Tenant must use the Demised Premises only for the Permitted Use. The Tenant must obtain the prior written consent of the Landlord which the Landlord must not unreasonably withhold before any aircraft not owned by the Tenant is stored in the Demised Premises. It will not be unreasonable for the Landlord to refuse its consent if the storage of the aircraft would cause the Landlord to be in breach of any applicable Law. The Landlord may impose conditions when granting its consent including that the Tenant pays a fee determined by the Landlord as a contribution to the maintenance of the Airfield.
- 6.2 The Tenant acknowledges that the Permitted Use must be carried on in compliance with:
- (a) the Master Plan;
 - (b) the Development Control Plan;
 - (c) the Environmental Management System; and
 - (d) all applicable regulatory approvals licences or permits the Landlord has in place, holds or to which the Landlord is subject from time to time.
- 6.3 The Landlord does not represent or warrant that the Demised Premises are suitable or can be lawfully used for the Permitted Use or for any other purpose of the Tenant.

Title Reference 15728041 and 15728042

- 6.4 The Airfield may only be used for recreational flying. Flying operations for any commercial or profit making undertaking or business are not permitted. The Landlord does not represent or warrant that the runways, taxiways, parking areas and roads on the Airfield are of all-weather standard, or that after periods of wet weather these areas are suitable for aircraft or motor vehicle use. The Tenant shall repair any damage to these areas by the Tenant should the Tenant use these areas after periods of rain.
- 6.5 The Tenant must obtain any necessary consents or licences regarding the Permitted Use, keep them current and comply with any conditions attaching to them.
- 6.6 If an Approval to Operate issued by the Landlord is required in relation to the Demised Premises because of the Permitted Use or the Master Plan, the Tenant must keep such Approval current at all times throughout the Term and comply with all renewal requirements of the Landlord.
- 6.7 The Tenant must duly and punctually comply with and observe all statutes, ordinances, regulations and by-laws and all requirements and orders of any relevant authority or public body relating to the Demised Premises.
- 6.8 The Tenant must comply with all reasonable directions of the Landlord or the insurer of the Demised Premises as to prevention, detection and limitation of fire and fire protection.
- 6.9 The Tenant must comply with the requirements of the local Fire Brigade Board and the laws and regulations for the time being relating to fires.
- 6.10 The Tenant must direct all roof runoff water and water storage overflow by drainpipes to a water tank with a minimum capacity of 5,000 litres (**Shared Water Tank**) located in a position determined by the Landlord adjacent to the Demised Premises. The Tenant consents to the Landlord determining a position for and locating a Shared Water Tank within the area licensed to the Tenant as the Water Tank/Maintenance Area. The water contained in a Shared Water Tank or any Tenant's Water Tank placed in the Water Tank/Maintenance Area must if required be made available for use by the Landlord or at the Landlord's direction other tenants or occupiers of the Airfield.
- 6.11 The Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank maintain such water tank and keep it in good repair and condition. If any Shared Water Tank leaks, the Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank immediately repair it or have it removed and replaced with new tank. If the Tenant in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank does not repair any water leak within a reasonable time (determined solely by the Landlord), the Landlord may have such leak repaired at the cost of the Tenant. Such cost shall be a liquidated debt owing to the Landlord in equal shares by all tenants whose Demised Premises are connected to the Shared Water Tank.
- 6.12 The Tenant must not:
- (a) use the Demised Premises for any commercial or profit making undertaking or business (including, subject to clause 6.1 storage of aircraft not owned by the Tenant);
 - (b) use the Demised Premises for residential purposes or for other than casual (not permanent) occupation;
 - (c) despite clause 6.12(b) use the Demised Premises (or any part of the Demised Premises) as a sleeping place;
 - (d) use the Demised Premises for any noxious, noisome, offensive, dangerous or illegal activity or purpose;
 - (e) do anything in the Demised Premises which is or might become a nuisance, annoyance or disturbance to the Landlord, Seqwater, or to the owner or occupiers of neighbouring premises;
 - (f) hold any auction, bankrupt or fire sale in the Demised Premises;
 - (g) store upon the Demised Premises any fluid, gas (excluding domestic gas cylinders) or substance which is or might be dangerous because of its inflammable, explosive or corrosive nature;

Title Reference 15728041 and 15728042

- (h) do anything that might invalidate any insurance policy in respect of the Airfield or any adjoining site or sites or increase the premium payable for such insurances;
- (i) use any water, drainage, or other pipes or connections for any purpose other than that for which they were constructed or intended;
- (j) cause or permit any advertisement hoarding or sign (including any neon or similar sign) to be painted affixed put up or placed upon the Demised Premises or any part of the Demised Premises or paint any part of the improvements upon the Demised Premises without first obtaining the written approval of Seqwater and the Landlord.

7 Term

- 7.1 This Sublease is for the Term, commencing on the Commencement Date and ending at midnight on the Termination Date.

If the Tenant remains in the Demised Premises with the Landlord's consent after the Termination Date, then the Tenant will occupy the Demised Premises as a monthly tenant on the same terms and conditions as at the Termination Date except that the Landlord or the Tenant may end the tenancy on any day by giving a month's notice to the other party.

8 Club membership

The Tenant must:

- (a) maintain its full financial voting membership status of the Club for the duration of the Term; and
- (b) not be in breach of the Constitution or By-Laws of the Club for a period in excess of one calendar month.

9 Tenant payments

- 9.1 The Tenant must pay to the Landlord:

- (a) the Rent (varied in accordance with the Lease) within 28 days of receiving a Tax Invoice;
- (b) the professional costs and outlays of the Landlord of preparation and execution of this Sublease and each Sequential Lease;
- (c) the reasonable costs to the Landlord of dealing with any application by the Tenant for the Landlord's consent under this Sublease (whether or not consent is given);
- (d) the reasonable costs to the Landlord incurred in connection with a default by the Tenant;
- (e) survey fees associated with the plan attached as Annexure A;
- (f) the reasonable expenses incurred by the Landlord in obtaining the consent of Seqwater to this Sublease, any assignment of this Sublease, or any consent required under the Head Lease because of the Tenant's use of the Demised Premises;
- (g) any amount paid by the Landlord to Seqwater, pursuant to any deed of consent executed by Seqwater and the Landlord giving consent to this Sublease; and
- (h) the reasonable professional costs and outlays of the Landlord incurred in connection with the surrender of this Sublease.

Title Reference 15728041 and 15728042

- 9.2 If requested by the Landlord, the Tenant must establish a direct debit arrangement with a bank so that the amounts payable by the Tenant are paid directly to the Landlord by the Tenant's bank on each due date for payment.
- 9.3 If the Tenant is late in paying the Rent or other money to the Landlord, then the Tenant must pay interest on it at the Default Interest Rate. Interest will accrue and be compounded monthly and be calculated on a daily basis from the day the Rent or other money was due until the day it is paid in full.
- 9.4 The Tenant must pay for all services, if any, supplied to the Demised Premises.

10 Rent

- 10.1 The Rent for the first year of the Term must be paid on or before the Commencement Date.
- 10.2 The Tenant must pay the Rent (varied in accordance with this Sublease) in advance, and on or before the first day of each year of this Sublease.
- 10.3 If this Sublease is terminated by either party for any reason (whether under clause 26, or otherwise), the Landlord must within 30 days of receiving a written demand, reimburse the Tenant for Rent, the Tenant's Proportion of the Operating Expenses for the relevant Accounting Period and any other amounts payable under this Sublease.

11 Rent reviews

Rent shall be increased on the same date as any increase in the rent payable by the Landlord under the Head Lease. The Rent shall be increased to:

$$R = A + \frac{B}{C}$$

where:

R = the increased Rent;

A = the current Rent;

B = the amount of the increased rent payable under the Head Lease at the relevant review; and

C = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a lease granted by the Landlord.

12 Outgoings

- 12.1 The Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses for each Accounting Period billed to the Tenant in accordance with this clause 12.
- For the purpose of calculating the Tenant's Proportion the Operating Expenses are deemed to accrue equally day to day.
- 12.2 Any change in the Tenant's Proportion will not take effect until the first day of the month following the later of:
- (a) the date the Landlord gives written notice to the Tenant of the change; and
 - (b) the increase or decrease in the total number of aircraft hangars located on the Airfield which causes the change.

Title Reference 15728041 and 15728042

12.3 The Tenant's Proportion of Operating Expenses must not be greater as a result of:

- (a) any other occupant of an aircraft hangar on the Airfield not contributing to an item of Operating Expenses;
or
- (b) any aircraft hangar on the Airfield capable of being leased or licensed being vacant.

13 Landlord's estimates of Operating Expenses

13.1 At least one month prior to the commencement of each Accounting Period and upon request from the Tenant, the Landlord will, but only at the direction of the club management committee, prepare and provide to the Tenant an estimate of Operating Expenses for that Accounting Period.

13.2 The estimates should detail:

- (a) each item of Operating Expense;
- (b) how the estimates have been calculated; and
- (c) the Tenant's Proportion of the estimated Operating Expenses and the figures from which the Tenant's Proportion has been calculated.

14 Payment of Operating Expenses on account

14.1 At the same time as providing the estimates of Operating Expenses for the next Accounting Period, the Landlord may by written notice to the Tenant require the Tenant to pay the Tenant's Proportion of the estimated Operating Expenses.

14.2 On receipt of the request, the Tenant must pay the Landlord the Tenant's Proportion of the estimated Operating Expenses for the next Accounting Period by one annual payment on the first day of each Accounting Period throughout the Term. The first instalment for the first quarter need not be paid by the Tenant until the date 45 days after the date of this Sublease.

14.3 If the Tenant disputes whether the Tenant's Proportion of estimated Operating Expenses required by the Landlord to be paid:

- (a) has been calculated correctly; or
- (b) includes amounts that are not Operating Expenses,

and the dispute is not resolved between the Landlord and the Tenant within one month then:

- (c) the dispute will be dealt with under clause 29; and
- (d) until the dispute is resolved, the Tenant will not be required to pay the amount in dispute.

15 Landlord's Statement of Expenditure

15.1 Within three months after the end of each Accounting Period, and upon timely request from the Tenant in the first instance being received, the Landlord will prepare and provide to the Tenant a statement of expenditure (**Statement of Expenditure**) which specifies the Operating Expenses actually incurred in that Accounting Period.

15.2 The Statement of Expenditure should detail and is not limited to:

- (a) each item of Operating Expense;

Title Reference 15728041 and 15728042

- (b) how the Operating Expenses have been calculated; and
- (c) the Tenant's Proportion of Operating Expenses and the figures from which the Tenant's Proportion have been calculated.

15.3 The Landlord must:

- (a) keep accurate records of the Operating Expenses for each Accounting Period including copies of all relevant assessments, invoices or statements; and
- (b) allow the Tenant to inspect the records.

16 Adjustment of Operating Expenses at end of Accounting Period

- 16.1 Within three months of receipt by the Tenant of a Statement of Expenditure correctly specifying the total Operating Expenses the Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses less the total of any amount paid for that Accounting Period under clause 12.
- 16.2 If the amount paid for that Accounting Period under clause 12 is greater than the Tenant's Proportion of the Operating Expenses then the Landlord must repay the difference to the Tenant within three months of receipt by the Tenant of the Statement of Expenditure.
- 16.3 If the Tenant disputes whether the Tenant's Proportion of Operating Expenses set out in the Statement of Expenditure:
- (a) has been calculated correctly; or
 - (b) includes amounts that are not Operating Expenses,
- then until the dispute is resolved the Tenant may withhold the amount in dispute and if:
- (c) the Tenant still disputes the Tenant's Proportion of the Operating Expenses three months after receipt by the Tenant of the Statement of Expenditure,
- then the dispute will be dealt with under clause 29.
- 16.4 The Tenant's liability to pay the Tenant's Proportion of the Operating Expenses is not affected by the termination of this Sublease.

17 GST

- 17.1 In this clause words or terms have the meanings as they do in *A New Tax System (Goods and Services Tax) Act 1999*.
- 17.2 Unless otherwise set out, the parties confirm that any amount payable under this Sublease has been calculated without regard to GST.
- 17.3 If there is a Taxable Supply then the party paying for the Taxable Supply will also pay the GST.
- 17.4 Any reference to a cost or charge under this Sublease excludes GST where the party liable to pay it can claim an Input Tax Credit
- 17.5 Each party must do everything reasonably necessary to assist the other to claim an Input Tax Credit.
- 17.6 If a party wishes to make a claim on the other for GST, that claim must be made within six months of the date of the relevant notice.

Title Reference 15728041 and 15728042

- 17.7 Within 21 days of receiving a payment which includes GST, the party who receives the payment must give a Tax invoice to the party making the payment (unless one has already been provided).

18 Maintenance and repairs

- 18.1 The Tenant must maintain any construction built by or at the request of the Tenant comprising the Demised Premises pursuant to clause 5.1 in its condition at the time the construction was built and must carry out any repairs that are necessary to maintain the construction in that condition.
- 18.2 If the Tenant fails to do any work required of the Tenant under clause 18.1 and the Landlord gives the Tenant notice stating what the Tenant has failed to do so, then the Tenant must do such work immediately where there is an emergency and otherwise must do such work promptly and diligently.
- 18.3 If the Tenant fails to do any work following notice from the Landlord under clause 18.2, the Landlord may do the work and the Tenant must reimburse the Landlord for the cost of the work. The Landlord may recover the cost of the work from the Tenant as a liquidated debt.
- 18.4 The Tenant must keep the Demised Premises and the surroundings of the Demised Premises in a thorough state of cleanliness and must not allow any accumulation of rubbish on the Demised Premises whether outside or inside the Demised Premises.
- 18.5 The Tenant must comply with all environmental legislation and must ensure that neither the Demised Premises nor the Airfield or any other land is contaminated, polluted or degraded as a result of anything done or omitted to be done by the Tenant.
- 18.6 If there is any contamination, pollution or degradation of the Demised Premises, the Airfield or any other land as a result of anything done or omitted to be done by the Tenant then the Tenant must carry out all necessary remedial work to the satisfaction of the Landlord, Seqwater and all regulatory authorities.

19 Insurances

- 19.1 The Tenant must have and keep current:
- (a) a public liability insurance policy for an amount not less than \$10 million (or such higher amount as the Landlord may determine from time to time) for each event; and
 - (b) any other insurance policies reasonably required by the Landlord from time to time.
- 19.2 All insurance policies referred to in clause 19.1 shall note the interest of the Landlord and Seqwater.
- 19.3 Upon request by the Landlord the Tenant must give to the Landlord copies of any insurance policy required under clause 19.1 and of the receipt for the last premium.
- 19.4 If the Tenant does anything that might increase the premium payable by the Landlord for any insurance policy in respect of the Demised Premises, then the Tenant must pay to the Landlord the amount of the increased premium.

20 Indemnities by the Tenant

- 20.1 The Tenant will occupy and use the Demised Premises at the risk of the Tenant and releases to the fullest extent permitted by law the Landlord and its contractors and Agents from all claims and demands and from all liability which might arise in respect of any damage to property or death of or injury to any person in or near the Demised Premises (except where caused by the negligence of the Landlord, its contractors or Agents) and the Landlord will have no responsibility or liability for any loss of or damage to any property of the Tenant (except where caused by the negligence of the Landlord, its contractors or Agents).

Title Reference 15728041 and 15728042

- 20.2 To the extent that monies paid to the Landlord out of any insurance effected by the Tenant do not fully indemnify the Landlord, the Tenant will indemnify the Landlord, its contractors and Agents against all actions, claims, losses, damages, costs and expenses incurred by the Landlord or for which the Landlord or its contractors or Agents might become liable in respect of any damage to property or death of or injury to any person (except where caused by the negligence of the Landlord or its contractors or Agents) which may be suffered or sustained in, upon or near the Demised Premises.
- 20.3 The Landlord will not be liable for any loss or damage which the Tenant might suffer by reason of any damage to the Demised Premises or to anything of any nature whatsoever in or about the Demised Premises caused by or arising from the entry, flow or leakage of water or from any defect in the water, gas or electricity connections or any fittings or appliances used in connection with them or from any other defect in the Demised Premises.
- 20.4 Without limiting the generality of clauses 20.1, 20.2 and 20.3, the Tenant will indemnify the Landlord against all actions, claims, losses, damages, costs and expenses for which the Landlord might become liable in respect of or arising from:
- (a) the negligent or careless use by the Tenant or any contractor or Agent of the Tenant of the water, gas, electricity or other services and facilities of the Demised Premises or arising from any faulty fitting, fixture or other plant or equipment of the Tenant;
 - (b) overflow or leakage of water in or from the Demised Premises but having origin within the Demised Premises or caused or contributed to by any act or omission on the part of the Tenant or other persons referred to in clause 20.4(a);
 - (c) loss, damage or injury to property or person caused or contributed to by the use of the Demised Premises by the Tenant or other persons referred to in clause 20.4(a);
 - (d) loss, damage or injury to the Demised Premises or to any property or person within or without the Demised Premises occasioned or contributed to by any act or omission of the Tenant or other persons referred to in clause 20.4(a); and
 - (e) inundation of the Demised Premises or part thereof or any improvements by water (whether or not from Somerset Dam or its catchment areas).

21 Damage to building on Demised Premises

- 21.1 In the event that the Demised Premises is wholly or substantially damaged or destroyed so as not to be reasonably usable or repairable for the Permitted Use the Tenant shall within a period of 90 days at the Tenant's expense clear the Demised Premises of all damaged materials to the satisfaction of the Landlord.
- 21.2 If the Tenant does not clear the Demised Premises in accordance with clause 21.1, the Landlord shall have the right to clear the Demised Premises and recover the cost of such clearing from the Tenant as a liquidated debt.
- 21.3 The Landlord has the right to terminate this Sublease in the event the Landlord exercises its rights under clause 21.2.

22 Resumption

- 22.1 If the Demised Premises or the Airfield is resumed by any competent authority the Landlord will be entitled by giving not less than one month's notice to the Tenant to terminate this Sublease.
- 22.2 The Tenant will not be entitled to claim any compensation from the Landlord in respect of such resumption or termination but the termination will be without prejudice to the rights of either party with regard to any antecedent breach of this Sublease.

Title Reference 15728041 and 15728042

23 Transfer and SubLease

- 23.1 The Tenant must not assign transfer dispose of mortgage or charge the Demised Premises or any part of the Demised Premises or the Tenant's interest in this Sublease without the prior written consent of the Landlord. The Landlord must not unreasonably delay or refuse to grant such consent. It will be reasonable for the Landlord to refuse to grant its consent to a proposed assignee or transferee who is not a full financial voting member of the Club.
- 23.2 The Tenant must not sublet or part with use or possession of the whole or any part of the Demised Premises. Allowing others to store aircraft in the Demised Premises is not sub-letting or parting with possession.
- 23.3 A request for the Landlord's consent pursuant to clause 23.1 must be made in writing and the Tenant must provide the Landlord with such information as the Landlord may reasonably require concerning the financial standing of the proposed transferee.
- 23.4 The Tenant must procure from the proposed transferee:
- (a) the consent of and execution of any document required by Seqwater and/or the Landlord at the expense of the Tenant; and
 - (b) the execution of a deed of covenant to be prepared by the Landlord's solicitors at the expense of the Tenant, which deed of covenant will set out that the transferee must comply with all of the Tenant's obligations under this Sublease. If the proposed transferee is a corporation (other than a corporation whose shares are listed on any stock exchange in Australia) then the Tenant must procure the execution by the directors and principal shareholders of the transferee of a guarantee of the obligations of the proposed transferee such guarantee to be prepared by the Landlord's solicitors at the expense of the Tenant.
- 23.5 The Landlord in granting its consent pursuant to clause 23.1 shall require the Tenant to pay the following amounts:
- (a) a reasonable sum to the Landlord in connection with considering and granting the consent, such sum to be fixed by the Landlord from time to time; and
 - (b) a reasonable sum in respect of any legal expenses incurred by the Landlord in connection with considering and granting the consent including the deed of covenant referred to in clause 23.4(b).

24 Use of facilities

- 24.1 The Landlord shall permit the Tenant and all persons lawfully authorised by the Tenant in common with others having like rights to use the facilities from time to time provided by the Landlord for the tenants of the Airfield and their Agents.
- 24.2 The Landlord may set rules from time to time in relation to the use of facilities on or relating to the Airfield or any part of the Airfield. In the event any such rules are set the Tenant will comply and ensure its Agents comply with such rules at all times during the Term.

25 Giving up possession to the Landlord

- 25.1 On the expiration of the Term or upon termination of this Sublease for any other reason the Tenant must:
- (a) remove the construction (including foundations) comprising the Demised Premises and make good any damage caused in doing so; and

Title Reference 15728041 and 15728042

- (b) remove from the Demised Premises the Tenant's fixtures, fittings, plant, machinery and other goods in the nature of tenant's fixtures brought upon the Demised Premises by the Tenant, and make good any damage caused in doing so; and
- (c) remediate any Contamination or Environmental Harm (as defined by relevant Queensland law) caused to the Demised Premises by the Tenant,

unless the Landlord otherwise agrees in writing.

- 25.2 If this Sublease is terminated because of the Tenant's breach of this Sublease or if the Tenant is in default under this Sublease, the right to remove given to the Tenant under clauses 25.1(a) and 25.1(b) is subject to the written consent of the Landlord.
- 25.3 Any construction, fixtures or other goods of the Tenant which are not removed by the Tenant on the termination of this Sublease (whether voluntarily or because of the operation of clause 25.2) become the property of the Landlord who may either keep them or dispose of them.
- 4 The Landlord may charge to the Tenant and recover from the Tenant as a liquidated debt all costs of removal and disposal of any construction, fixtures and other goods of the Tenant and all costs of making good any damage caused by such removal.
- 25.5 The Landlord shall not be required to pay any compensation of any nature to the Tenant in respect of any improvements upon the Demised Premises or the construction comprising the Demised Premises which may be carried out by the Tenant during the Term.

26 Default

- 26.1 The Landlord may terminate this Sublease by re-entering and taking possession of the Demised Premises or by demanding possession of the Demised Premises if:
- (a) the Rent or other money payable under the Lease is 28 days overdue for payment; or
 - (b) the Tenant fails to meet an obligation of the Tenant under this Sublease; or
 - (c) the Tenant repudiates this Sublease; or
 - (d) if the Tenant becomes a bankrupt or executes a Deed of Arrangement or a Deed of Assignment for the benefit of the Tenant's creditors,
- and the Tenant fails to comply with a notice from the Landlord given under Section 124(1) *Property Law Act 1974*.
- 26.2 The Landlord may (but is not obliged to) remedy at any time without notice any default by the Tenant under this Sublease and whenever the Landlord so elects all reasonable costs incurred by the Landlord (including legal costs) in remedying a default will be a liquidated debt and must be paid by the Tenant to the Landlord on demand.
- 26.3 No consent or waiver expressed or implied by the Landlord to or of any breach of any obligation of the Tenant is to be taken as a consent or waiver to or of any other breach of the same or any other obligation. No waiver of any breach by the Tenant is to be implied from the Landlord's failure to exercise the Landlord's rights in respect of such breach.

27 Essential terms

- 27.1 Essential terms of this Sublease include the obligations of the Tenant:
- (a) to pay Rent when due;

Title Reference 15728041 and 15728042

- (b) regarding maintenance and repairs;
 - (c) regarding the Tenant's use of the Demised Premises;
 - (d) regarding any roof runoff water and water tanks;
 - (e) regarding insurances;
 - (f) in relation to membership of the Club, including being a full financial voting member of the Club;
 - (g) to comply with the Constitution and By-Laws of the Club; and
 - (h) regarding sub-letting and parting with possession.
- 27.2 The acceptance by the Landlord of any late payment of Rent will not be taken to be a waiver of the essentiality of the Tenants obligation to pay Rent when due.
- 27.3 If there is a breach by the Tenant of an essential term of this Sublease the Landlord may recover damages from the Tenant for losses over the entire period of this Sublease but the Landlord must, except in the case of abandonment of the Demised Premises by the Tenant, take all reasonable steps to mitigate the losses including endeavouring to lease the Demised Premises to a new Tenant.
- 27.4 The Landlord's right to recover damages from the Tenant will not be affected if:
- (a) the Tenant abandons possession of the Demised Premises;
 - (b) there is a surrender of this Sublease;
 - (c) the Landlord accepts the repudiation of the Lease by the Tenant; or
 - (d) the Landlord terminates this Sublease by re-entering the Demised Premises or any part of the Demised Premises or by demanding possession of the Demised Premises.

28 Power of attorney

- 28.1 In consideration of the Landlord agreeing to grant this Sublease, the Tenant appoints the Landlord and its officers severally as the Tenant's attorney to act at any time if the Tenant is in breach of the Tenant's covenants under this Sublease and the Landlord's right of termination of this Sublease or right of re-entry has been exercised or is exercisable to:
- (a) execute and sign a transfer or surrender of this Sublease; and
 - (b) procure the transfer or surrender of this Sublease to be registered if this Sublease has been registered; and
 - (c) using the name of the Tenant for those purposes, and generally, do execute and perform any act, deed, matter or thing in respect of the Demised Premises as fully and effectually as the Tenant could do, execute or perform it.
- 28.2 A statutory declaration of the Landlord that the rights of the Tenant under clause 28.1 are exercisable will be deemed to be conclusive evidence of its contents in favour of any person who is not a party to this Sublease.
- 28.3 The Tenant must ratify and confirm anything lawfully done or caused to be done in and about the Demised Premises by the Tenant's attorney.

Title Reference 15728041 and 15728042

29 Dispute resolution

- 29.1 If a dispute arises between the Landlord and the Tenant under a provision of this Sublease and that provision states that the provision is to be dealt with under this clause 29, the dispute must be referred for written determination to a person (**Expert**) appointed under this clause 29. The Expert acts as an expert and not as an arbitrator and the Expert's determination is conclusive and binds both parties. The Expert must practice in the State of Queensland.
- 29.2 The Expert must have at least 10 years' current and continuous standing in the Expert's profession at the date of appointment and must be:
- (a) for a matter of law, a practising barrister or solicitor appointed by the president of the appropriate governing body of barristers or solicitors in the State of Queensland;
 - (b) for a financial or accountancy matter, a practising chartered accountant appointed by the President of the Division of the Institute of Chartered Accountants in Australia for the State of Queensland;
 - (c) for a matter connected with the construction of any part of the buildings on the Airfield, a practising architect appointed by the President of the Chapter of the Royal Australian Institute of Architects for the State of Queensland;
 - (d) for a matter connected with land or rental value, a qualified valuer appointed by the President of the Australian Property Institute (Queensland Division); and
 - (e) for any other matter, a qualified person appointed by the senior officer of an appropriate association, institute, society or board,
- or, if appropriate and the parties agree, the dispute may be referred to a panel of experts representing more than one of the appropriate skills.
- 29.3 If the parties cannot agree on an Expert within one month after a dispute arises, a party must sign an authority for the appointment of an Expert if the other party requests it to do so.
- 29.4 If a party does not sign the authority within 10 days after the other party requests it to do so, the other party may authorise the appointment of the Expert. Production of a copy of this clause and the request are conclusive of that authority.
- 29.5 Each party must pay one half of the Expert's fees and expenses, irrespective of the result of the determination.

30 Notices

- 30.1 Notices under this Sublease must be in writing and may be given by a party's solicitor.
- 30.2 Notices are effectively given if delivered or posted to the other party or sent to the facsimile number of the other party.
- 30.3 Posted notices will be treated as given two Business Days after posting.
- 30.4 Notices sent by facsimile will be treated as given when the sender obtains a clear transmission report.
- 30.5 Notices given after 5.00pm will be treated as given on the next Business Day.
- 30.6 Notices given by a party's solicitor will be treated as given with the party's authority.

Title Reference 15728041 and 15728042

31 Transfer of Sub Lease

The Landlord covenants and agrees that in the event that whilst this Sublease is not registered in the Department of Environment and Resource Management, pursuant to the *Land Title Act 1994* upon the Landlord assigning transferring or disposing of its interest in the Head Lease of which the Demised Premises forms part the Landlord must procure to be executed by the assignee transferee or disponent covenants (Purchaser's Covenant) in favour of the Tenant that the assignee transferee or disponent is bound by the provisions and the covenants contained in this Sublease to the same extent as if such assignee transferee or disponent were named as the Landlord in this Sublease and that such assignee or disponent will not assign, transfer or dispose of its interest in the Head Lease unless the Landlord procures a legally binding covenant from the assignee, transferee or disponent, in terms identical with the Purchaser's Covenant in favour of the Tenant.

32 Licensed Areas

Grant of licence

- 32.1 During the Term, and any extension of the Term, the Landlord grants to the Tenant and others authorised by the Tenant the non-exclusive right:
- (a) to use that part of the Licensed Areas comprising the Apron Area for the purpose of aircraft and pedestrian access to and from the Demised Premises and temporarily standing and loading and unloading aircraft;
 - (b) to use those parts of the Licensed Areas identified as Water Tank/Maintenance Area for the purpose of erecting and maintaining a water tank to collect water run off solely from the roof of the Demised Premises (**Tenant's Water Tank**). The Tenant must obtain the Landlord's prior written consent to erect any water tank or other improvement in the Water Tank/Maintenance Area. The Landlord may refuse its consent to the erection of any Tenant's Water Tank where it would interfere with or be in the same location required by the Landlord for a Shared Water Tank.
- 32.2 The Tenant must not use or occupy any Licensed Area so as to become a nuisance or annoyance to the Landlord or other tenants or users of the Airfield and must at all times comply with the reasonable directions of the Landlord and the Constitution and By-Laws of the Club in relation to the use and occupation of the Licensed Areas.
- 32.3 The Landlord may not determine the licence for the Licensed Areas granted by this clause whilst this Sublease remains in force.
- 32.4 The Tenant must:
- (a) keep and maintain those parts of the Licensed Areas referred to in clauses 32.1(a) and 32.1(b) in a clean and tidy condition and must cause all grassed areas within the Licensed Areas to be regularly mowed and maintained in a clean and tidy condition;
 - (b) indemnify the Landlord in respect of all claims for loss or damage arising out of the use of those parts of the Licensed Areas by the Tenant or by any of the persons authorised by this clause; and
 - (c) occupy and use those parts of the Licensed Areas, as if they were part of the Demised Premises (but those parts of the Licensed Areas are not to be taken to be part of the Demised Premises).
- 32.5 All of the provisions of this Sublease relating to the Demised Premises apply to those parts of the Licensed Areas referred to in clause 32.1 as if those parts were part of the Demised Premises (but those parts are not to be taken to be part of the Demised Premises).

Title Reference 15728041 and 15728042

33 Guarantee and indemnity

- 33.1 This clause 33 applies if Guarantors are named at Item 9 of the Reference Schedule.
- 33.2 The Guarantor guarantees to the Landlord the payment by the Tenant of the Rent and all other monies payable by the Tenant under this Sublease and the performance by the Tenant of all other obligations of the Tenant under this Sublease.
- 33.3 If the Tenant fails to pay any Rent or other money due under this Sublease the Guarantor must pay such Rent or other money to the Landlord on demand.
- 33.4 The Guarantor will indemnify the Landlord against all loss and damage suffered by the Landlord in any of the following events:
- (a) if the Tenant fails to perform any obligation of the Tenant under this Sublease; or
 - (b) if this Sublease is disclaimed following the insolvency of the Tenant.
- 33.5 The obligations of the Guarantor to the Landlord will not be affected notwithstanding that:
- (a) the Landlord allows time or other indulgence to the Tenant or does not seek to recover any monies from the Tenant;
 - (b) this Sublease is not registered;
 - (c) this Sublease is assigned or transferred;
 - (d) any security taken by the Landlord in respect of the obligations of the Tenant under this Sublease is void or defective; or
 - (e) the Lease is varied or amended.
- 33.6 The Landlord may recover damages from the Guarantor for losses over the entire period of this Sublease but must take all reasonable steps to mitigate the losses including endeavouring to lease (with the consent of Seqwater) the Demised Premises to a new Tenant.
- 33.7 The guarantee and indemnity by the Guarantor to the Landlord applies not only to the obligations of the Tenant under this Sublease but also to the obligations of the Tenant under any renewal or extension of this Sublease or under any tenancy of the Tenant in respect of the Demised Premises. The Guarantor will sign or execute a guarantee and indemnity in similar terms to this clause 33 in respect of any such further sublease or tenancy if requested to do so by the Landlord.
- 33.8 If the Guarantor consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- 33.9 The obligations of the Guarantor to the Landlord will endure for the benefit of the successors and assigns of the Landlord.

34 Miscellaneous

- 34.1 The Landlord may appoint one or more persons to act as caretaker of the Airfield. The Landlord must notify the Tenant from time to time of the appointment or termination of the appointment of any caretaker. The Tenant must comply with any direction or requirement of the caretaker which is neither contrary to any right, entitlement or privilege granted to the Tenant under this Sublease nor the Constitution or By-Laws of the Club.

Title Reference 15728041 and 15728042

35 Sequential Leases

Application

35.1 This clause 35 applies:

- (a) despite any other provision of this Sublease; and
- (b) where one or more Sequential Leases are entered into in respect of the Demised Premises.

Sequential Lease

35.2 Where a Sequential Lease commences on the day after the Termination Date, any provisions of this Sublease in relation to:

- (a) the Tenant's right to hold over after the expiration of the Sublease;
- (b) the Tenant's obligation to remove any items from the Demised Premises;
- (c) the Tenant's obligation to make good the Demised Premises,

which would normally apply on the expiration of this Sublease, do not apply until the expiration of the final Sequential Lease.

35.3 If this Sublease is transferred, then (despite any other provision of any Sequential Lease) the Sequential Leases which are expressed to commence after the date of the transfer are deemed to be assigned to the same transferee and with effect on and from the same date.

35.4 If a Sequential Lease, which commenced prior to the Commencement Date is or has been transferred, then this Sublease is deemed to be transferred to the same transferee with effect on and from the same date.

35.5 If a Sequential Lease, which commenced prior to the Commencement Date terminates other than by expiration, then this Sublease is terminated with effect from the same date.

35.6 If the Tenant gives written notice to the Landlord no later than six months prior to the Commencement Date that the Tenant no longer requires to occupy the Demised Premises, then this Sublease terminates with effect on and from the date of service of the notice.

Title Reference 15728041 and 15728042

Reference Schedule

Item 1 Landlord	South East Queensland Sports Aircraft Club Incorporated
Item 2 Tenant	John Terrence Adams
Item 3 Term (clause 7.1)	3 years
Item 4 Commencement Date (clause 7.1)	1 January 2019
Item 5 Termination Date (clause 7.1)	31 December 2021
Item 6 Type of Construction (clause 5.1)	Aircraft Hangar building
Item 7 Permitted Use (clause 6.1)	Aircraft storage and ancillary storage
Item 8 Rent (clause 10.2)	\$3.00/m2 per annum
Item 9 Guarantor/s (clause 33)	N/A

Title Reference 15728041 and 15728042

Annexure A

Plan of Demised Premises and Licensed Areas

DIAGRAM

Scale @ A3 1:500

ALL MEASUREMENTS ARE APPROXIMATE

LEGEND

Lease Area



Apron Area

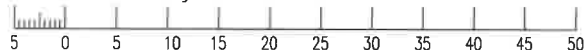
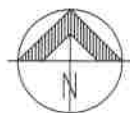
Water Tank/
Maintenance Area

Outside face of Building

Centreline of Wall

LEASE A3165m²362
CG4017**BUILDING A**Lease
No. 602170874

Lengths are in Metres

Sub-Lease A3 does affect Lease 602170874 and does not
affect Lease 602170873 or Emtls. A-C on RP 854245.
Dated 30/10/2017362
CG4017**LEASE A3**
VIDE DIAG.

303

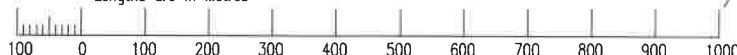
CG3813

#8248

Lease
No. 602170874361
CG4017**LEASE CONNECTION**

LINE	BEARING	DISTANCE
A-B	Abt 57°15'	Abt 68.6

Lengths are in Metres



Meridian: CG4017

Map Ref: 9444-33234

NOTE
Lease dimensions & areas taken to
outside face of building and
centreline of internal walls.R. KEATING
QBCC Lic. No. 06545820 Bushmark Court
Upper Caboolture 4510
Ph.: (07) 5497 0334

BOB KEATING DESIGN & DRAFTING

PLAN FOR LEASE PURPOSESBeing part of Lease No. 602170874 in
Lots 361 & 362 on CG4017
(TR15728041 and 15728042)Parish: KILCOY
Locality: WINYACounty: CANNING
Local Gov.: SOMERSET R.C.

CLIENT

South East Qld Sports Aircraft Club

SCALE (A3)

1:8000

PLAN NO.

Lease-A3



OFFICE USE ONLY

Privacy Statement

Collection of information from this form is authorised by legislation and is used to maintain publicly searchable records. For more information see the Department's website.

1. Sublessor

South East Queensland Sports Aircraft Club Incorporated

Lodger (Name, address, E-mail & phone number)**Lodger
Code****2. Lot on Plan Description**

Lot 361 on CP CG4017

Lot 362 on CP CG4017

Title Reference

15728041

15728042

3. Sublessee Given names

John Terrence

Surname/Company name and number

Adams

(include tenancy if more than one)

4. Interest being subleased

Lease 602170874 (K935953B)

5. Description of premises being subleased

That part of the building erected on the land, indicated as area "A3" on the plan in Annexure A

6. Term of lease

Commencement date/event: 1 January 2022

Expiry date: 31 December 2024

Options: Nil

7. Rental/Consideration

See attached schedule

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule

Witnessing officer must be aware of his/her obligations under section 162 of the Land Title Act 1994

..... signature

..... full name

See Enlarged Panel

..... qualification / /

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date**Sublessor's Signature****9. Acceptance**

The Lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

..... signature

..... full name

See Enlarged Panel

..... qualification / /

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date**Sublessee's Signature**

Title Reference 15728041 and 15728042

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule



Given under the common seal of the South East Queensland Sports Aircraft Club Incorporated in accordance with its Rules of Club in the presence of

a member of the Management Committee and the

Secretary/member of the Management Committee who certify that they are the proper officers to affix such seal:

..... signature

..... full name

..... qualification

21/12/2018

Execution Date

.....
.....
Sublessor's Signature

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

9. Acceptance

The Sublessee accepts the sublease and acknowledges the amount payable or other considerations for the sublease.

..... signature

MARK RODERICK FOY
SOLICITOR, QLD
..... full name

..... qualification

21/12/18
Execution Date

.....
J. T. Adams
.....
Sublessee's Signature

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Title Reference 15728041 and 15728042

1 Definitions and interpretations

Definitions

1.1 In this document:

Term	Definition
Accounting Period	means each of the following periods: the period from the Commencement Date to the immediately following 30 June; each full period of 12 months from 1 July to 30 June during the Term; and the period from 1 July immediately preceding the Termination Date.
Agents	means agents, servants, employees, licensees and invitees.
Airfield	means the land known as Kilcoy Airfield situated at Kennedy's Road, Kilcoy and more particularly described as Lease A (No. 602170874 (K935953B)) in Lots 361 and 362 on Plan CP CG4017, Title Reference 15728041 and 15728042, such land being nominally divided into precincts for specific uses as specified in the Master Plan.
Approval to Operate	means a written approval issued by the Landlord for the carrying out of specified activities (nominated in that written approval) on specific areas of the Airfield as designated on the Master Plan.
Apron Area	means the area shown on the plan in Annexure A.
Business Day	means a day on which trading banks are open for business in Brisbane, Queensland.
Club	means the Landlord and its successors.
Commencement Date	means the commencement date of this Sublease stated at Item 4 of the Reference Schedule.
Cover Page	means page 1 of this Sublease.
Default Interest Rate	means that rate which is 2% above the rate charged by National Australia Bank on overdraft amounts in excess of Fifty Thousand Dollars (\$50,000).
Demised Premises	means the premises described at Item 5 on the Cover Page of this Sublease.
Development Control Plan	means the development control plan for the Airfield dated February 2008.
Environmental Management System	means the document titled the environmental management system and which is applicable to the Airfield dated February 2005.
Guarantor	means the guarantors named in Item 9 of the Reference Schedule (if any).
Head Lease	means lease number 602170874 (K935953B) dated 16 January 1992 between Seqwater and South East Queensland Sports Aircraft Club Incorporated in relation to the Airfield.
Item	means an item in the Reference Schedule of this Sublease unless it is specified to be an item on the Cover Page of this Sublease.
Landlord	means South East Queensland Sports Aircraft Club Incorporated, being the sublessor identified in Item 1 of the Cover Page of this Sublease and the tenant named in the Head Lease.
Licensed Areas	means those parts marked and shown as 'Apron Area' and 'Water

Title Reference 15728041 and 15728042

Term	Definition
	Tank/Maintenance Area' on the plan in Annexure A.
Master Plan	means the plan designating the uses authorised by Seqwater and Somerset Regional Council, for specified precincts of the Airfield dated June 2007 and other plan in force from time to time together with conditions of approval of the Somerset Regional Council or other relevant authority (where the context requires) in force from time to time.
Operating Expenses	means all net amounts paid or payable by the Landlord in any one Accounting Period (after taking into account the benefit of any discount, rebate, allowance or concession): (a) for municipal rates and charges of a periodic nature assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period; (b) for other fees, levies, taxes or charges assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period by any statutory or other authority.
Permitted Use	means the permitted use stated at Item 7 of the Reference Schedule.
Reference Schedule	means the reference schedule attached to this Sublease.
Rent	means the rent stated at Item 8 of the Reference Schedule.
Sequential Lease	means a sublease to the Sublessee of the Demised Premises (other than this Sublease) which is entered into at the same time as this Sublease but which is for a period either before or after the Term.
Seqwater	means the Queensland Bulk Water Supply Authority trading as Seqwater, being the registered proprietor of the Airfield and the landlord under the Head Lease.
Shared Water Tank	has the meaning given in clause 6.10.
Sublease	means this schedule, the Cover Page and the Reference Schedule attached to this Sublease.
Tenant	means the sublessee identified in Item 3 on the Cover Page of this Sublease.
Tenant's Proportion	is calculated in accordance with the formula: $TP = \frac{1}{TH}$ where: TP = the Tenant's Proportion TH = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a sublease granted by the Landlord.
Tenant's Water Tank	has the meaning given in clause 32.
Term	means the term of this Sublease stated at Item 3 of the Reference Schedule.
Termination Date	means the termination date stated at Item 5 of the Reference Schedule.

Interpretation

1.2 In this Sublease, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa;

Title Reference 15728041 and 15728042

- (b) 'person' includes a firm, a company, a body corporate, an unincorporated Club or an authority in so far as it relates to the Lessor, its agents or others associated with the Sublease with the exception of the Lessee who will at all times remain a natural person.
- (c) an agreement, representation or warranty:
 - (i) in favour of two or more persons is for the benefit of them jointly and severally; and
 - (ii) on the part of two or more persons binds or is given by them jointly and severally;
- (d) a reference to:
 - (i) a person includes a person's legal personal representatives, successors, substitutes (including persons taking by novation) and assigns;
 - (ii) a document includes any variation or replacement of it;
 - (iii) a law includes regulations and other instruments under it and amendments or replacements of any of them;
 - (iv) a thing includes the whole and each part of it;
 - (v) a group of persons includes all of them collectively, any two or more of them collectively and each of them individually; and
 - (vi) the president of a body or authority includes any person acting in that capacity;
- (e) 'including' when introducing a list of items does not limit the meaning of the words to which the list relates to those items or to items of a similar kind;
- (f) a reference to time is the time at Brisbane;
- (g) a reference to a clause is a reference to a clause of this Sublease; and
- (h) where any word or phrase is given a defined meaning any grammatical form or other part of speech in respect of such word or phrase shall have a corresponding meaning.
- (i) Headings have been inserted for convenience and do not affect the interpretation of this Sublease.
- (j) A gender includes all genders, the singular includes the plural and conversely, and persons include corporations and conversely.
- (k) If a party to the lease consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- (l) No covenant is implied in the lease by Section 107(4) *Property Law Act 1974*.
- (m) This Sublease comprises the whole of the agreement between the Landlord and the Tenant and no further or other terms or agreements shall be deemed to be implied or to arise by way of collateral or other agreement by reason of any promise, representation, warranty or undertaking by or on behalf of the Landlord or the Tenant on or prior to the execution of the Sublease.
- (n) Any notice, notification or consent under the Sublease and any variation of the Sublease must be in writing.
- (o) The Sublease is a deed even if it is not registered.

Title Reference 15728041 and 15728042

- (p) The Sublease must be interpreted so that it complies with the laws of Queensland and of the Commonwealth of Australia. If any provision of the Sublease does not comply the provision must be read down so as to give it as much effect as possible. If the provision cannot be given any effect it must be severed from the Sublease.

2 Head Lease

- 2.1 This Sublease and the rights of the Landlord and the Tenant under this Sublease are subject to all the covenants and conditions of the Head Lease. The Landlord and the Tenant agree that so far as relates to the Demised Premises and this Sublease, the Tenant covenants with the Landlord that it will not do any act or permit any act to be done which if done or permitted to be done would constitute a breach of any of the covenants and conditions in the Head Lease. If the Head Lease requires a consent or approval (from Seqwater) for the doing of any act or thing, by a tenant, then the Tenant shall procure such consent or approval before doing the act or thing (and provide a copy of it to the Landlord).
- 2.2 The Tenant acknowledges having received a copy of the Head Lease before the Tenant entered into this Sublease.
- 2.3 If the Head Lease is terminated or otherwise determined, this Sublease shall simultaneously terminate without notice or further act of the parties and without any liability on the part of each party to the other party but without prejudice to the rights of each party in respect of any antecedent breach of the covenants and conditions of this Sublease by the other party.
- 2.4 If the provisions of this Sublease (other than this clause 2) conflict with any of the provisions of the Head Lease, then the provisions of the Head Lease shall prevail.

3 Landlord's Covenants

- 3.1 If the Tenant does everything which the Tenant is required to do under this Sublease the Landlord must permit the Tenant to have possession of the Demised Premises and to use the Demised Premises for the Permitted Use without interruption or disturbance by the Landlord or by any other person lawfully claiming under the Landlord.
- 3.2 The Tenant's right to be free of interruption or disturbance is subject to the rights of the Landlord under this Sublease.
- 3.3 The Landlord covenants with the Tenant that the Landlord will pay the rent payable under the Head Lease and will do everything which the Landlord is required to do under the Head Lease.

4 Landlord's rights of access to the Demised Premises

- 4.1 The Tenant must allow the Landlord or any person authorised by the Landlord to enter the Demised Premises at any reasonable time for any of the following purposes:
- (a) inspect the condition of the Demised Premises or any construction built by the Tenant on the Demised Premises;
 - (b) to check the use of the Demised Premises;
 - (c) to do any work that the Landlord must or may do pursuant to this Sublease or the law;
 - (d) to value the Demised Premises;
 - (e) to inspect the Demised Premises or to affix a notice on the Demised Premises or on the outside of any construction on the Demised Premises within the last six months of the Term of this Sublease or at any time after the termination of that period in relation to a prospective letting of the Demised Premises;

Title Reference 15728041 and 15728042

- (f) to carry out any improvements or repairs to the Demised Premises or adjoining premises considered by the Landlord to be desirable so long as the work is done without undue interference with the occupation and use of the Demised Premises by the Tenant;
 - (g) to allow entry by Seqwater or the Landlord where entry is or may be required to allow exercise of a right or fulfilment of an obligation under the Head Lease; or
 - (h) to carry out any work on any structure or thing on the Demised Premises because the Tenant is in breach of this Sub-lease and has failed to remedy the breach.
- 4.2 The Landlord must give the Tenant at least five days' notice of access or entry to the Demised Premises except in an emergency where no notice is needed.

5 Alterations to the Demised Premises

- 5.1 The Tenant must not make or allow to be made any alterations or additions to any construction on the Demised Premises (including without limitation erecting any sign or notice or painting any improvements) unless:
- (a) the Tenant first obtains the consent of Seqwater, and the Landlord, and the approval or consent of any relevant authority; and
 - (b) the alterations or additions comply with the Master Plan and the consents and approvals referred to in clause 5.1(a).
- 5.2 Any construction, alteration or addition must be carried out in a proper and workmanlike manner at the expense of the Tenant and (if so required by the Landlord) subject to the supervision of the Landlord's architect whose fees must be paid by the Tenant.
- 5.3 If any construction, alteration or addition is made by the consent of the Landlord upon the condition that the Demised Premises are to be restored to their former condition at the expiry or on earlier termination of this Sublease then upon the expiry or on earlier termination of this Sublease the Tenant must restore the Demised Premises accordingly.

6 Use of Demised Premises

- 6.1 The Tenant must use the Demised Premises only for the Permitted Use. The Tenant must obtain the prior written consent of the Landlord which the Landlord must not unreasonably withhold before any aircraft not owned by the Tenant is stored in the Demised Premises. It will not be unreasonable for the Landlord to refuse its consent if the storage of the aircraft would cause the Landlord to be in breach of any applicable Law. The Landlord may impose conditions when granting its consent including that the Tenant pays a fee determined by the Landlord as a contribution to the maintenance of the Airfield.
- 6.2 The Tenant acknowledges that the Permitted Use must be carried on in compliance with:
- (a) the Master Plan;
 - (b) the Development Control Plan;
 - (c) the Environmental Management System; and
 - (d) all applicable regulatory approvals licences or permits the Landlord has in place, holds or to which the Landlord is subject from time to time.
- 6.3 The Landlord does not represent or warrant that the Demised Premises are suitable or can be lawfully used for the Permitted Use or for any other purpose of the Tenant.

Title Reference 15728041 and 15728042

- 6.4 The Airfield may only be used for recreational flying. Flying operations for any commercial or profit making undertaking or business are not permitted. The Landlord does not represent or warrant that the runways, taxiways, parking areas and roads on the Airfield are of all-weather standard, or that after periods of wet weather these areas are suitable for aircraft or motor vehicle use. The Tenant shall repair any damage to these areas by the Tenant should the Tenant use these areas after periods of rain.
- 6.5 The Tenant must obtain any necessary consents or licences regarding the Permitted Use, keep them current and comply with any conditions attaching to them.
- 6.6 If an Approval to Operate issued by the Landlord is required in relation to the Demised Premises because of the Permitted Use or the Master Plan, the Tenant must keep such Approval current at all times throughout the Term and comply with all renewal requirements of the Landlord.
- 6.7 The Tenant must duly and punctually comply with and observe all statutes, ordinances, regulations and by-laws and all requirements and orders of any relevant authority or public body relating to the Demised Premises.
- 6.8 The Tenant must comply with all reasonable directions of the Landlord or the insurer of the Demised Premises as to prevention, detection and limitation of fire and fire protection.
- 6.9 The Tenant must comply with the requirements of the local Fire Brigade Board and the laws and regulations for the time being relating to fires.
- 6.10 The Tenant must direct all roof runoff water and water storage overflow by drainpipes to a water tank with a minimum capacity of 5,000 litres (**Shared Water Tank**) located in a position determined by the Landlord adjacent to the Demised Premises. The Tenant consents to the Landlord determining a position for and locating a Shared Water Tank within the area licensed to the Tenant as the Water Tank/Maintenance Area. The water contained in a Shared Water Tank or any Tenant's Water Tank placed in the Water Tank/Maintenance Area must if required be made available for use by the Landlord or at the Landlord's direction other tenants or occupiers of the Airfield.
- 6.11 The Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank maintain such water tank and keep it in good repair and condition. If any Shared Water Tank leaks, the Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank immediately repair it or have it removed and replaced with new tank. If the Tenant in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank does not repair any water leak within a reasonable time (determined solely by the Landlord), the Landlord may have such leak repaired at the cost of the Tenant. Such cost shall be a liquidated debt owing to the Landlord in equal shares by all tenants whose Demised Premises are connected to the Shared Water Tank.
- 6.12 The Tenant must not:
- (a) use the Demised Premises for any commercial or profit making undertaking or business (including, subject to clause 6.1 storage of aircraft not owned by the Tenant);
 - (b) use the Demised Premises for residential purposes or for other than casual (not permanent) occupation;
 - (c) despite clause 6.12(b) use the Demised Premises (or any part of the Demised Premises) as a sleeping place;
 - (d) use the Demised Premises for any noxious, noisome, offensive, dangerous or illegal activity or purpose;
 - (e) do anything in the Demised Premises which is or might become a nuisance, annoyance or disturbance to the Landlord, Seqwater, or to the owner or occupiers of neighbouring premises;
 - (f) hold any auction, bankrupt or fire sale in the Demised Premises;
 - (g) store upon the Demised Premises any fluid, gas (excluding domestic gas cylinders) or substance which is or might be dangerous because of its inflammable, explosive or corrosive nature;

Title Reference 15728041 and 15728042

- (h) do anything that might invalidate any insurance policy in respect of the Airfield or any adjoining site or sites or increase the premium payable for such insurances;
- (i) use any water, drainage, or other pipes or connections for any purpose other than that for which they were constructed or intended;
- (j) cause or permit any advertisement hoarding or sign (including any neon or similar sign) to be painted affixed put up or placed upon the Demised Premises or any part of the Demised Premises or paint any part of the improvements upon the Demised Premises without first obtaining the written approval of Seqwater and the Landlord.

7 Term

- 7.1 This Sublease is for the Term, commencing on the Commencement Date and ending at midnight on the Termination Date.

If the Tenant remains in the Demised Premises with the Landlord's consent after the Termination Date, then the Tenant will occupy the Demised Premises as a monthly tenant on the same terms and conditions as at the Termination Date except that the Landlord or the Tenant may end the tenancy on any day by giving a month's notice to the other party.

8 Club membership

The Tenant must:

- (a) maintain its full financial voting membership status of the Club for the duration of the Term; and
- (b) not be in breach of the Constitution or By-Laws of the Club for a period in excess of one calendar month.

9 Tenant payments

- 9.1 The Tenant must pay to the Landlord:

- (a) the Rent (varied in accordance with the Lease) within 28 days of receiving a Tax Invoice;
- (b) the professional costs and outlays of the Landlord of preparation and execution of this Sublease and each Sequential Lease;
- (c) the reasonable costs to the Landlord of dealing with any application by the Tenant for the Landlord's consent under this Sublease (whether or not consent is given);
- (d) the reasonable costs to the Landlord incurred in connection with a default by the Tenant;
- (e) survey fees associated with the plan attached as Annexure A;
- (f) the reasonable expenses incurred by the Landlord in obtaining the consent of Seqwater to this Sublease, any assignment of this Sublease, or any consent required under the Head Lease because of the Tenant's use of the Demised Premises;
- (g) any amount paid by the Landlord to Seqwater, pursuant to any deed of consent executed by Seqwater and the Landlord giving consent to this Sublease; and
- (h) the reasonable professional costs and outlays of the Landlord incurred in connection with the surrender of this Sublease.

Title Reference 15728041 and 15728042

- 9.2 If requested by the Landlord, the Tenant must establish a direct debit arrangement with a bank so that the amounts payable by the Tenant are paid directly to the Landlord by the Tenant's bank on each due date for payment.
- 9.3 If the Tenant is late in paying the Rent or other money to the Landlord, then the Tenant must pay interest on it at the Default Interest Rate. Interest will accrue and be compounded monthly and be calculated on a daily basis from the day the Rent or other money was due until the day it is paid in full.
- 9.4 The Tenant must pay for all services, if any, supplied to the Demised Premises.

10 Rent

- 10.1 The Rent for the first year of the Term must be paid on or before the Commencement Date.
- 10.2 The Tenant must pay the Rent (varied in accordance with this Sublease) in advance, and on or before the first day of each year of this Sublease.
- 10.3 If this Sublease is terminated by either party for any reason (whether under clause 26, or otherwise), the Landlord must within 30 days of receiving a written demand, reimburse the Tenant for Rent, the Tenant's Proportion of the Operating Expenses for the relevant Accounting Period and any other amounts payable under this Sublease.

11 Rent reviews

Rent shall be increased on the same date as any increase in the rent payable by the Landlord under the Head Lease. The Rent shall be increased to:

$$R = A + \frac{B}{C}$$

where:

R = the increased Rent;

A = the current Rent;

B = the amount of the increased rent payable under the Head Lease at the relevant review; and

C = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a lease granted by the Landlord.

12 Outgoings

- 12.1 The Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses for each Accounting Period billed to the Tenant in accordance with this clause 12.
- For the purpose of calculating the Tenant's Proportion the Operating Expenses are deemed to accrue equally day to day.
- 12.2 Any change in the Tenant's Proportion will not take effect until the first day of the month following the later of:
- (a) the date the Landlord gives written notice to the Tenant of the change; and
 - (b) the increase or decrease in the total number of aircraft hangars located on the Airfield which causes the change.

Title Reference 15728041 and 15728042

12.3 The Tenant's Proportion of Operating Expenses must not be greater as a result of:

- (a) any other occupant of an aircraft hangar on the Airfield not contributing to an item of Operating Expenses;
or
- (b) any aircraft hangar on the Airfield capable of being leased or licensed being vacant.

13 Landlord's estimates of Operating Expenses

13.1 At least one month prior to the commencement of each Accounting Period and upon request from the Tenant, the Landlord will, but only at the direction of the club management committee, prepare and provide to the Tenant an estimate of Operating Expenses for that Accounting Period.

13.2 The estimates should detail:

- (a) each item of Operating Expense;
- (b) how the estimates have been calculated; and
- (c) the Tenant's Proportion of the estimated Operating Expenses and the figures from which the Tenant's Proportion has been calculated.

14 Payment of Operating Expenses on account

14.1 At the same time as providing the estimates of Operating Expenses for the next Accounting Period, the Landlord may by written notice to the Tenant require the Tenant to pay the Tenant's Proportion of the estimated Operating Expenses.

14.2 On receipt of the request, the Tenant must pay the Landlord the Tenant's Proportion of the estimated Operating Expenses for the next Accounting Period by one annual payment on the first day of each Accounting Period throughout the Term. The first instalment for the first quarter need not be paid by the Tenant until the date 45 days after the date of this Sublease.

14.3 If the Tenant disputes whether the Tenant's Proportion of estimated Operating Expenses required by the Landlord to be paid:

- (a) has been calculated correctly; or
- (b) includes amounts that are not Operating Expenses,

and the dispute is not resolved between the Landlord and the Tenant within one month then:

- (c) the dispute will be dealt with under clause 29; and
- (d) until the dispute is resolved, the Tenant will not be required to pay the amount in dispute.

15 Landlord's Statement of Expenditure

15.1 Within three months after the end of each Accounting Period, and upon timely request from the Tenant in the first instance being received, the Landlord will prepare and provide to the Tenant a statement of expenditure (**Statement of Expenditure**) which specifies the Operating Expenses actually incurred in that Accounting Period.

15.2 The Statement of Expenditure should detail and is not limited to:

- (a) each item of Operating Expense;

Title Reference 15728041 and 15728042

- (b) how the Operating Expenses have been calculated; and
- (c) the Tenant's Proportion of Operating Expenses and the figures from which the Tenant's Proportion have been calculated.

15.3 The Landlord must:

- (a) keep accurate records of the Operating Expenses for each Accounting Period including copies of all relevant assessments, invoices or statements; and
- (b) allow the Tenant to inspect the records.

16 Adjustment of Operating Expenses at end of Accounting Period

- 16.1 Within three months of receipt by the Tenant of a Statement of Expenditure correctly specifying the total Operating Expenses the Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses less the total of any amount paid for that Accounting Period under clause 12.
- 16.2 If the amount paid for that Accounting Period under clause 12 is greater than the Tenant's Proportion of the Operating Expenses then the Landlord must repay the difference to the Tenant within three months of receipt by the Tenant of the Statement of Expenditure.
- 16.3 If the Tenant disputes whether the Tenant's Proportion of Operating Expenses set out in the Statement of Expenditure:
- (a) has been calculated correctly; or
 - (b) includes amounts that are not Operating Expenses,
- then until the dispute is resolved the Tenant may withhold the amount in dispute and if:
- (c) the Tenant still disputes the Tenant's Proportion of the Operating Expenses three months after receipt by the Tenant of the Statement of Expenditure,
- then the dispute will be dealt with under clause 29.
- 16.4 The Tenant's liability to pay the Tenant's Proportion of the Operating Expenses is not affected by the termination of this Sublease.

17 GST

- 17.1 In this clause words or terms have the meanings as they do in *A New Tax System (Goods and Services Tax) Act 1999*.
- 17.2 Unless otherwise set out, the parties confirm that any amount payable under this Sublease has been calculated without regard to GST.
- 17.3 If there is a Taxable Supply then the party paying for the Taxable Supply will also pay the GST.
- 17.4 Any reference to a cost or charge under this Sublease excludes GST where the party liable to pay it can claim an Input Tax Credit
- 17.5 Each party must do everything reasonably necessary to assist the other to claim an Input Tax Credit.
- 17.6 If a party wishes to make a claim on the other for GST, that claim must be made within six months of the date of the relevant notice.

Title Reference 15728041 and 15728042

- 17.7 Within 21 days of receiving a payment which includes GST, the party who receives the payment must give a Tax invoice to the party making the payment (unless one has already been provided).

18 Maintenance and repairs

- 18.1 The Tenant must maintain any construction built by or at the request of the Tenant comprising the Demised Premises pursuant to clause 5.1 in its condition at the time the construction was built and must carry out any repairs that are necessary to maintain the construction in that condition.
- 18.2 If the Tenant fails to do any work required of the Tenant under clause 18.1 and the Landlord gives the Tenant notice stating what the Tenant has failed to do so, then the Tenant must do such work immediately where there is an emergency and otherwise must do such work promptly and diligently.
- 18.3 If the Tenant fails to do any work following notice from the Landlord under clause 18.2, the Landlord may do the work and the Tenant must reimburse the Landlord for the cost of the work. The Landlord may recover the cost of the work from the Tenant as a liquidated debt.
- 18.4 The Tenant must keep the Demised Premises and the surroundings of the Demised Premises in a thorough state of cleanliness and must not allow any accumulation of rubbish on the Demised Premises whether outside or inside the Demised Premises.
- 18.5 The Tenant must comply with all environmental legislation and must ensure that neither the Demised Premises nor the Airfield or any other land is contaminated, polluted or degraded as a result of anything done or omitted to be done by the Tenant.
- 18.6 If there is any contamination, pollution or degradation of the Demised Premises, the Airfield or any other land as a result of anything done or omitted to be done by the Tenant then the Tenant must carry out all necessary remedial work to the satisfaction of the Landlord, Seqwater and all regulatory authorities.

19 Insurances

- 19.1 The Tenant must have and keep current:
- (a) a public liability insurance policy for an amount not less than \$10 million (or such higher amount as the Landlord may determine from time to time) for each event; and
 - (b) any other insurance policies reasonably required by the Landlord from time to time.
- 19.2 All insurance policies referred to in clause 19.1 shall note the interest of the Landlord and Seqwater.
- 19.3 Upon request by the Landlord the Tenant must give to the Landlord copies of any insurance policy required under clause 19.1 and of the receipt for the last premium.
- 19.4 If the Tenant does anything that might increase the premium payable by the Landlord for any insurance policy in respect of the Demised Premises, then the Tenant must pay to the Landlord the amount of the increased premium.

20 Indemnities by the Tenant

- 20.1 The Tenant will occupy and use the Demised Premises at the risk of the Tenant and releases to the fullest extent permitted by law the Landlord and its contractors and Agents from all claims and demands and from all liability which might arise in respect of any damage to property or death of or injury to any person in or near the Demised Premises (except where caused by the negligence of the Landlord, its contractors or Agents) and the Landlord will have no responsibility or liability for any loss of or damage to any property of the Tenant (except where caused by the negligence of the Landlord, its contractors or Agents).

Title Reference 15728041 and 15728042

- 20.2 To the extent that monies paid to the Landlord out of any insurance effected by the Tenant do not fully indemnify the Landlord, the Tenant will indemnify the Landlord, its contractors and Agents against all actions, claims, losses, damages, costs and expenses incurred by the Landlord or for which the Landlord or its contractors or Agents might become liable in respect of any damage to property or death of or injury to any person (except where caused by the negligence of the Landlord or its contractors or Agents) which may be suffered or sustained in, upon or near the Demised Premises.
- 20.3 The Landlord will not be liable for any loss or damage which the Tenant might suffer by reason of any damage to the Demised Premises or to anything of any nature whatsoever in or about the Demised Premises caused by or arising from the entry, flow or leakage of water or from any defect in the water, gas or electricity connections or any fittings or appliances used in connection with them or from any other defect in the Demised Premises.
- 20.4 Without limiting the generality of clauses 20.1, 20.2 and 20.3, the Tenant will indemnify the Landlord against all actions, claims, losses, damages, costs and expenses for which the Landlord might become liable in respect of or arising from:
- (a) the negligent or careless use by the Tenant or any contractor or Agent of the Tenant of the water, gas, electricity or other services and facilities of the Demised Premises or arising from any faulty fitting, fixture or other plant or equipment of the Tenant;
 - (b) overflow or leakage of water in or from the Demised Premises but having origin within the Demised Premises or caused or contributed to by any act or omission on the part of the Tenant or other persons referred to in clause 20.4(a);
 - (c) loss, damage or injury to property or person caused or contributed to by the use of the Demised Premises by the Tenant or other persons referred to in clause 20.4(a);
 - (d) loss, damage or injury to the Demised Premises or to any property or person within or without the Demised Premises occasioned or contributed to by any act or omission of the Tenant or other persons referred to in clause 20.4(a); and
 - (e) inundation of the Demised Premises or part thereof or any improvements by water (whether or not from Somerset Dam or its catchment areas).

21 Damage to building on Demised Premises

- 21.1 In the event that the Demised Premises is wholly or substantially damaged or destroyed so as not to be reasonably usable or repairable for the Permitted Use the Tenant shall within a period of 90 days at the Tenant's expense clear the Demised Premises of all damaged materials to the satisfaction of the Landlord.
- 21.2 If the Tenant does not clear the Demised Premises in accordance with clause 21.1, the Landlord shall have the right to clear the Demised Premises and recover the cost of such clearing from the Tenant as a liquidated debt.
- 21.3 The Landlord has the right to terminate this Sublease in the event the Landlord exercises its rights under clause 21.2.

22 Resumption

- 22.1 If the Demised Premises or the Airfield is resumed by any competent authority the Landlord will be entitled by giving not less than one month's notice to the Tenant to terminate this Sublease.
- 22.2 The Tenant will not be entitled to claim any compensation from the Landlord in respect of such resumption or termination but the termination will be without prejudice to the rights of either party with regard to any antecedent breach of this Sublease.

Title Reference 15728041 and 15728042

23 Transfer and SubLease

- 23.1 The Tenant must not assign transfer dispose of mortgage or charge the Demised Premises or any part of the Demised Premises or the Tenant's interest in this Sublease without the prior written consent of the Landlord. The Landlord must not unreasonably delay or refuse to grant such consent. It will be reasonable for the Landlord to refuse to grant its consent to a proposed assignee or transferee who is not a full financial voting member of the Club.
- 23.2 The Tenant must not sublet or part with use or possession of the whole or any part of the Demised Premises. Allowing others to store aircraft in the Demised Premises is not sub-letting or parting with possession.
- 23.3 A request for the Landlord's consent pursuant to clause 23.1 must be made in writing and the Tenant must provide the Landlord with such information as the Landlord may reasonably require concerning the financial standing of the proposed transferee.
- 23.4 The Tenant must procure from the proposed transferee:
- (a) the consent of and execution of any document required by Seqwater and/or the Landlord at the expense of the Tenant; and
 - (b) the execution of a deed of covenant to be prepared by the Landlord's solicitors at the expense of the Tenant, which deed of covenant will set out that the transferee must comply with all of the Tenant's obligations under this Sublease. If the proposed transferee is a corporation (other than a corporation whose shares are listed on any stock exchange in Australia) then the Tenant must procure the execution by the directors and principal shareholders of the transferee of a guarantee of the obligations of the proposed transferee such guarantee to be prepared by the Landlord's solicitors at the expense of the Tenant.
- 23.5 The Landlord in granting its consent pursuant to clause 23.1 shall require the Tenant to pay the following amounts:
- (a) a reasonable sum to the Landlord in connection with considering and granting the consent, such sum to be fixed by the Landlord from time to time; and
 - (b) a reasonable sum in respect of any legal expenses incurred by the Landlord in connection with considering and granting the consent including the deed of covenant referred to in clause 23.4(b).

24 Use of facilities

- 24.1 The Landlord shall permit the Tenant and all persons lawfully authorised by the Tenant in common with others having like rights to use the facilities from time to time provided by the Landlord for the tenants of the Airfield and their Agents.
- 24.2 The Landlord may set rules from time to time in relation to the use of facilities on or relating to the Airfield or any part of the Airfield. In the event any such rules are set the Tenant will comply and ensure its Agents comply with such rules at all times during the Term.

25 Giving up possession to the Landlord

- 25.1 On the expiration of the Term or upon termination of this Sublease for any other reason the Tenant must:
- (a) remove the construction (including foundations) comprising the Demised Premises and make good any damage caused in doing so; and

Title Reference 15728041 and 15728042

- (b) remove from the Demised Premises the Tenant's fixtures, fittings, plant, machinery and other goods in the nature of tenant's fixtures brought upon the Demised Premises by the Tenant, and make good any damage caused in doing so; and
- (c) remediate any Contamination or Environmental Harm (as defined by relevant Queensland law) caused to the Demised Premises by the Tenant,

unless the Landlord otherwise agrees in writing.

- 25.2 If this Sublease is terminated because of the Tenant's breach of this Sublease or if the Tenant is in default under this Sublease, the right to remove given to the Tenant under clauses 25.1(a) and 25.1(b) is subject to the written consent of the Landlord.
- 25.3 Any construction, fixtures or other goods of the Tenant which are not removed by the Tenant on the termination of this Sublease (whether voluntarily or because of the operation of clause 25.2) become the property of the Landlord who may either keep them or dispose of them.
- 4 The Landlord may charge to the Tenant and recover from the Tenant as a liquidated debt all costs of removal and disposal of any construction, fixtures and other goods of the Tenant and all costs of making good any damage caused by such removal.
- 25.5 The Landlord shall not be required to pay any compensation of any nature to the Tenant in respect of any improvements upon the Demised Premises or the construction comprising the Demised Premises which may be carried out by the Tenant during the Term.

26 Default

- 26.1 The Landlord may terminate this Sublease by re-entering and taking possession of the Demised Premises or by demanding possession of the Demised Premises if:
- (a) the Rent or other money payable under the Lease is 28 days overdue for payment; or
 - (b) the Tenant fails to meet an obligation of the Tenant under this Sublease; or
 - (c) the Tenant repudiates this Sublease; or
 - (d) if the Tenant becomes a bankrupt or executes a Deed of Arrangement or a Deed of Assignment for the benefit of the Tenant's creditors,
- and the Tenant fails to comply with a notice from the Landlord given under Section 124(1) *Property Law Act 1974*.
- 26.2 The Landlord may (but is not obliged to) remedy at any time without notice any default by the Tenant under this Sublease and whenever the Landlord so elects all reasonable costs incurred by the Landlord (including legal costs) in remedying a default will be a liquidated debt and must be paid by the Tenant to the Landlord on demand.
- 26.3 No consent or waiver expressed or implied by the Landlord to or of any breach of any obligation of the Tenant is to be taken as a consent or waiver to or of any other breach of the same or any other obligation. No waiver of any breach by the Tenant is to be implied from the Landlord's failure to exercise the Landlord's rights in respect of such breach.

27 Essential terms

- 27.1 Essential terms of this Sublease include the obligations of the Tenant:
- (a) to pay Rent when due;

Title Reference 15728041 and 15728042

- (b) regarding maintenance and repairs;
 - (c) regarding the Tenant's use of the Demised Premises;
 - (d) regarding any roof runoff water and water tanks;
 - (e) regarding insurances;
 - (f) in relation to membership of the Club, including being a full financial voting member of the Club;
 - (g) to comply with the Constitution and By-Laws of the Club; and
 - (h) regarding sub-letting and parting with possession.
- 27.2 The acceptance by the Landlord of any late payment of Rent will not be taken to be a waiver of the essentiality of the Tenants obligation to pay Rent when due.
- 27.3 If there is a breach by the Tenant of an essential term of this Sublease the Landlord may recover damages from the Tenant for losses over the entire period of this Sublease but the Landlord must, except in the case of abandonment of the Demised Premises by the Tenant, take all reasonable steps to mitigate the losses including endeavouring to lease the Demised Premises to a new Tenant.
- 27.4 The Landlord's right to recover damages from the Tenant will not be affected if:
- (a) the Tenant abandons possession of the Demised Premises;
 - (b) there is a surrender of this Sublease;
 - (c) the Landlord accepts the repudiation of the Lease by the Tenant; or
 - (d) the Landlord terminates this Sublease by re-entering the Demised Premises or any part of the Demised Premises or by demanding possession of the Demised Premises.

28 Power of attorney

- 28.1 In consideration of the Landlord agreeing to grant this Sublease, the Tenant appoints the Landlord and its officers severally as the Tenant's attorney to act at any time if the Tenant is in breach of the Tenant's covenants under this Sublease and the Landlord's right of termination of this Sublease or right of re-entry has been exercised or is exercisable to:
- (a) execute and sign a transfer or surrender of this Sublease; and
 - (b) procure the transfer or surrender of this Sublease to be registered if this Sublease has been registered; and
 - (c) using the name of the Tenant for those purposes, and generally, do execute and perform any act, deed, matter or thing in respect of the Demised Premises as fully and effectually as the Tenant could do, execute or perform it.
- 28.2 A statutory declaration of the Landlord that the rights of the Tenant under clause 28.1 are exercisable will be deemed to be conclusive evidence of its contents in favour of any person who is not a party to this Sublease.
- 28.3 The Tenant must ratify and confirm anything lawfully done or caused to be done in and about the Demised Premises by the Tenant's attorney.

Title Reference 15728041 and 15728042

29 Dispute resolution

- 29.1 If a dispute arises between the Landlord and the Tenant under a provision of this Sublease and that provision states that the provision is to be dealt with under this clause 29, the dispute must be referred for written determination to a person (**Expert**) appointed under this clause 29. The Expert acts as an expert and not as an arbitrator and the Expert's determination is conclusive and binds both parties. The Expert must practice in the State of Queensland.
- 29.2 The Expert must have at least 10 years' current and continuous standing in the Expert's profession at the date of appointment and must be:
- (a) for a matter of law, a practising barrister or solicitor appointed by the president of the appropriate governing body of barristers or solicitors in the State of Queensland;
 - (b) for a financial or accountancy matter, a practising chartered accountant appointed by the President of the Division of the Institute of Chartered Accountants in Australia for the State of Queensland;
 - (c) for a matter connected with the construction of any part of the buildings on the Airfield, a practising architect appointed by the President of the Chapter of the Royal Australian Institute of Architects for the State of Queensland;
 - (d) for a matter connected with land or rental value, a qualified valuer appointed by the President of the Australian Property Institute (Queensland Division); and
 - (e) for any other matter, a qualified person appointed by the senior officer of an appropriate association, institute, society or board,
- or, if appropriate and the parties agree, the dispute may be referred to a panel of experts representing more than one of the appropriate skills.
- 29.3 If the parties cannot agree on an Expert within one month after a dispute arises, a party must sign an authority for the appointment of an Expert if the other party requests it to do so.
- 29.4 If a party does not sign the authority within 10 days after the other party requests it to do so, the other party may authorise the appointment of the Expert. Production of a copy of this clause and the request are conclusive of that authority.
- 29.5 Each party must pay one half of the Expert's fees and expenses, irrespective of the result of the determination.

30 Notices

- 30.1 Notices under this Sublease must be in writing and may be given by a party's solicitor.
- 30.2 Notices are effectively given if delivered or posted to the other party or sent to the facsimile number of the other party.
- 30.3 Posted notices will be treated as given two Business Days after posting.
- 30.4 Notices sent by facsimile will be treated as given when the sender obtains a clear transmission report.
- 30.5 Notices given after 5.00pm will be treated as given on the next Business Day.
- 30.6 Notices given by a party's solicitor will be treated as given with the party's authority.

Title Reference 15728041 and 15728042

31 Transfer of Sub Lease

The Landlord covenants and agrees that in the event that whilst this Sublease is not registered in the Department of Environment and Resource Management, pursuant to the *Land Title Act 1994* upon the Landlord assigning transferring or disposing of its interest in the Head Lease of which the Demised Premises forms part the Landlord must procure to be executed by the assignee transferee or disponent covenants (Purchaser's Covenant) in favour of the Tenant that the assignee transferee or disponent is bound by the provisions and the covenants contained in this Sublease to the same extent as if such assignee transferee or disponent were named as the Landlord in this Sublease and that such assignee or disponent will not assign, transfer or dispose of its interest in the Head Lease unless the Landlord procures a legally binding covenant from the assignee, transferee or disponent, in terms identical with the Purchaser's Covenant in favour of the Tenant.

32 Licensed Areas

Grant of licence

- 32.1 During the Term, and any extension of the Term, the Landlord grants to the Tenant and others authorised by the Tenant the non-exclusive right:
- (a) to use that part of the Licensed Areas comprising the Apron Area for the purpose of aircraft and pedestrian access to and from the Demised Premises and temporarily standing and loading and unloading aircraft;
 - (b) to use those parts of the Licensed Areas identified as Water Tank/Maintenance Area for the purpose of erecting and maintaining a water tank to collect water run off solely from the roof of the Demised Premises (**Tenant's Water Tank**). The Tenant must obtain the Landlord's prior written consent to erect any water tank or other improvement in the Water Tank/Maintenance Area. The Landlord may refuse its consent to the erection of any Tenant's Water Tank where it would interfere with or be in the same location required by the Landlord for a Shared Water Tank.
- 32.2 The Tenant must not use or occupy any Licensed Area so as to become a nuisance or annoyance to the Landlord or other tenants or users of the Airfield and must at all times comply with the reasonable directions of the Landlord and the Constitution and By-Laws of the Club in relation to the use and occupation of the Licensed Areas.
- 32.3 The Landlord may not determine the licence for the Licensed Areas granted by this clause whilst this Sublease remains in force.
- 32.4 The Tenant must:
- (a) keep and maintain those parts of the Licensed Areas referred to in clauses 32.1(a) and 32.1(b) in a clean and tidy condition and must cause all grassed areas within the Licensed Areas to be regularly mowed and maintained in a clean and tidy condition;
 - (b) indemnify the Landlord in respect of all claims for loss or damage arising out of the use of those parts of the Licensed Areas by the Tenant or by any of the persons authorised by this clause; and
 - (c) occupy and use those parts of the Licensed Areas, as if they were part of the Demised Premises (but those parts of the Licensed Areas are not to be taken to be part of the Demised Premises).
- 32.5 All of the provisions of this Sublease relating to the Demised Premises apply to those parts of the Licensed Areas referred to in clause 32.1 as if those parts were part of the Demised Premises (but those parts are not to be taken to be part of the Demised Premises).

Title Reference 15728041 and 15728042

33 Guarantee and indemnity

- 33.1 This clause 33 applies if Guarantors are named at Item 9 of the Reference Schedule.
- 33.2 The Guarantor guarantees to the Landlord the payment by the Tenant of the Rent and all other monies payable by the Tenant under this Sublease and the performance by the Tenant of all other obligations of the Tenant under this Sublease.
- 33.3 If the Tenant fails to pay any Rent or other money due under this Sublease the Guarantor must pay such Rent or other money to the Landlord on demand.
- 33.4 The Guarantor will indemnify the Landlord against all loss and damage suffered by the Landlord in any of the following events:
- (a) if the Tenant fails to perform any obligation of the Tenant under this Sublease; or
 - (b) if this Sublease is disclaimed following the insolvency of the Tenant.
- 33.5 The obligations of the Guarantor to the Landlord will not be affected notwithstanding that:
- (a) the Landlord allows time or other indulgence to the Tenant or does not seek to recover any monies from the Tenant;
 - (b) this Sublease is not registered;
 - (c) this Sublease is assigned or transferred;
 - (d) any security taken by the Landlord in respect of the obligations of the Tenant under this Sublease is void or defective; or
 - (e) the Lease is varied or amended.
- 33.6 The Landlord may recover damages from the Guarantor for losses over the entire period of this Sublease but must take all reasonable steps to mitigate the losses including endeavouring to lease (with the consent of Seqwater) the Demised Premises to a new Tenant.
- 33.7 The guarantee and indemnity by the Guarantor to the Landlord applies not only to the obligations of the Tenant under this Sublease but also to the obligations of the Tenant under any renewal or extension of this Sublease or under any tenancy of the Tenant in respect of the Demised Premises. The Guarantor will sign or execute a guarantee and indemnity in similar terms to this clause 33 in respect of any such further sublease or tenancy if requested to do so by the Landlord.
- 33.8 If the Guarantor consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- 33.9 The obligations of the Guarantor to the Landlord will endure for the benefit of the successors and assigns of the Landlord.

34 Miscellaneous

- 34.1 The Landlord may appoint one or more persons to act as caretaker of the Airfield. The Landlord must notify the Tenant from time to time of the appointment or termination of the appointment of any caretaker. The Tenant must comply with any direction or requirement of the caretaker which is neither contrary to any right, entitlement or privilege granted to the Tenant under this Sublease nor the Constitution or By-Laws of the Club.

Title Reference 15728041 and 15728042

35 Sequential Leases

Application

35.1 This clause 35 applies:

- (a) despite any other provision of this Sublease; and
- (b) where one or more Sequential Leases are entered into in respect of the Demised Premises.

Sequential Lease

35.2 Where a Sequential Lease commences on the day after the Termination Date, any provisions of this Sublease in relation to:

- (a) the Tenant's right to hold over after the expiration of the Sublease;
- (b) the Tenant's obligation to remove any items from the Demised Premises;
- (c) the Tenant's obligation to make good the Demised Premises,

which would normally apply on the expiration of this Sublease, do not apply until the expiration of the final Sequential Lease.

35.3 If this Sublease is transferred, then (despite any other provision of any Sequential Lease) the Sequential Leases which are expressed to commence after the date of the transfer are deemed to be assigned to the same transferee and with effect on and from the same date.

35.4 If a Sequential Lease, which commenced prior to the Commencement Date is or has been transferred, then this Sublease is deemed to be transferred to the same transferee with effect on and from the same date.

35.5 If a Sequential Lease, which commenced prior to the Commencement Date terminates other than by expiration, then this Sublease is terminated with effect from the same date.

35.6 If the Tenant gives written notice to the Landlord no later than six months prior to the Commencement Date that the Tenant no longer requires to occupy the Demised Premises, then this Sublease terminates with effect on and from the date of service of the notice.

Title Reference 15728041 and 15728042

Reference Schedule

Item 1 Landlord	South East Queensland Sports Aircraft Club Incorporated
Item 2 Tenant	John Terrence Adams
Item 3 Term (clause 7.1)	3 years
Item 4 Commencement Date (clause 7.1)	1 January 2022
Item 5 Termination Date (clause 7.1)	31 December 2024
Item 6 Type of Construction (clause 5.1)	Aircraft Hangar building
Item 7 Permitted Use (clause 6.1)	Aircraft storage and ancillary storage
Item 8 Rent (clause 10.2)	\$4.00/m2 per annum
Item 9 Guarantor/s (clause 33)	N/A

Title Reference 15728041 and 15728042

Annexure A

Plan of Demised Premises and Licensed Areas

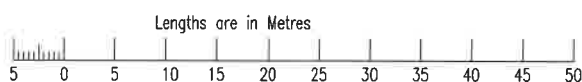
DIAGRAM

Scale @ A3 1:500

ALL MEASUREMENTS ARE APPROXIMATE

LEGEND

-  Lease Area
-  Apron Area
-  Water Tank/
Maintenance Area
-  Outside face of Building
-  Centreline of Wall



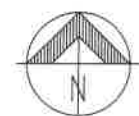
LEASE A3
165m²

362
CG4017

BUILDING A

Lease
No. 602170874

Sub-Lease A3 does affect Lease 602170874 and does not
affect Lease 602170873 or Emts. A-C on RP 854245.
Dated 30/10/2017



303
CG3813

LEASE A3
VIDE DIAG.

362
CG4017

Emt. A
RP854246

Emt. C
RP854245

Locality of Genfern

371
CG363

Emt. B
RP854245

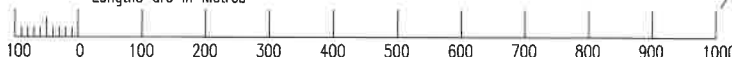
Emt. A
RP 854245

361
CG4017

LEASE CONNECTION

LINE	BEARING	DISTANCE
A-B	Abt 57°15'	Abt 68.6

Lengths are in Metres



Meridian: CG4017

Map Ref: 9444-33234

NOTE
Lease dimensions & areas taken to
outside face of building and
centreline of internal walls.

R. KEATING
QBCC Lic. No. 065458



20 Bushlark Court
Upper Caboolture 4510
Ph.: (07) 5497 0334

BOB KEATING DESIGN & DRAFTING

Parish: KILCOY
Locality: WINYA

County: CANNING
Local Gov.: SOMERSET R.C.

PLAN FOR LEASE PURPOSES

Being part of Lease No. 602170874 in
Lots 361 & 362 on CG4017
(TR15728041 and 15728042)

CLIENT

South East Qld Sports Aircraft Club

SCALE (A3)

1:8000

PLAN NO.

Lease-A3



OFFICE USE ONLY

Privacy Statement

Collection of information from this form is authorised by legislation and is used to maintain publicly searchable records. For more information see the Department's website.

1. Sublessor	Lodger (Name, address, E-mail & phone number)	Lodger Code
South East Queensland Sports Aircraft Club Incorporated		

2. Lot on Plan Description	Title Reference
Lot 361 on CP CG4017	15728041
Lot 362 on CP CG4017	15728042

3. Sublessee Given names	Surname/Company name and number	(include tenancy if more than one)
John Terrence	Adams	

4. Interest being subleased
Lease 602170874 (K935953B)

5. Description of premises being subleased
That part of the building erected on the land, indicated as area "A3" on the plan in Annexure A

6. Term of lease Commencement date/event: 1 January 2025 Expiry date: 31 December 2027 Options: Nil	7. Rental/Consideration See attached schedule
---	---

8. Grant/Execution
The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule

Witnessing officer must be aware of his/her obligations under section 162 of the Land Title Act 1994

..... signature	See Enlarged Panel
..... full name	
..... qualification / /	

Witnessing Officer (Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)	Execution Date	Sublessor's Signature
---	-----------------------	------------------------------

9. Acceptance
The Lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

..... signature	
..... full name	See Enlarged Panel
..... qualification / /	

Witnessing Officer (Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)	Execution Date	Sublessee's Signature
---	-----------------------	------------------------------

Title Reference 15728041 and 15728042

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule



Given under the common seal of the South East Queensland Sports Aircraft Club Incorporated in accordance with its Rules of Club in the presence of

a member of the Management Committee and the

Secretary/member of the Management Committee who certify that they are the proper officers to affix such seal:

.....signature

.....full name

.....qualification

21/12/2018

Execution Date

.....
.....
.....

Sublessor's Signature

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

9. Acceptance

The Sublessee accepts the sublease and acknowledges the amount payable or other considerations for the sublease.

.....signature

.....full name
MARK RODERICK FOY
SOLICITOR, QLD

.....qualification

2/12/18

Execution Date

.....
.....
.....

Sublessee's Signature

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Title Reference 15728041 and 15728042

1 Definitions and interpretations

Definitions

1.1 In this document:

Term	Definition
Accounting Period	means each of the following periods: the period from the Commencement Date to the immediately following 30 June; each full period of 12 months from 1 July to 30 June during the Term; and the period from 1 July immediately preceding the Termination Date.
Agents	means agents, servants, employees, licensees and invitees.
Airfield	means the land known as Kilcoy Airfield situated at Kennedy's Road, Kilcoy and more particularly described as Lease A (No. 602170874 (K935953B)) in Lots 361 and 362 on Plan CP CG4017, Title Reference 15728041 and 15728042, such land being nominally divided into precincts for specific uses as specified in the Master Plan.
Approval to Operate	means a written approval issued by the Landlord for the carrying out of specified activities (nominated in that written approval) on specific areas of the Airfield as designated on the Master Plan.
Apron Area	means the area shown on the plan in Annexure A.
Business Day	means a day on which trading banks are open for business in Brisbane, Queensland.
Club	means the Landlord and its successors.
Commencement Date	means the commencement date of this Sublease stated at Item 4 of the Reference Schedule.
Cover Page	means page 1 of this Sublease.
Default Interest Rate	means that rate which is 2% above the rate charged by National Australia Bank on overdraft amounts in excess of Fifty Thousand Dollars (\$50,000).
Demised Premises	means the premises described at Item 5 on the Cover Page of this Sublease.
Development Control Plan	means the development control plan for the Airfield dated February 2008.
Environmental Management System	means the document titled the environmental management system and which is applicable to the Airfield dated February 2005.
Guarantor	means the guarantors named in Item 9 of the Reference Schedule (if any).
Head Lease	means lease number 602170874 (K935953B) dated 16 January 1992 between Seqwater and South East Queensland Sports Aircraft Club Incorporated in relation to the Airfield.
Item	means an item in the Reference Schedule of this Sublease unless it is specified to be an item on the Cover Page of this Sublease.
Landlord	means South East Queensland Sports Aircraft Club Incorporated, being the sublessor identified in Item 1 of the Cover Page of this Sublease and the tenant named in the Head Lease.
Licensed Areas	means those parts marked and shown as 'Apron Area' and 'Water

Title Reference 15728041 and 15728042

Term	Definition
	Tank/Maintenance Area' on the plan in Annexure A.
Master Plan	means the plan designating the uses authorised by Seqwater and Somerset Regional Council, for specified precincts of the Airfield dated June 2007 and other plan in force from time to time together with conditions of approval of the Somerset Regional Council or other relevant authority (where the context requires) in force from time to time.
Operating Expenses	means all net amounts paid or payable by the Landlord in any one Accounting Period (after taking into account the benefit of any discount, rebate, allowance or concession): (a) for municipal rates and charges of a periodic nature assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period; (b) for other fees, levies, taxes or charges assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period by any statutory or other authority.
Permitted Use	means the permitted use stated at Item 7 of the Reference Schedule.
Reference Schedule	means the reference schedule attached to this Sublease.
Rent	means the rent stated at Item 8 of the Reference Schedule.
Sequential Lease	means a sublease to the Sublessee of the Demised Premises (other than this Sublease) which is entered into at the same time as this Sublease but which is for a period either before or after the Term.
Seqwater	means the Queensland Bulk Water Supply Authority trading as Seqwater, being the registered proprietor of the Airfield and the landlord under the Head Lease.
Shared Water Tank	has the meaning given in clause 6.10.
Sublease	means this schedule, the Cover Page and the Reference Schedule attached to this Sublease.
Tenant	means the sublessee identified in Item 3 on the Cover Page of this Sublease.
Tenant's Proportion	is calculated in accordance with the formula: $TP = \frac{1}{TH}$ where: TP = the Tenant's Proportion TH = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a sublease granted by the Landlord.
Tenant's Water Tank	has the meaning given in clause 32.
Term	means the term of this Sublease stated at Item 3 of the Reference Schedule.
Termination Date	means the termination date stated at Item 5 of the Reference Schedule.

Interpretation

1.2 In this Sublease, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa;

Title Reference 15728041 and 15728042

- (b) 'person' includes a firm, a company, a body corporate, an unincorporated Club or an authority in so far as it relates to the Lessor, its agents or others associated with the Sublease with the exception of the Lessee who will at all times remain a natural person.
- (c) an agreement, representation or warranty:
 - (i) in favour of two or more persons is for the benefit of them jointly and severally; and
 - (ii) on the part of two or more persons binds or is given by them jointly and severally;
- (d) a reference to:
 - (i) a person includes a person's legal personal representatives, successors, substitutes (including persons taking by novation) and assigns;
 - (ii) a document includes any variation or replacement of it;
 - (iii) a law includes regulations and other instruments under it and amendments or replacements of any of them;
 - (iv) a thing includes the whole and each part of it;
 - (v) a group of persons includes all of them collectively, any two or more of them collectively and each of them individually; and
 - (vi) the president of a body or authority includes any person acting in that capacity;
- (e) 'including' when introducing a list of items does not limit the meaning of the words to which the list relates to those items or to items of a similar kind;
- (f) a reference to time is the time at Brisbane;
- (g) a reference to a clause is a reference to a clause of this Sublease; and
- (h) where any word or phrase is given a defined meaning any grammatical form or other part of speech in respect of such word or phrase shall have a corresponding meaning.
- (i) Headings have been inserted for convenience and do not affect the interpretation of this Sublease.
- (j) A gender includes all genders, the singular includes the plural and conversely, and persons include corporations and conversely.
- (k) If a party to the lease consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- (l) No covenant is implied in the lease by Section 107(4) *Property Law Act 1974*.
- (m) This Sublease comprises the whole of the agreement between the Landlord and the Tenant and no further or other terms or agreements shall be deemed to be implied or to arise by way of collateral or other agreement by reason of any promise, representation, warranty or undertaking by or on behalf of the Landlord or the Tenant on or prior to the execution of the Sublease.
- (n) Any notice, notification or consent under the Sublease and any variation of the Sublease must be in writing.
- (o) The Sublease is a deed even if it is not registered.

Title Reference 15728041 and 15728042

- (p) The Sublease must be interpreted so that it complies with the laws of Queensland and of the Commonwealth of Australia. If any provision of the Sublease does not comply the provision must be read down so as to give it as much effect as possible. If the provision cannot be given any effect it must be severed from the Sublease.

2 Head Lease

- 2.1 This Sublease and the rights of the Landlord and the Tenant under this Sublease are subject to all the covenants and conditions of the Head Lease. The Landlord and the Tenant agree that so far as relates to the Demised Premises and this Sublease, the Tenant covenants with the Landlord that it will not do any act or permit any act to be done which if done or permitted to be done would constitute a breach of any of the covenants and conditions in the Head Lease. If the Head Lease requires a consent or approval (from Seqwater) for the doing of any act or thing, by a tenant, then the Tenant shall procure such consent or approval before doing the act or thing (and provide a copy of it to the Landlord).
- 2.2 The Tenant acknowledges having received a copy of the Head Lease before the Tenant entered into this Sublease.
- 2.3 If the Head Lease is terminated or otherwise determined, this Sublease shall simultaneously terminate without notice or further act of the parties and without any liability on the part of each party to the other party but without prejudice to the rights of each party in respect of any antecedent breach of the covenants and conditions of this Sublease by the other party.
- 2.4 If the provisions of this Sublease (other than this clause 2) conflict with any of the provisions of the Head Lease, then the provisions of the Head Lease shall prevail.

3 Landlord's Covenants

- 3.1 If the Tenant does everything which the Tenant is required to do under this Sublease the Landlord must permit the Tenant to have possession of the Demised Premises and to use the Demised Premises for the Permitted Use without interruption or disturbance by the Landlord or by any other person lawfully claiming under the Landlord.
- 3.2 The Tenant's right to be free of interruption or disturbance is subject to the rights of the Landlord under this Sublease.
- 3.3 The Landlord covenants with the Tenant that the Landlord will pay the rent payable under the Head Lease and will do everything which the Landlord is required to do under the Head Lease.

4 Landlord's rights of access to the Demised Premises

- 4.1 The Tenant must allow the Landlord or any person authorised by the Landlord to enter the Demised Premises at any reasonable time for any of the following purposes:
- (a) inspect the condition of the Demised Premises or any construction built by the Tenant on the Demised Premises;
 - (b) to check the use of the Demised Premises;
 - (c) to do any work that the Landlord must or may do pursuant to this Sublease or the law;
 - (d) to value the Demised Premises;
 - (e) to inspect the Demised Premises or to affix a notice on the Demised Premises or on the outside of any construction on the Demised Premises within the last six months of the Term of this Sublease or at any time after the termination of that period in relation to a prospective letting of the Demised Premises;

Title Reference 15728041 and 15728042

- (f) to carry out any improvements or repairs to the Demised Premises or adjoining premises considered by the Landlord to be desirable so long as the work is done without undue interference with the occupation and use of the Demised Premises by the Tenant;
 - (g) to allow entry by Seqwater or the Landlord where entry is or may be required to allow exercise of a right or fulfilment of an obligation under the Head Lease; or
 - (h) to carry out any work on any structure or thing on the Demised Premises because the Tenant is in breach of this Sub-lease and has failed to remedy the breach.
- 4.2 The Landlord must give the Tenant at least five days' notice of access or entry to the Demised Premises except in an emergency where no notice is needed.

5 Alterations to the Demised Premises

- 5.1 The Tenant must not make or allow to be made any alterations or additions to any construction on the Demised Premises (including without limitation erecting any sign or notice or painting any improvements) unless:
- (a) the Tenant first obtains the consent of Seqwater, and the Landlord, and the approval or consent of any relevant authority; and
 - (b) the alterations or additions comply with the Master Plan and the consents and approvals referred to in clause 5.1(a).
- 5.2 Any construction, alteration or addition must be carried out in a proper and workmanlike manner at the expense of the Tenant and (if so required by the Landlord) subject to the supervision of the Landlord's architect whose fees must be paid by the Tenant.
- 5.3 If any construction, alteration or addition is made by the consent of the Landlord upon the condition that the Demised Premises are to be restored to their former condition at the expiry or on earlier termination of this Sublease then upon the expiry or on earlier termination of this Sublease the Tenant must restore the Demised Premises accordingly.

6 Use of Demised Premises

- 6.1 The Tenant must use the Demised Premises only for the Permitted Use. The Tenant must obtain the prior written consent of the Landlord which the Landlord must not unreasonably withhold before any aircraft not owned by the Tenant is stored in the Demised Premises. It will not be unreasonable for the Landlord to refuse its consent if the storage of the aircraft would cause the Landlord to be in breach of any applicable Law. The Landlord may impose conditions when granting its consent including that the Tenant pays a fee determined by the Landlord as a contribution to the maintenance of the Airfield.
- 6.2 The Tenant acknowledges that the Permitted Use must be carried on in compliance with:
- (a) the Master Plan;
 - (b) the Development Control Plan;
 - (c) the Environmental Management System; and
 - (d) all applicable regulatory approvals licences or permits the Landlord has in place, holds or to which the Landlord is subject from time to time.
- 6.3 The Landlord does not represent or warrant that the Demised Premises are suitable or can be lawfully used for the Permitted Use or for any other purpose of the Tenant.

Title Reference 15728041 and 15728042

- 6.4 The Airfield may only be used for recreational flying. Flying operations for any commercial or profit making undertaking or business are not permitted. The Landlord does not represent or warrant that the runways, taxiways, parking areas and roads on the Airfield are of all-weather standard, or that after periods of wet weather these areas are suitable for aircraft or motor vehicle use. The Tenant shall repair any damage to these areas by the Tenant should the Tenant use these areas after periods of rain.
- 6.5 The Tenant must obtain any necessary consents or licences regarding the Permitted Use, keep them current and comply with any conditions attaching to them.
- 6.6 If an Approval to Operate issued by the Landlord is required in relation to the Demised Premises because of the Permitted Use or the Master Plan, the Tenant must keep such Approval current at all times throughout the Term and comply with all renewal requirements of the Landlord.
- 6.7 The Tenant must duly and punctually comply with and observe all statutes, ordinances, regulations and by-laws and all requirements and orders of any relevant authority or public body relating to the Demised Premises.
- 6.8 The Tenant must comply with all reasonable directions of the Landlord or the insurer of the Demised Premises as to prevention, detection and limitation of fire and fire protection.
- 6.9 The Tenant must comply with the requirements of the local Fire Brigade Board and the laws and regulations for the time being relating to fires.
- 6.10 The Tenant must direct all roof runoff water and water storage overflow by drainpipes to a water tank with a minimum capacity of 5,000 litres (**Shared Water Tank**) located in a position determined by the Landlord adjacent to the Demised Premises. The Tenant consents to the Landlord determining a position for and locating a Shared Water Tank within the area licensed to the Tenant as the Water Tank/Maintenance Area. The water contained in a Shared Water Tank or any Tenant's Water Tank placed in the Water Tank/Maintenance Area must if required be made available for use by the Landlord or at the Landlord's direction other tenants or occupiers of the Airfield.
- 6.11 The Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank maintain such water tank and keep it in good repair and condition. If any Shared Water Tank leaks, the Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank immediately repair it or have it removed and replaced with new tank. If the Tenant in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank does not repair any water leak within a reasonable time (determined solely by the Landlord), the Landlord may have such leak repaired at the cost of the Tenant. Such cost shall be a liquidated debt owing to the Landlord in equal shares by all tenants whose Demised Premises are connected to the Shared Water Tank.
- 6.12 The Tenant must not:
- (a) use the Demised Premises for any commercial or profit making undertaking or business (including, subject to clause 6.1 storage of aircraft not owned by the Tenant);
 - (b) use the Demised Premises for residential purposes or for other than casual (not permanent) occupation;
 - (c) despite clause 6.12(b) use the Demised Premises (or any part of the Demised Premises) as a sleeping place;
 - (d) use the Demised Premises for any noxious, noisome, offensive, dangerous or illegal activity or purpose;
 - (e) do anything in the Demised Premises which is or might become a nuisance, annoyance or disturbance to the Landlord, Seqwater, or to the owner or occupiers of neighbouring premises;
 - (f) hold any auction, bankrupt or fire sale in the Demised Premises;
 - (g) store upon the Demised Premises any fluid, gas (excluding domestic gas cylinders) or substance which is or might be dangerous because of its inflammable, explosive or corrosive nature;

Title Reference 15728041 and 15728042

- (h) do anything that might invalidate any insurance policy in respect of the Airfield or any adjoining site or sites or increase the premium payable for such insurances;
- (i) use any water, drainage, or other pipes or connections for any purpose other than that for which they were constructed or intended;
- (j) cause or permit any advertisement hoarding or sign (including any neon or similar sign) to be painted affixed put up or placed upon the Demised Premises or any part of the Demised Premises or paint any part of the improvements upon the Demised Premises without first obtaining the written approval of Seqwater and the Landlord.

7 Term

- 7.1 This Sublease is for the Term, commencing on the Commencement Date and ending at midnight on the Termination Date.

If the Tenant remains in the Demised Premises with the Landlord's consent after the Termination Date, then the Tenant will occupy the Demised Premises as a monthly tenant on the same terms and conditions as at the Termination Date except that the Landlord or the Tenant may end the tenancy on any day by giving a month's notice to the other party.

8 Club membership

The Tenant must:

- (a) maintain its full financial voting membership status of the Club for the duration of the Term; and
- (b) not be in breach of the Constitution or By-Laws of the Club for a period in excess of one calendar month.

9 Tenant payments

- 9.1 The Tenant must pay to the Landlord:

- (a) the Rent (varied in accordance with the Lease) within 28 days of receiving a Tax Invoice;
- (b) the professional costs and outlays of the Landlord of preparation and execution of this Sublease and each Sequential Lease;
- (c) the reasonable costs to the Landlord of dealing with any application by the Tenant for the Landlord's consent under this Sublease (whether or not consent is given);
- (d) the reasonable costs to the Landlord incurred in connection with a default by the Tenant;
- (e) survey fees associated with the plan attached as Annexure A;
- (f) the reasonable expenses incurred by the Landlord in obtaining the consent of Seqwater to this Sublease, any assignment of this Sublease, or any consent required under the Head Lease because of the Tenant's use of the Demised Premises;
- (g) any amount paid by the Landlord to Seqwater, pursuant to any deed of consent executed by Seqwater and the Landlord giving consent to this Sublease; and
- (h) the reasonable professional costs and outlays of the Landlord incurred in connection with the surrender of this Sublease.

Title Reference 15728041 and 15728042

- 9.2 If requested by the Landlord, the Tenant must establish a direct debit arrangement with a bank so that the amounts payable by the Tenant are paid directly to the Landlord by the Tenant's bank on each due date for payment.
- 9.3 If the Tenant is late in paying the Rent or other money to the Landlord, then the Tenant must pay interest on it at the Default Interest Rate. Interest will accrue and be compounded monthly and be calculated on a daily basis from the day the Rent or other money was due until the day it is paid in full.
- 9.4 The Tenant must pay for all services, if any, supplied to the Demised Premises.

10 Rent

- 10.1 The Rent for the first year of the Term must be paid on or before the Commencement Date.
- 10.2 The Tenant must pay the Rent (varied in accordance with this Sublease) in advance, and on or before the first day of each year of this Sublease.
- 10.3 If this Sublease is terminated by either party for any reason (whether under clause 26, or otherwise), the Landlord must within 30 days of receiving a written demand, reimburse the Tenant for Rent, the Tenant's Proportion of the Operating Expenses for the relevant Accounting Period and any other amounts payable under this Sublease.

11 Rent reviews

Rent shall be increased on the same date as any increase in the rent payable by the Landlord under the Head Lease. The Rent shall be increased to:

$$R = A + \frac{B}{C}$$

where:

R = the increased Rent;

A = the current Rent;

B = the amount of the increased rent payable under the Head Lease at the relevant review; and

C = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a lease granted by the Landlord.

12 Outgoings

- 12.1 The Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses for each Accounting Period billed to the Tenant in accordance with this clause 12.
- For the purpose of calculating the Tenant's Proportion the Operating Expenses are deemed to accrue equally day to day.
- 12.2 Any change in the Tenant's Proportion will not take effect until the first day of the month following the later of:
- (a) the date the Landlord gives written notice to the Tenant of the change; and
 - (b) the increase or decrease in the total number of aircraft hangars located on the Airfield which causes the change.

Title Reference 15728041 and 15728042

12.3 The Tenant's Proportion of Operating Expenses must not be greater as a result of:

- (a) any other occupant of an aircraft hangar on the Airfield not contributing to an item of Operating Expenses;
or
- (b) any aircraft hangar on the Airfield capable of being leased or licensed being vacant.

13 Landlord's estimates of Operating Expenses

13.1 At least one month prior to the commencement of each Accounting Period and upon request from the Tenant, the Landlord will, but only at the direction of the club management committee, prepare and provide to the Tenant an estimate of Operating Expenses for that Accounting Period.

13.2 The estimates should detail:

- (a) each item of Operating Expense;
- (b) how the estimates have been calculated; and
- (c) the Tenant's Proportion of the estimated Operating Expenses and the figures from which the Tenant's Proportion has been calculated.

14 Payment of Operating Expenses on account

14.1 At the same time as providing the estimates of Operating Expenses for the next Accounting Period, the Landlord may by written notice to the Tenant require the Tenant to pay the Tenant's Proportion of the estimated Operating Expenses.

14.2 On receipt of the request, the Tenant must pay the Landlord the Tenant's Proportion of the estimated Operating Expenses for the next Accounting Period by one annual payment on the first day of each Accounting Period throughout the Term. The first instalment for the first quarter need not be paid by the Tenant until the date 45 days after the date of this Sublease.

14.3 If the Tenant disputes whether the Tenant's Proportion of estimated Operating Expenses required by the Landlord to be paid:

- (a) has been calculated correctly; or
- (b) includes amounts that are not Operating Expenses,

and the dispute is not resolved between the Landlord and the Tenant within one month then:

- (c) the dispute will be dealt with under clause 29; and
- (d) until the dispute is resolved, the Tenant will not be required to pay the amount in dispute.

15 Landlord's Statement of Expenditure

15.1 Within three months after the end of each Accounting Period, and upon timely request from the Tenant in the first instance being received, the Landlord will prepare and provide to the Tenant a statement of expenditure (**Statement of Expenditure**) which specifies the Operating Expenses actually incurred in that Accounting Period.

15.2 The Statement of Expenditure should detail and is not limited to:

- (a) each item of Operating Expense;

Title Reference 15728041 and 15728042

- (b) how the Operating Expenses have been calculated; and
- (c) the Tenant's Proportion of Operating Expenses and the figures from which the Tenant's Proportion have been calculated.

15.3 The Landlord must:

- (a) keep accurate records of the Operating Expenses for each Accounting Period including copies of all relevant assessments, invoices or statements; and
- (b) allow the Tenant to inspect the records.

16 Adjustment of Operating Expenses at end of Accounting Period

- 16.1 Within three months of receipt by the Tenant of a Statement of Expenditure correctly specifying the total Operating Expenses the Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses less the total of any amount paid for that Accounting Period under clause 12.
- 16.2 If the amount paid for that Accounting Period under clause 12 is greater than the Tenant's Proportion of the Operating Expenses then the Landlord must repay the difference to the Tenant within three months of receipt by the Tenant of the Statement of Expenditure.
- 16.3 If the Tenant disputes whether the Tenant's Proportion of Operating Expenses set out in the Statement of Expenditure:
- (a) has been calculated correctly; or
 - (b) includes amounts that are not Operating Expenses,
- then until the dispute is resolved the Tenant may withhold the amount in dispute and if:
- (c) the Tenant still disputes the Tenant's Proportion of the Operating Expenses three months after receipt by the Tenant of the Statement of Expenditure,
- then the dispute will be dealt with under clause 29.
- 16.4 The Tenant's liability to pay the Tenant's Proportion of the Operating Expenses is not affected by the termination of this Sublease.

17 GST

- 17.1 In this clause words or terms have the meanings as they do in *A New Tax System (Goods and Services Tax) Act 1999*.
- 17.2 Unless otherwise set out, the parties confirm that any amount payable under this Sublease has been calculated without regard to GST.
- 17.3 If there is a Taxable Supply then the party paying for the Taxable Supply will also pay the GST.
- 17.4 Any reference to a cost or charge under this Sublease excludes GST where the party liable to pay it can claim an Input Tax Credit
- 17.5 Each party must do everything reasonably necessary to assist the other to claim an Input Tax Credit.
- 17.6 If a party wishes to make a claim on the other for GST, that claim must be made within six months of the date of the relevant notice.

Title Reference 15728041 and 15728042

- 17.7 Within 21 days of receiving a payment which includes GST, the party who receives the payment must give a Tax invoice to the party making the payment (unless one has already been provided).

18 Maintenance and repairs

- 18.1 The Tenant must maintain any construction built by or at the request of the Tenant comprising the Demised Premises pursuant to clause 5.1 in its condition at the time the construction was built and must carry out any repairs that are necessary to maintain the construction in that condition.
- 18.2 If the Tenant fails to do any work required of the Tenant under clause 18.1 and the Landlord gives the Tenant notice stating what the Tenant has failed to do so, then the Tenant must do such work immediately where there is an emergency and otherwise must do such work promptly and diligently.
- 18.3 If the Tenant fails to do any work following notice from the Landlord under clause 18.2, the Landlord may do the work and the Tenant must reimburse the Landlord for the cost of the work. The Landlord may recover the cost of the work from the Tenant as a liquidated debt.
- 18.4 The Tenant must keep the Demised Premises and the surroundings of the Demised Premises in a thorough state of cleanliness and must not allow any accumulation of rubbish on the Demised Premises whether outside or inside the Demised Premises.
- 18.5 The Tenant must comply with all environmental legislation and must ensure that neither the Demised Premises nor the Airfield or any other land is contaminated, polluted or degraded as a result of anything done or omitted to be done by the Tenant.
- 18.6 If there is any contamination, pollution or degradation of the Demised Premises, the Airfield or any other land as a result of anything done or omitted to be done by the Tenant then the Tenant must carry out all necessary remedial work to the satisfaction of the Landlord, Seqwater and all regulatory authorities.

19 Insurances

- 19.1 The Tenant must have and keep current:
- (a) a public liability insurance policy for an amount not less than \$10 million (or such higher amount as the Landlord may determine from time to time) for each event; and
 - (b) any other insurance policies reasonably required by the Landlord from time to time.
- 19.2 All insurance policies referred to in clause 19.1 shall note the interest of the Landlord and Seqwater.
- 19.3 Upon request by the Landlord the Tenant must give to the Landlord copies of any insurance policy required under clause 19.1 and of the receipt for the last premium.
- 19.4 If the Tenant does anything that might increase the premium payable by the Landlord for any insurance policy in respect of the Demised Premises, then the Tenant must pay to the Landlord the amount of the increased premium.

20 Indemnities by the Tenant

- 20.1 The Tenant will occupy and use the Demised Premises at the risk of the Tenant and releases to the fullest extent permitted by law the Landlord and its contractors and Agents from all claims and demands and from all liability which might arise in respect of any damage to property or death of or injury to any person in or near the Demised Premises (except where caused by the negligence of the Landlord, its contractors or Agents) and the Landlord will have no responsibility or liability for any loss of or damage to any property of the Tenant (except where caused by the negligence of the Landlord, its contractors or Agents).

Title Reference 15728041 and 15728042

- 20.2 To the extent that monies paid to the Landlord out of any insurance effected by the Tenant do not fully indemnify the Landlord, the Tenant will indemnify the Landlord, its contractors and Agents against all actions, claims, losses, damages, costs and expenses incurred by the Landlord or for which the Landlord or its contractors or Agents might become liable in respect of any damage to property or death of or injury to any person (except where caused by the negligence of the Landlord or its contractors or Agents) which may be suffered or sustained in, upon or near the Demised Premises.
- 20.3 The Landlord will not be liable for any loss or damage which the Tenant might suffer by reason of any damage to the Demised Premises or to anything of any nature whatsoever in or about the Demised Premises caused by or arising from the entry, flow or leakage of water or from any defect in the water, gas or electricity connections or any fittings or appliances used in connection with them or from any other defect in the Demised Premises.
- 20.4 Without limiting the generality of clauses 20.1, 20.2 and 20.3, the Tenant will indemnify the Landlord against all actions, claims, losses, damages, costs and expenses for which the Landlord might become liable in respect of or arising from:
- (a) the negligent or careless use by the Tenant or any contractor or Agent of the Tenant of the water, gas, electricity or other services and facilities of the Demised Premises or arising from any faulty fitting, fixture or other plant or equipment of the Tenant;
 - (b) overflow or leakage of water in or from the Demised Premises but having origin within the Demised Premises or caused or contributed to by any act or omission on the part of the Tenant or other persons referred to in clause 20.4(a);
 - (c) loss, damage or injury to property or person caused or contributed to by the use of the Demised Premises by the Tenant or other persons referred to in clause 20.4(a);
 - (d) loss, damage or injury to the Demised Premises or to any property or person within or without the Demised Premises occasioned or contributed to by any act or omission of the Tenant or other persons referred to in clause 20.4(a); and
 - (e) inundation of the Demised Premises or part thereof or any improvements by water (whether or not from Somerset Dam or its catchment areas).

21 Damage to building on Demised Premises

- 21.1 In the event that the Demised Premises is wholly or substantially damaged or destroyed so as not to be reasonably usable or repairable for the Permitted Use the Tenant shall within a period of 90 days at the Tenant's expense clear the Demised Premises of all damaged materials to the satisfaction of the Landlord.
- 21.2 If the Tenant does not clear the Demised Premises in accordance with clause 21.1, the Landlord shall have the right to clear the Demised Premises and recover the cost of such clearing from the Tenant as a liquidated debt.
- 21.3 The Landlord has the right to terminate this Sublease in the event the Landlord exercises its rights under clause 21.2.

22 Resumption

- 22.1 If the Demised Premises or the Airfield is resumed by any competent authority the Landlord will be entitled by giving not less than one month's notice to the Tenant to terminate this Sublease.
- 22.2 The Tenant will not be entitled to claim any compensation from the Landlord in respect of such resumption or termination but the termination will be without prejudice to the rights of either party with regard to any antecedent breach of this Sublease.

Title Reference 15728041 and 15728042

23 Transfer and SubLease

- 23.1 The Tenant must not assign transfer dispose of mortgage or charge the Demised Premises or any part of the Demised Premises or the Tenant's interest in this Sublease without the prior written consent of the Landlord. The Landlord must not unreasonably delay or refuse to grant such consent. It will be reasonable for the Landlord to refuse to grant its consent to a proposed assignee or transferee who is not a full financial voting member of the Club.
- 23.2 The Tenant must not sublet or part with use or possession of the whole or any part of the Demised Premises. Allowing others to store aircraft in the Demised Premises is not sub-letting or parting with possession.
- 23.3 A request for the Landlord's consent pursuant to clause 23.1 must be made in writing and the Tenant must provide the Landlord with such information as the Landlord may reasonably require concerning the financial standing of the proposed transferee.
- 23.4 The Tenant must procure from the proposed transferee:
- (a) the consent of and execution of any document required by Seqwater and/or the Landlord at the expense of the Tenant; and
 - (b) the execution of a deed of covenant to be prepared by the Landlord's solicitors at the expense of the Tenant, which deed of covenant will set out that the transferee must comply with all of the Tenant's obligations under this Sublease. If the proposed transferee is a corporation (other than a corporation whose shares are listed on any stock exchange in Australia) then the Tenant must procure the execution by the directors and principal shareholders of the transferee of a guarantee of the obligations of the proposed transferee such guarantee to be prepared by the Landlord's solicitors at the expense of the Tenant.
- 23.5 The Landlord in granting its consent pursuant to clause 23.1 shall require the Tenant to pay the following amounts:
- (a) a reasonable sum to the Landlord in connection with considering and granting the consent, such sum to be fixed by the Landlord from time to time; and
 - (b) a reasonable sum in respect of any legal expenses incurred by the Landlord in connection with considering and granting the consent including the deed of covenant referred to in clause 23.4(b).

24 Use of facilities

- 24.1 The Landlord shall permit the Tenant and all persons lawfully authorised by the Tenant in common with others having like rights to use the facilities from time to time provided by the Landlord for the tenants of the Airfield and their Agents.
- 24.2 The Landlord may set rules from time to time in relation to the use of facilities on or relating to the Airfield or any part of the Airfield. In the event any such rules are set the Tenant will comply and ensure its Agents comply with such rules at all times during the Term.

25 Giving up possession to the Landlord

- 25.1 On the expiration of the Term or upon termination of this Sublease for any other reason the Tenant must:
- (a) remove the construction (including foundations) comprising the Demised Premises and make good any damage caused in doing so; and

Title Reference 15728041 and 15728042

- (b) remove from the Demised Premises the Tenant's fixtures, fittings, plant, machinery and other goods in the nature of tenant's fixtures brought upon the Demised Premises by the Tenant, and make good any damage caused in doing so; and
- (c) remediate any Contamination or Environmental Harm (as defined by relevant Queensland law) caused to the Demised Premises by the Tenant,

unless the Landlord otherwise agrees in writing.

- 25.2 If this Sublease is terminated because of the Tenant's breach of this Sublease or if the Tenant is in default under this Sublease, the right to remove given to the Tenant under clauses 25.1(a) and 25.1(b) is subject to the written consent of the Landlord.
- 25.3 Any construction, fixtures or other goods of the Tenant which are not removed by the Tenant on the termination of this Sublease (whether voluntarily or because of the operation of clause 25.2) become the property of the Landlord who may either keep them or dispose of them.
- 25.4 The Landlord may charge to the Tenant and recover from the Tenant as a liquidated debt all costs of removal and disposal of any construction, fixtures and other goods of the Tenant and all costs of making good any damage caused by such removal.
- 25.5 The Landlord shall not be required to pay any compensation of any nature to the Tenant in respect of any improvements upon the Demised Premises or the construction comprising the Demised Premises which may be carried out by the Tenant during the Term.

26 Default

- 26.1 The Landlord may terminate this Sublease by re-entering and taking possession of the Demised Premises or by demanding possession of the Demised Premises if:
- (a) the Rent or other money payable under the Lease is 28 days overdue for payment; or
 - (b) the Tenant fails to meet an obligation of the Tenant under this Sublease; or
 - (c) the Tenant repudiates this Sublease; or
 - (d) if the Tenant becomes a bankrupt or executes a Deed of Arrangement or a Deed of Assignment for the benefit of the Tenant's creditors,
- and the Tenant fails to comply with a notice from the Landlord given under Section 124(1) *Property Law Act 1974*.
- 26.2 The Landlord may (but is not obliged to) remedy at any time without notice any default by the Tenant under this Sublease and whenever the Landlord so elects all reasonable costs incurred by the Landlord (including legal costs) in remedying a default will be a liquidated debt and must be paid by the Tenant to the Landlord on demand.
- 26.3 No consent or waiver expressed or implied by the Landlord to or of any breach of any obligation of the Tenant is to be taken as a consent or waiver to or of any other breach of the same or any other obligation. No waiver of any breach by the Tenant is to be implied from the Landlord's failure to exercise the Landlord's rights in respect of such breach.

27 Essential terms

- 27.1 Essential terms of this Sublease include the obligations of the Tenant:
- (a) to pay Rent when due;

Title Reference 15728041 and 15728042

- (b) regarding maintenance and repairs;
 - (c) regarding the Tenant's use of the Demised Premises;
 - (d) regarding any roof runoff water and water tanks;
 - (e) regarding insurances;
 - (f) in relation to membership of the Club, including being a full financial voting member of the Club;
 - (g) to comply with the Constitution and By-Laws of the Club; and
 - (h) regarding sub-letting and parting with possession.
- 27.2 The acceptance by the Landlord of any late payment of Rent will not be taken to be a waiver of the essentiality of the Tenants obligation to pay Rent when due.
- 27.3 If there is a breach by the Tenant of an essential term of this Sublease the Landlord may recover damages from the Tenant for losses over the entire period of this Sublease but the Landlord must, except in the case of abandonment of the Demised Premises by the Tenant, take all reasonable steps to mitigate the losses including endeavouring to lease the Demised Premises to a new Tenant.
- 27.4 The Landlord's right to recover damages from the Tenant will not be affected if:
- (a) the Tenant abandons possession of the Demised Premises;
 - (b) there is a surrender of this Sublease;
 - (c) the Landlord accepts the repudiation of the Lease by the Tenant; or
 - (d) the Landlord terminates this Sublease by re-entering the Demised Premises or any part of the Demised Premises or by demanding possession of the Demised Premises.

28 Power of attorney

- 1 In consideration of the Landlord agreeing to grant this Sublease, the Tenant appoints the Landlord and its officers severally as the Tenant's attorney to act at any time if the Tenant is in breach of the Tenant's covenants under this Sublease and the Landlord's right of termination of this Sublease or right of re-entry has been exercised or is exercisable to:
- (a) execute and sign a transfer or surrender of this Sublease; and
 - (b) procure the transfer or surrender of this Sublease to be registered if this Sublease has been registered; and
 - (c) using the name of the Tenant for those purposes, and generally, do execute and perform any act, deed, matter or thing in respect of the Demised Premises as fully and effectually as the Tenant could do, execute or perform it.
- 28.2 A statutory declaration of the Landlord that the rights of the Tenant under clause 28.1 are exercisable will be deemed to be conclusive evidence of its contents in favour of any person who is not a party to this Sublease.
- 28.3 The Tenant must ratify and confirm anything lawfully done or caused to be done in and about the Demised Premises by the Tenant's attorney.

Title Reference 15728041 and 15728042

29 Dispute resolution

- 29.1 If a dispute arises between the Landlord and the Tenant under a provision of this Sublease and that provision states that the provision is to be dealt with under this clause 29, the dispute must be referred for written determination to a person (**Expert**) appointed under this clause 29. The Expert acts as an expert and not as an arbitrator and the Expert's determination is conclusive and binds both parties. The Expert must practice in the State of Queensland.
- 29.2 The Expert must have at least 10 years' current and continuous standing in the Expert's profession at the date of appointment and must be:
- (a) for a matter of law, a practising barrister or solicitor appointed by the president of the appropriate governing body of barristers or solicitors in the State of Queensland;
 - (b) for a financial or accountancy matter, a practising chartered accountant appointed by the President of the Division of the Institute of Chartered Accountants in Australia for the State of Queensland;
 - (c) for a matter connected with the construction of any part of the buildings on the Airfield, a practising architect appointed by the President of the Chapter of the Royal Australian Institute of Architects for the State of Queensland;
 - (d) for a matter connected with land or rental value, a qualified valuer appointed by the President of the Australian Property Institute (Queensland Division); and
 - (e) for any other matter, a qualified person appointed by the senior officer of an appropriate association, institute, society or board,
- or, if appropriate and the parties agree, the dispute may be referred to a panel of experts representing more than one of the appropriate skills.
- 29.3 If the parties cannot agree on an Expert within one month after a dispute arises, a party must sign an authority for the appointment of an Expert if the other party requests it to do so.
- 29.4 If a party does not sign the authority within 10 days after the other party requests it to do so, the other party may authorise the appointment of the Expert. Production of a copy of this clause and the request are conclusive of that authority.
- 29.5 Each party must pay one half of the Expert's fees and expenses, irrespective of the result of the determination.

30 Notices

- 30.1 Notices under this Sublease must be in writing and may be given by a party's solicitor.
- 30.2 Notices are effectively given if delivered or posted to the other party or sent to the facsimile number of the other party.
- 30.3 Posted notices will be treated as given two Business Days after posting.
- 30.4 Notices sent by facsimile will be treated as given when the sender obtains a clear transmission report.
- 30.5 Notices given after 5.00pm will be treated as given on the next Business Day.
- 30.6 Notices given by a party's solicitor will be treated as given with the party's authority.

Title Reference 15728041 and 15728042

31 Transfer of Sub Lease

The Landlord covenants and agrees that in the event that whilst this Sublease is not registered in the Department of Environment and Resource Management, pursuant to the *Land Title Act 1994* upon the Landlord assigning transferring or disposing of its interest in the Head Lease of which the Demised Premises forms part the Landlord must procure to be executed by the assignee transferee or disponent covenants (Purchaser's Covenant) in favour of the Tenant that the assignee transferee or disponent is bound by the provisions and the covenants contained in this Sublease to the same extent as if such assignee transferee or disponent were named as the Landlord in this Sublease and that such assignee or disponent will not assign, transfer or dispose of its interest in the Head Lease unless the Landlord procures a legally binding covenant from the assignee, transferee or disponent, in terms identical with the Purchaser's Covenant in favour of the Tenant.

32 Licensed Areas

Grant of licence

- 32.1 During the Term, and any extension of the Term, the Landlord grants to the Tenant and others authorised by the Tenant the non-exclusive right:
- (a) to use that part of the Licensed Areas comprising the Apron Area for the purpose of aircraft and pedestrian access to and from the Demised Premises and temporarily standing and loading and unloading aircraft;
 - (b) to use those parts of the Licensed Areas identified as Water Tank/Maintenance Area for the purpose of erecting and maintaining a water tank to collect water run off solely from the roof of the Demised Premises (**Tenant's Water Tank**). The Tenant must obtain the Landlord's prior written consent to erect any water tank or other improvement in the Water Tank/Maintenance Area. The Landlord may refuse its consent to the erection of any Tenant's Water Tank where it would interfere with or be in the same location required by the Landlord for a Shared Water Tank.
- 32.2 The Tenant must not use or occupy any Licensed Area so as to become a nuisance or annoyance to the Landlord or other tenants or users of the Airfield and must at all times comply with the reasonable directions of the Landlord and the Constitution and By-Laws of the Club in relation to the use and occupation of the Licensed Areas.
- 32.3 The Landlord may not determine the licence for the Licensed Areas granted by this clause whilst this Sublease remains in force.
- 32.4 The Tenant must:
- (a) keep and maintain those parts of the Licensed Areas referred to in clauses 32.1(a) and 32.1(b) in a clean and tidy condition and must cause all grassed areas within the Licensed Areas to be regularly mowed and maintained in a clean and tidy condition.;
 - (b) indemnify the Landlord in respect of all claims for loss or damage arising out of the use of those parts of the Licensed Areas by the Tenant or by any of the persons authorised by this clause; and
 - (c) occupy and use those parts of the Licensed Areas, as if they were part of the Demised Premises (but those parts of the Licensed Areas are not to be taken to be part of the Demised Premises).
- 32.5 All of the provisions of this Sublease relating to the Demised Premises apply to those parts of the Licensed Areas referred to in clause 32.1 as if those parts were part of the Demised Premises (but those parts are not to be taken to be part of the Demised Premises).

Title Reference 15728041 and 15728042

33 Guarantee and indemnity

- 33.1 This clause 33 applies if Guarantors are named at Item 9 of the Reference Schedule.
- 33.2 The Guarantor guarantees to the Landlord the payment by the Tenant of the Rent and all other monies payable by the Tenant under this Sublease and the performance by the Tenant of all other obligations of the Tenant under this Sublease.
- 33.3 If the Tenant fails to pay any Rent or other money due under this Sublease the Guarantor must pay such Rent or other money to the Landlord on demand.
- 33.4 The Guarantor will indemnify the Landlord against all loss and damage suffered by the Landlord in any of the following events:
- (a) if the Tenant fails to perform any obligation of the Tenant under this Sublease; or
 - (b) if this Sublease is disclaimed following the insolvency of the Tenant.
- 33.5 The obligations of the Guarantor to the Landlord will not be affected notwithstanding that:
- (a) the Landlord allows time or other indulgence to the Tenant or does not seek to recover any monies from the Tenant;
 - (b) this Sublease is not registered;
 - (c) this Sublease is assigned or transferred;
 - (d) any security taken by the Landlord in respect of the obligations of the Tenant under this Sublease is void or defective; or
 - (e) the Lease is varied or amended.
- 33.6 The Landlord may recover damages from the Guarantor for losses over the entire period of this Sublease but must take all reasonable steps to mitigate the losses including endeavouring to lease (with the consent of Seqwater) the Demised Premises to a new Tenant.
- 33.7 The guarantee and indemnity by the Guarantor to the Landlord applies not only to the obligations of the Tenant under this Sublease but also to the obligations of the Tenant under any renewal or extension of this Sublease or under any tenancy of the Tenant in respect of the Demised Premises. The Guarantor will sign or execute a guarantee and indemnity in similar terms to this clause 33 in respect of any such further sublease or tenancy if requested to do so by the Landlord.
- 33.8 If the Guarantor consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- 33.9 The obligations of the Guarantor to the Landlord will endure for the benefit of the successors and assigns of the Landlord.

34 Miscellaneous

- 34.1 The Landlord may appoint one or more persons to act as caretaker of the Airfield. The Landlord must notify the Tenant from time to time of the appointment or termination of the appointment of any caretaker. The Tenant must comply with any direction or requirement of the caretaker which is neither contrary to any right, entitlement or privilege granted to the Tenant under this Sublease nor the Constitution or By-Laws of the Club.

Title Reference 15728041 and 15728042

35 Sequential Leases

Application

35.1 This clause 35 applies:

- (a) despite any other provision of this Sublease; and
- (b) where one or more Sequential Leases are entered into in respect of the Demised Premises.

Sequential Lease

35.2 Where a Sequential Lease commences on the day after the Termination Date, any provisions of this Sublease in relation to:

- (a) the Tenant's right to hold over after the expiration of the Sublease;
- (b) the Tenant's obligation to remove any items from the Demised Premises;
- (c) the Tenant's obligation to make good the Demised Premises,

which would normally apply on the expiration of this Sublease, do not apply until the expiration of the final Sequential Lease.

35.3 If this Sublease is transferred, then (despite any other provision of any Sequential Lease) the Sequential Leases which are expressed to commence after the date of the transfer are deemed to be assigned to the same transferee and with effect on and from the same date.

35.4 If a Sequential Lease, which commenced prior to the Commencement Date is or has been transferred, then this Sublease is deemed to be transferred to the same transferee with effect on and from the same date.

35.5 If a Sequential Lease, which commenced prior to the Commencement Date terminates other than by expiration, then this Sublease is terminated with effect from the same date.

35.6 If the Tenant gives written notice to the Landlord no later than six months prior to the Commencement Date that the Tenant no longer requires to occupy the Demised Premises, then this Sublease terminates with effect on and from the date of service of the notice.

Title Reference 15728041 and 15728042

Reference Schedule

Item 1 Landlord	South East Queensland Sports Aircraft Club Incorporated
Item 2 Tenant	John Terrence Adams
Item 3 Term (clause 7.1)	3 years
Item 4 Commencement Date (clause 7.1)	1 January 2025
Item 5 Termination Date (clause 7.1)	31 December 2027
Item 6 Type of Construction (clause 5.1)	Aircraft Hangar building
Item 7 Permitted Use (clause 6.1)	Aircraft storage and ancillary storage
Item 8 Rent (clause 10.2)	<i>The rent at the commencement of the Sub-Lease shall be calculated as follows:</i> $R = \frac{A \times B}{C}$ <i>where:</i> <i>R = The Annual Rent at the commencement of this Sub-Lease</i> <i>A = The Annual Rent payable for the last year of the immediately preceding Sub-Lease</i> <i>B = Index Number for the December quarter for 2024</i> <i>C = Index Number for the December quarter for 2021</i> <i>“Index Number” means the Consumer Price Index (All Groups) for the city of Brisbane as published by the Australian Bureau of Statistics. If that index is discontinued, the expression will mean an index or method of measuring increases in the cost of living agreed in writing by the Parties. If there is no agreement within a period of 14 days, it will be an index or method determined at the request of either Party by the President or Acting President of the Valuers’ Institute or their nominee.</i>

Item 9
Guarantor/s (clause 33)

N/A

Title Reference 15728041 and 15728042

Annexure A

Plan of Demised Premises and Licensed Areas

DIAGRAM

Scale @ A3 1:500

ALL MEASUREMENTS ARE APPROXIMATE

LEGEND



Lease Area

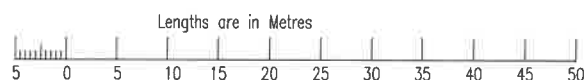


Apron Area


Water Tank/
Maintenance Area

Outside face of Building

Centreline of Wall



LEASE A3

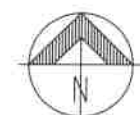
165m²

362
CG4017

BUILDING A

Lease
No. 602170874

Sub-Lease A3 does affect Lease 602170874 and does not
affect Lease 602170873 or Emts. A-C on RP 854245.
Dated 30/10/2017


303
CG3813

LEASE A3
VIDE DIAG.

362
CG4017

KENNEDY'S

Emt. A
RP854246

Emt. C
RP854245

Locality of Glenfern

371
CG363

Emt. B
RP854245

Emt. A
RP 854245

ROAD

#8248

Lease
No. 602170874

361
CG4017

STANLEY RIVER

LEASE CONNECTION

LINE	BEARING	DISTANCE
A-B	Abt 57°15'	Abt 68.6

Lengths are in Metres



Meridian: CG4017

Map Ref: 9444-33234

NOTE
Lease dimensions & areas taken to
outside face of building and
centreline of internal walls.

R. KEATING
QBCC Lic. No. 065458

20 Bushlark Court
Upper Caboolture 4510
Ph.: (07) 5497 0334

BOB KEATING DESIGN & DRAFTING

PLAN FOR LEASE PURPOSES

Being part of Lease No. 602170874 in
Lots 361 & 362 on CG4017
(TR15728041 and 15728042)

Parish: KILCOY
Locality: WINYA

County: CANNING
Local Gov.: SOMERSET R.C.

CLIENT

South East Qld Sports Aircraft Club

SCALE (A3)

1:8000

PLAN NO.

Lease-A3



OFFICE USE ONLY

Privacy Statement

Collection of information from this form is authorised by legislation and is used to maintain publicly searchable records. For more information see the Department's website.

1. Sublessor	Lodger (Name, address, E-mail & phone number)	Lodger Code
South East Queensland Sports Aircraft Club Incorporated		

2. Lot on Plan Description	Title Reference
Lot 361 on CP CG4017	15728041
Lot 362 on CP CG4017	15728042

3. Sublessee Given names	Surname/Company name and number	(include tenancy if more than one)
John Terrence	Adams	

4. Interest being subleased
Lease 602170874 (K935953B)

5. Description of premises being subleased
That part of the building erected on the land, indicated as area "A3" on the plan in Annexure A

6. Term of lease	7. Rental/Consideration
Commencement date/event: 1 January 2028	See attached schedule
Expiry date: 31 December 2030	
Options: Nil	

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule

Witnessing officer must be aware of his/her obligations under section 162 of the Land Title Act 1994

..... signature	
..... full name	See Enlarged Panel
..... qualification	/ /

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

Sublessor's Signature

9. Acceptance

The Lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

..... signature	
..... full name	See Enlarged Panel
..... qualification	/ /

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

Sublessee's Signature

Title Reference 15728041 and 15728042

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule



Given under the common seal of the South East Queensland Sports Aircraft Club Incorporated in accordance with its Rules of Club in the presence of

a member of the Management Committee and the Secretary/member of the Management Committee who certify that they are the proper officers to affix such seal:

..... signature

..... full name

..... qualification

2/12/2018

Execution Date

.....
.....
.....

Sublessor's Signature

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

9. Acceptance

The Sublessee accepts the sublease and acknowledges the amount payable or other considerations for the sublease.

..... signature

..... full name

MARK RODERICK FOY
SOLICITOR, QLD

..... qualification

2/12/18

Execution Date

.....

.....
J.T. Adams

Sublessee's Signature

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Title Reference 15728041 and 15728042

1 Definitions and interpretations

Definitions

1.1 In this document:

Term	Definition
Accounting Period	means each of the following periods: the period from the Commencement Date to the immediately following 30 June; each full period of 12 months from 1 July to 30 June during the Term; and the period from 1 July immediately preceding the Termination Date.
Agents	means agents, servants, employees, licensees and invitees.
Airfield	means the land known as Kilcoy Airfield situated at Kennedy's Road, Kilcoy and more particularly described as Lease A (No. 602170874 (K935953B)) in Lots 361 and 362 on Plan CP CG4017, Title Reference 15728041 and 15728042, such land being nominally divided into precincts for specific uses as specified in the Master Plan.
Approval to Operate	means a written approval issued by the Landlord for the carrying out of specified activities (nominated in that written approval) on specific areas of the Airfield as designated on the Master Plan.
Apron Area	means the area shown on the plan in Annexure A.
Business Day	means a day on which trading banks are open for business in Brisbane, Queensland.
Club	means the Landlord and its successors.
Commencement Date	means the commencement date of this Sublease stated at Item 4 of the Reference Schedule.
Cover Page	means page 1 of this Sublease.
Default Interest Rate	means that rate which is 2% above the rate charged by National Australia Bank on overdraft amounts in excess of Fifty Thousand Dollars (\$50,000).
Demised Premises	means the premises described at Item 5 on the Cover Page of this Sublease.
Development Control Plan	means the development control plan for the Airfield dated February 2008.
Environmental Management System	means the document titled the environmental management system and which is applicable to the Airfield dated February 2005.
Guarantor	means the guarantors named in Item 9 of the Reference Schedule (if any).
Head Lease	means lease number 602170874 (K935953B) dated 16 January 1992 between Seqwater and South East Queensland Sports Aircraft Club Incorporated in relation to the Airfield.
Item	means an item in the Reference Schedule of this Sublease unless it is specified to be an item on the Cover Page of this Sublease.
Landlord	means South East Queensland Sports Aircraft Club Incorporated, being the sublessor identified in Item 1 of the Cover Page of this Sublease and the tenant named in the Head Lease.
Licensed Areas	means those parts marked and shown as 'Apron Area' and 'Water

Title Reference 15728041 and 15728042

Term	Definition
	Tank/Maintenance Area' on the plan in Annexure A.
Master Plan	means the plan designating the uses authorised by Seqwater and Somerset Regional Council, for specified precincts of the Airfield dated June 2007 and other plan in force from time to time together with conditions of approval of the Somerset Regional Council or other relevant authority (where the context requires) in force from time to time.
Operating Expenses	means all net amounts paid or payable by the Landlord in any one Accounting Period (after taking into account the benefit of any discount, rebate, allowance or concession): (a) for municipal rates and charges of a periodic nature assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period; (b) for other fees, levies, taxes or charges assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period by any statutory or other authority.
Permitted Use	means the permitted use stated at Item 7 of the Reference Schedule.
Reference Schedule	means the reference schedule attached to this Sublease.
Rent	means the rent stated at Item 8 of the Reference Schedule.
Sequential Lease	means a sublease to the Sublessee of the Demised Premises (other than this Sublease) which is entered into at the same time as this Sublease but which is for a period either before or after the Term.
Seqwater	means the Queensland Bulk Water Supply Authority trading as Seqwater, being the registered proprietor of the Airfield and the landlord under the Head Lease.
Shared Water Tank	has the meaning given in clause 6.10.
Sublease	means this schedule, the Cover Page and the Reference Schedule attached to this Sublease.
Tenant	means the sublessee identified in Item 3 on the Cover Page of this Sublease.
Tenant's Proportion	is calculated in accordance with the formula: $TP = \frac{1}{TH}$ where: TP = the Tenant's Proportion TH = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a sublease granted by the Landlord.
Tenant's Water Tank	has the meaning given in clause 32.
Term	means the term of this Sublease stated at Item 3 of the Reference Schedule.
Termination Date	means the termination date stated at Item 5 of the Reference Schedule.

Interpretation

1.2 In this Sublease, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa;

Title Reference 15728041 and 15728042

- (b) 'person' includes a firm, a company, a body corporate, an unincorporated Club or an authority in so far as it relates to the Lessor, its agents or others associated with the Sublease with the exception of the Lessee who will at all times remain a natural person.
- (c) an agreement, representation or warranty:
 - (i) in favour of two or more persons is for the benefit of them jointly and severally; and
 - (ii) on the part of two or more persons binds or is given by them jointly and severally;
- (d) a reference to:
 - (i) a person includes a person's legal personal representatives, successors, substitutes (including persons taking by novation) and assigns;
 - (ii) a document includes any variation or replacement of it;
 - (iii) a law includes regulations and other instruments under it and amendments or replacements of any of them;
 - (iv) a thing includes the whole and each part of it;
 - (v) a group of persons includes all of them collectively, any two or more of them collectively and each of them individually; and
 - (vi) the president of a body or authority includes any person acting in that capacity;
- (e) 'including' when introducing a list of items does not limit the meaning of the words to which the list relates to those items or to items of a similar kind;
- (f) a reference to time is the time at Brisbane;
- (g) a reference to a clause is a reference to a clause of this Sublease; and
- (h) where any word or phrase is given a defined meaning any grammatical form or other part of speech in respect of such word or phrase shall have a corresponding meaning.
- (i) Headings have been inserted for convenience and do not affect the interpretation of this Sublease.
- (j) A gender includes all genders, the singular includes the plural and conversely, and persons include corporations and conversely.
- (k) If a party to the lease consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- (l) No covenant is implied in the lease by Section 107(4) *Property Law Act 1974*.
- (m) This Sublease comprises the whole of the agreement between the Landlord and the Tenant and no further or other terms or agreements shall be deemed to be implied or to arise by way of collateral or other agreement by reason of any promise, representation, warranty or undertaking by or on behalf of the Landlord or the Tenant on or prior to the execution of the Sublease.
- (n) Any notice, notification or consent under the Sublease and any variation of the Sublease must be in writing.
- (o) The Sublease is a deed even if it is not registered.

Title Reference 15728041 and 15728042

- (p) The Sublease must be interpreted so that it complies with the laws of Queensland and of the Commonwealth of Australia. If any provision of the Sublease does not comply the provision must be read down so as to give it as much effect as possible. If the provision cannot be given any effect it must be severed from the Sublease.

2 Head Lease

- 2.1 This Sublease and the rights of the Landlord and the Tenant under this Sublease are subject to all the covenants and conditions of the Head Lease. The Landlord and the Tenant agree that so far as relates to the Demised Premises and this Sublease, the Tenant covenants with the Landlord that it will not do any act or permit any act to be done which if done or permitted to be done would constitute a breach of any of the covenants and conditions in the Head Lease. If the Head Lease requires a consent or approval (from Seqwater) for the doing of any act or thing, by a tenant, then the Tenant shall procure such consent or approval before doing the act or thing (and provide a copy of it to the Landlord).
- 2.2 The Tenant acknowledges having received a copy of the Head Lease before the Tenant entered into this Sublease.
- 2.3 If the Head Lease is terminated or otherwise determined, this Sublease shall simultaneously terminate without notice or further act of the parties and without any liability on the part of each party to the other party but without prejudice to the rights of each party in respect of any antecedent breach of the covenants and conditions of this Sublease by the other party.
- 2.4 If the provisions of this Sublease (other than this clause 2) conflict with any of the provisions of the Head Lease, then the provisions of the Head Lease shall prevail.

3 Landlord's Covenants

- 3.1 If the Tenant does everything which the Tenant is required to do under this Sublease the Landlord must permit the Tenant to have possession of the Demised Premises and to use the Demised Premises for the Permitted Use without interruption or disturbance by the Landlord or by any other person lawfully claiming under the Landlord.
- 3.2 The Tenant's right to be free of interruption or disturbance is subject to the rights of the Landlord under this Sublease.
- 3.3 The Landlord covenants with the Tenant that the Landlord will pay the rent payable under the Head Lease and will do everything which the Landlord is required to do under the Head Lease.

4 Landlord's rights of access to the Demised Premises

- 4.1 The Tenant must allow the Landlord or any person authorised by the Landlord to enter the Demised Premises at any reasonable time for any of the following purposes:
- (a) inspect the condition of the Demised Premises or any construction built by the Tenant on the Demised Premises;
 - (b) to check the use of the Demised Premises;
 - (c) to do any work that the Landlord must or may do pursuant to this Sublease or the law;
 - (d) to value the Demised Premises;
 - (e) to inspect the Demised Premises or to affix a notice on the Demised Premises or on the outside of any construction on the Demised Premises within the last six months of the Term of this Sublease or at any time after the termination of that period in relation to a prospective letting of the Demised Premises;

Title Reference 15728041 and 15728042

- (f) to carry out any improvements or repairs to the Demised Premises or adjoining premises considered by the Landlord to be desirable so long as the work is done without undue interference with the occupation and use of the Demised Premises by the Tenant;
 - (g) to allow entry by Seqwater or the Landlord where entry is or may be required to allow exercise of a right or fulfilment of an obligation under the Head Lease; or
 - (h) to carry out any work on any structure or thing on the Demised Premises because the Tenant is in breach of this Sub-lease and has failed to remedy the breach.
- 4.2 The Landlord must give the Tenant at least five days' notice of access or entry to the Demised Premises except in an emergency where no notice is needed.

5 Alterations to the Demised Premises

- 5.1 The Tenant must not make or allow to be made any alterations or additions to any construction on the Demised Premises (including without limitation erecting any sign or notice or painting any improvements) unless:
- (a) the Tenant first obtains the consent of Seqwater, and the Landlord, and the approval or consent of any relevant authority; and
 - (b) the alterations or additions comply with the Master Plan and the consents and approvals referred to in clause 5.1(a).
- 5.2 Any construction, alteration or addition must be carried out in a proper and workmanlike manner at the expense of the Tenant and (if so required by the Landlord) subject to the supervision of the Landlord's architect whose fees must be paid by the Tenant.
- 5.3 If any construction, alteration or addition is made by the consent of the Landlord upon the condition that the Demised Premises are to be restored to their former condition at the expiry or on earlier termination of this Sublease then upon the expiry or on earlier termination of this Sublease the Tenant must restore the Demised Premises accordingly.

6 Use of Demised Premises

- 6.1 The Tenant must use the Demised Premises only for the Permitted Use. The Tenant must obtain the prior written consent of the Landlord which the Landlord must not unreasonably withhold before any aircraft not owned by the Tenant is stored in the Demised Premises. It will not be unreasonable for the Landlord to refuse its consent if the storage of the aircraft would cause the Landlord to be in breach of any applicable Law. The Landlord may impose conditions when granting its consent including that the Tenant pays a fee determined by the Landlord as a contribution to the maintenance of the Airfield.
- 6.2 The Tenant acknowledges that the Permitted Use must be carried on in compliance with:
- (a) the Master Plan;
 - (b) the Development Control Plan;
 - (c) the Environmental Management System; and
 - (d) all applicable regulatory approvals licences or permits the Landlord has in place, holds or to which the Landlord is subject from time to time.
- 6.3 The Landlord does not represent or warrant that the Demised Premises are suitable or can be lawfully used for the Permitted Use or for any other purpose of the Tenant.

Title Reference 15728041 and 15728042

- 6.4 The Airfield may only be used for recreational flying. Flying operations for any commercial or profit making undertaking or business are not permitted. The Landlord does not represent or warrant that the runways, taxiways, parking areas and roads on the Airfield are of all-weather standard, or that after periods of wet weather these areas are suitable for aircraft or motor vehicle use. The Tenant shall repair any damage to these areas by the Tenant should the Tenant use these areas after periods of rain.
- 6.5 The Tenant must obtain any necessary consents or licences regarding the Permitted Use, keep them current and comply with any conditions attaching to them.
- 6.6 If an Approval to Operate issued by the Landlord is required in relation to the Demised Premises because of the Permitted Use or the Master Plan, the Tenant must keep such Approval current at all times throughout the Term and comply with all renewal requirements of the Landlord.
- 6.7 The Tenant must duly and punctually comply with and observe all statutes, ordinances, regulations and by-laws and all requirements and orders of any relevant authority or public body relating to the Demised Premises.
- 6.8 The Tenant must comply with all reasonable directions of the Landlord or the insurer of the Demised Premises as to prevention, detection and limitation of fire and fire protection.
- 6.9 The Tenant must comply with the requirements of the local Fire Brigade Board and the laws and regulations for the time being relating to fires.
- 6.10 The Tenant must direct all roof runoff water and water storage overflow by drainpipes to a water tank with a minimum capacity of 5,000 litres (**Shared Water Tank**) located in a position determined by the Landlord adjacent to the Demised Premises. The Tenant consents to the Landlord determining a position for and locating a Shared Water Tank within the area licensed to the Tenant as the Water Tank/Maintenance Area. The water contained in a Shared Water Tank or any Tenant's Water Tank placed in the Water Tank/Maintenance Area must if required be made available for use by the Landlord or at the Landlord's direction other tenants or occupiers of the Airfield.
- 6.11 The Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank maintain such water tank and keep it in good repair and condition. If any Shared Water Tank leaks, the Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank immediately repair it or have it removed and replaced with new tank. If the Tenant in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank does not repair any water leak within a reasonable time (determined solely by the Landlord), the Landlord may have such leak repaired at the cost of the Tenant. Such cost shall be a liquidated debt owing to the Landlord in equal shares by all tenants whose Demised Premises are connected to the Shared Water Tank.
- 6.12 The Tenant must not:
- (a) use the Demised Premises for any commercial or profit making undertaking or business (including, subject to clause 6.1 storage of aircraft not owned by the Tenant);
 - (b) use the Demised Premises for residential purposes or for other than casual (not permanent) occupation;
 - (c) despite clause 6.12(b) use the Demised Premises (or any part of the Demised Premises) as a sleeping place;
 - (d) use the Demised Premises for any noxious, noisome, offensive, dangerous or illegal activity or purpose;
 - (e) do anything in the Demised Premises which is or might become a nuisance, annoyance or disturbance to the Landlord, Seqwater, or to the owner or occupiers of neighbouring premises;
 - (f) hold any auction, bankrupt or fire sale in the Demised Premises;
 - (g) store upon the Demised Premises any fluid, gas (excluding domestic gas cylinders) or substance which is or might be dangerous because of its inflammable, explosive or corrosive nature;

Title Reference 15728041 and 15728042

- (h) do anything that might invalidate any insurance policy in respect of the Airfield or any adjoining site or sites or increase the premium payable for such insurances;
- (i) use any water, drainage, or other pipes or connections for any purpose other than that for which they were constructed or intended;
- (j) cause or permit any advertisement hoarding or sign (including any neon or similar sign) to be painted affixed put up or placed upon the Demised Premises or any part of the Demised Premises or paint any part of the improvements upon the Demised Premises without first obtaining the written approval of Seqwater and the Landlord.

7 Term

- 7.1 This Sublease is for the Term, commencing on the Commencement Date and ending at midnight on the Termination Date.

If the Tenant remains in the Demised Premises with the Landlord's consent after the Termination Date, then the Tenant will occupy the Demised Premises as a monthly tenant on the same terms and conditions as at the Termination Date except that the Landlord or the Tenant may end the tenancy on any day by giving a month's notice to the other party.

8 Club membership

The Tenant must:

- (a) maintain its full financial voting membership status of the Club for the duration of the Term; and
- (b) not be in breach of the Constitution or By-Laws of the Club for a period in excess of one calendar month.

9 Tenant payments

- 9.1 The Tenant must pay to the Landlord:

- (a) the Rent (varied in accordance with the Lease) within 28 days of receiving a Tax Invoice;
- (b) the professional costs and outlays of the Landlord of preparation and execution of this Sublease and each Sequential Lease;
- (c) the reasonable costs to the Landlord of dealing with any application by the Tenant for the Landlord's consent under this Sublease (whether or not consent is given);
- (d) the reasonable costs to the Landlord incurred in connection with a default by the Tenant;
- (e) survey fees associated with the plan attached as Annexure A;
- (f) the reasonable expenses incurred by the Landlord in obtaining the consent of Seqwater to this Sublease, any assignment of this Sublease, or any consent required under the Head Lease because of the Tenant's use of the Demised Premises;
- (g) any amount paid by the Landlord to Seqwater, pursuant to any deed of consent executed by Seqwater and the Landlord giving consent to this Sublease; and
- (h) the reasonable professional costs and outlays of the Landlord incurred in connection with the surrender of this Sublease.

Title Reference 15728041 and 15728042

- 9.2 If requested by the Landlord, the Tenant must establish a direct debit arrangement with a bank so that the amounts payable by the Tenant are paid directly to the Landlord by the Tenant's bank on each due date for payment.
- 9.3 If the Tenant is late in paying the Rent or other money to the Landlord, then the Tenant must pay interest on it at the Default Interest Rate. Interest will accrue and be compounded monthly and be calculated on a daily basis from the day the Rent or other money was due until the day it is paid in full.
- 9.4 The Tenant must pay for all services, if any, supplied to the Demised Premises.

10 Rent

- 10.1 The Rent for the first year of the Term must be paid on or before the Commencement Date.
- 10.2 The Tenant must pay the Rent (varied in accordance with this Sublease) in advance, and on or before the first day of each year of this Sublease.
- 10.3 If this Sublease is terminated by either party for any reason (whether under clause 26, or otherwise), the Landlord must within 30 days of receiving a written demand, reimburse the Tenant for Rent, the Tenant's Proportion of the Operating Expenses for the relevant Accounting Period and any other amounts payable under this Sublease.

11 Rent reviews

Rent shall be increased on the same date as any increase in the rent payable by the Landlord under the Head Lease. The Rent shall be increased to:

$$R = A + \frac{B}{C}$$

where:

R = the increased Rent;

A = the current Rent;

B = the amount of the increased rent payable under the Head Lease at the relevant review; and

C = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a lease granted by the Landlord.

12 Outgoings

- 12.1 The Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses for each Accounting Period billed to the Tenant in accordance with this clause 12.
- For the purpose of calculating the Tenant's Proportion the Operating Expenses are deemed to accrue equally day to day.
- 12.2 Any change in the Tenant's Proportion will not take effect until the first day of the month following the later of:
- (a) the date the Landlord gives written notice to the Tenant of the change; and
 - (b) the increase or decrease in the total number of aircraft hangars located on the Airfield which causes the change.

Title Reference 15728041 and 15728042

12.3 The Tenant's Proportion of Operating Expenses must not be greater as a result of:

- (a) any other occupant of an aircraft hangar on the Airfield not contributing to an item of Operating Expenses;
or
- (b) any aircraft hangar on the Airfield capable of being leased or licensed being vacant.

13 Landlord's estimates of Operating Expenses

13.1 At least one month prior to the commencement of each Accounting Period and upon request from the Tenant, the Landlord will, but only at the direction of the club management committee, prepare and provide to the Tenant an estimate of Operating Expenses for that Accounting Period.

13.2 The estimates should detail:

- (a) each item of Operating Expense;
- (b) how the estimates have been calculated; and
- (c) the Tenant's Proportion of the estimated Operating Expenses and the figures from which the Tenant's Proportion has been calculated.

14 Payment of Operating Expenses on account

14.1 At the same time as providing the estimates of Operating Expenses for the next Accounting Period, the Landlord may by written notice to the Tenant require the Tenant to pay the Tenant's Proportion of the estimated Operating Expenses.

14.2 On receipt of the request, the Tenant must pay the Landlord the Tenant's Proportion of the estimated Operating Expenses for the next Accounting Period by one annual payment on the first day of each Accounting Period throughout the Term. The first instalment for the first quarter need not be paid by the Tenant until the date 45 days after the date of this Sublease.

14.3 If the Tenant disputes whether the Tenant's Proportion of estimated Operating Expenses required by the Landlord to be paid:

- (a) has been calculated correctly; or
- (b) includes amounts that are not Operating Expenses,

and the dispute is not resolved between the Landlord and the Tenant within one month then:

- (c) the dispute will be dealt with under clause 29; and
- (d) until the dispute is resolved, the Tenant will not be required to pay the amount in dispute.

15 Landlord's Statement of Expenditure

15.1 Within three months after the end of each Accounting Period, and upon timely request from the Tenant in the first instance being received, the Landlord will prepare and provide to the Tenant a statement of expenditure (**Statement of Expenditure**) which specifies the Operating Expenses actually incurred in that Accounting Period.

15.2 The Statement of Expenditure should detail and is not limited to:

- (a) each item of Operating Expense;

Title Reference 15728041 and 15728042

- (b) how the Operating Expenses have been calculated; and
- (c) the Tenant's Proportion of Operating Expenses and the figures from which the Tenant's Proportion have been calculated.

15.3 The Landlord must:

- (a) keep accurate records of the Operating Expenses for each Accounting Period including copies of all relevant assessments, invoices or statements; and
- (b) allow the Tenant to inspect the records.

16 Adjustment of Operating Expenses at end of Accounting Period

- 16.1 Within three months of receipt by the Tenant of a Statement of Expenditure correctly specifying the total Operating Expenses the Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses less the total of any amount paid for that Accounting Period under clause 12.
- 16.2 If the amount paid for that Accounting Period under clause 12 is greater than the Tenant's Proportion of the Operating Expenses then the Landlord must repay the difference to the Tenant within three months of receipt by the Tenant of the Statement of Expenditure.
- 16.3 If the Tenant disputes whether the Tenant's Proportion of Operating Expenses set out in the Statement of Expenditure:
- (a) has been calculated correctly; or
 - (b) includes amounts that are not Operating Expenses,
- then until the dispute is resolved the Tenant may withhold the amount in dispute and if:
- (c) the Tenant still disputes the Tenant's Proportion of the Operating Expenses three months after receipt by the Tenant of the Statement of Expenditure,
- then the dispute will be dealt with under clause 29.
- 16.4 The Tenant's liability to pay the Tenant's Proportion of the Operating Expenses is not affected by the termination of this Sublease.

17 GST

- 17.1 In this clause words or terms have the meanings as they do in *A New Tax System (Goods and Services Tax) Act 1999*.
- 17.2 Unless otherwise set out, the parties confirm that any amount payable under this Sublease has been calculated without regard to GST.
- 17.3 If there is a Taxable Supply then the party paying for the Taxable Supply will also pay the GST.
- 17.4 Any reference to a cost or charge under this Sublease excludes GST where the party liable to pay it can claim an Input Tax Credit
- 17.5 Each party must do everything reasonably necessary to assist the other to claim an Input Tax Credit.
- 17.6 If a party wishes to make a claim on the other for GST, that claim must be made within six months of the date of the relevant notice.

Title Reference 15728041 and 15728042

- 17.7 Within 21 days of receiving a payment which includes GST, the party who receives the payment must give a Tax invoice to the party making the payment (unless one has already been provided).

18 Maintenance and repairs

- 18.1 The Tenant must maintain any construction built by or at the request of the Tenant comprising the Demised Premises pursuant to clause 5.1 in its condition at the time the construction was built and must carry out any repairs that are necessary to maintain the construction in that condition.
- 18.2 If the Tenant fails to do any work required of the Tenant under clause 18.1 and the Landlord gives the Tenant notice stating what the Tenant has failed to do so, then the Tenant must do such work immediately where there is an emergency and otherwise must do such work promptly and diligently.
- 18.3 If the Tenant fails to do any work following notice from the Landlord under clause 18.2, the Landlord may do the work and the Tenant must reimburse the Landlord for the cost of the work. The Landlord may recover the cost of the work from the Tenant as a liquidated debt.
- 18.4 The Tenant must keep the Demised Premises and the surroundings of the Demised Premises in a thorough state of cleanliness and must not allow any accumulation of rubbish on the Demised Premises whether outside or inside the Demised Premises.
- 18.5 The Tenant must comply with all environmental legislation and must ensure that neither the Demised Premises nor the Airfield or any other land is contaminated, polluted or degraded as a result of anything done or omitted to be done by the Tenant.
- 18.6 If there is any contamination, pollution or degradation of the Demised Premises, the Airfield or any other land as a result of anything done or omitted to be done by the Tenant then the Tenant must carry out all necessary remedial work to the satisfaction of the Landlord, Seqwater and all regulatory authorities.

19 Insurances

- 19.1 The Tenant must have and keep current:
- (a) a public liability insurance policy for an amount not less than \$10 million (or such higher amount as the Landlord may determine from time to time) for each event; and
 - (b) any other insurance policies reasonably required by the Landlord from time to time.
- 19.2 All insurance policies referred to in clause 19.1 shall note the interest of the Landlord and Seqwater.
- 19.3 Upon request by the Landlord the Tenant must give to the Landlord copies of any insurance policy required under clause 19.1 and of the receipt for the last premium.
- 19.4 If the Tenant does anything that might increase the premium payable by the Landlord for any insurance policy in respect of the Demised Premises, then the Tenant must pay to the Landlord the amount of the increased premium.

20 Indemnities by the Tenant

- 20.1 The Tenant will occupy and use the Demised Premises at the risk of the Tenant and releases to the fullest extent permitted by law the Landlord and its contractors and Agents from all claims and demands and from all liability which might arise in respect of any damage to property or death of or injury to any person in or near the Demised Premises (except where caused by the negligence of the Landlord, its contractors or Agents) and the Landlord will have no responsibility or liability for any loss of or damage to any property of the Tenant (except where caused by the negligence of the Landlord, its contractors or Agents).

Title Reference 15728041 and 15728042

- 20.2 To the extent that monies paid to the Landlord out of any insurance effected by the Tenant do not fully indemnify the Landlord, the Tenant will indemnify the Landlord, its contractors and Agents against all actions, claims, losses, damages, costs and expenses incurred by the Landlord or for which the Landlord or its contractors or Agents might become liable in respect of any damage to property or death of or injury to any person (except where caused by the negligence of the Landlord or its contractors or Agents) which may be suffered or sustained in, upon or near the Demised Premises.
- 20.3 The Landlord will not be liable for any loss or damage which the Tenant might suffer by reason of any damage to the Demised Premises or to anything of any nature whatsoever in or about the Demised Premises caused by or arising from the entry, flow or leakage of water or from any defect in the water, gas or electricity connections or any fittings or appliances used in connection with them or from any other defect in the Demised Premises.
- 20.4 Without limiting the generality of clauses 20.1, 20.2 and 20.3, the Tenant will indemnify the Landlord against all actions, claims, losses, damages, costs and expenses for which the Landlord might become liable in respect of or arising from:
- (a) the negligent or careless use by the Tenant or any contractor or Agent of the Tenant of the water, gas, electricity or other services and facilities of the Demised Premises or arising from any faulty fitting, fixture or other plant or equipment of the Tenant;
 - (b) overflow or leakage of water in or from the Demised Premises but having origin within the Demised Premises or caused or contributed to by any act or omission on the part of the Tenant or other persons referred to in clause 20.4(a);
 - (c) loss, damage or injury to property or person caused or contributed to by the use of the Demised Premises by the Tenant or other persons referred to in clause 20.4(a);
 - (d) loss, damage or injury to the Demised Premises or to any property or person within or without the Demised Premises occasioned or contributed to by any act or omission of the Tenant or other persons referred to in clause 20.4(a); and
 - (e) inundation of the Demised Premises or part thereof or any improvements by water (whether or not from Somerset Dam or its catchment areas).

21 Damage to building on Demised Premises

- 21.1 In the event that the Demised Premises is wholly or substantially damaged or destroyed so as not to be reasonably usable or repairable for the Permitted Use the Tenant shall within a period of 90 days at the Tenant's expense clear the Demised Premises of all damaged materials to the satisfaction of the Landlord.
- 21.2 If the Tenant does not clear the Demised Premises in accordance with clause 21.1, the Landlord shall have the right to clear the Demised Premises and recover the cost of such clearing from the Tenant as a liquidated debt.
- 21.3 The Landlord has the right to terminate this Sublease in the event the Landlord exercises its rights under clause 21.2.

22 Resumption

- 22.1 If the Demised Premises or the Airfield is resumed by any competent authority the Landlord will be entitled by giving not less than one month's notice to the Tenant to terminate this Sublease.
- 22.2 The Tenant will not be entitled to claim any compensation from the Landlord in respect of such resumption or termination but the termination will be without prejudice to the rights of either party with regard to any antecedent breach of this Sublease.

Title Reference 15728041 and 15728042

23 Transfer and SubLease

- 23.1 The Tenant must not assign transfer dispose of mortgage or charge the Demised Premises or any part of the Demised Premises or the Tenant's interest in this Sublease without the prior written consent of the Landlord. The Landlord must not unreasonably delay or refuse to grant such consent. It will be reasonable for the Landlord to refuse to grant its consent to a proposed assignee or transferee who is not a full financial voting member of the Club.
- 23.2 The Tenant must not sublet or part with use or possession of the whole or any part of the Demised Premises. Allowing others to store aircraft in the Demised Premises is not sub-letting or parting with possession.
- 23.3 A request for the Landlord's consent pursuant to clause 23.1 must be made in writing and the Tenant must provide the Landlord with such information as the Landlord may reasonably require concerning the financial standing of the proposed transferee.
- 23.4 The Tenant must procure from the proposed transferee:
- (a) the consent of and execution of any document required by Seqwater and/or the Landlord at the expense of the Tenant; and
 - (b) the execution of a deed of covenant to be prepared by the Landlord's solicitors at the expense of the Tenant, which deed of covenant will set out that the transferee must comply with all of the Tenant's obligations under this Sublease. If the proposed transferee is a corporation (other than a corporation whose shares are listed on any stock exchange in Australia) then the Tenant must procure the execution by the directors and principal shareholders of the transferee of a guarantee of the obligations of the proposed transferee such guarantee to be prepared by the Landlord's solicitors at the expense of the Tenant.
- 23.5 The Landlord in granting its consent pursuant to clause 23.1 shall require the Tenant to pay the following amounts:
- (a) a reasonable sum to the Landlord in connection with considering and granting the consent, such sum to be fixed by the Landlord from time to time; and
 - (b) a reasonable sum in respect of any legal expenses incurred by the Landlord in connection with considering and granting the consent including the deed of covenant referred to in clause 23.4(b).

24 Use of facilities

- 24.1 The Landlord shall permit the Tenant and all persons lawfully authorised by the Tenant in common with others having like rights to use the facilities from time to time provided by the Landlord for the tenants of the Airfield and their Agents.
- 24.2 The Landlord may set rules from time to time in relation to the use of facilities on or relating to the Airfield or any part of the Airfield. In the event any such rules are set the Tenant will comply and ensure its Agents comply with such rules at all times during the Term.

25 Giving up possession to the Landlord

- 25.1 On the expiration of the Term or upon termination of this Sublease for any other reason the Tenant must:
- (a) remove the construction (including foundations) comprising the Demised Premises and make good any damage caused in doing so; and

Title Reference 15728041 and 15728042

- (b) remove from the Demised Premises the Tenant's fixtures, fittings, plant, machinery and other goods in the nature of tenant's fixtures brought upon the Demised Premises by the Tenant, and make good any damage caused in doing so; and
- (c) remediate any Contamination or Environmental Harm (as defined by relevant Queensland law) caused to the Demised Premises by the Tenant,

unless the Landlord otherwise agrees in writing.

- 25.2 If this Sublease is terminated because of the Tenant's breach of this Sublease or if the Tenant is in default under this Sublease, the right to remove given to the Tenant under clauses 25.1(a) and 25.1(b) is subject to the written consent of the Landlord.
- 25.3 Any construction, fixtures or other goods of the Tenant which are not removed by the Tenant on the termination of this Sublease (whether voluntarily or because of the operation of clause 25.2) become the property of the Landlord who may either keep them or dispose of them.
- 4 The Landlord may charge to the Tenant and recover from the Tenant as a liquidated debt all costs of removal and disposal of any construction, fixtures and other goods of the Tenant and all costs of making good any damage caused by such removal.
- 25.5 The Landlord shall not be required to pay any compensation of any nature to the Tenant in respect of any improvements upon the Demised Premises or the construction comprising the Demised Premises which may be carried out by the Tenant during the Term.

26 Default

- 26.1 The Landlord may terminate this Sublease by re-entering and taking possession of the Demised Premises or by demanding possession of the Demised Premises if:
- (a) the Rent or other money payable under the Lease is 28 days overdue for payment; or
 - (b) the Tenant fails to meet an obligation of the Tenant under this Sublease; or
 - (c) the Tenant repudiates this Sublease; or
 - (d) if the Tenant becomes a bankrupt or executes a Deed of Arrangement or a Deed of Assignment for the benefit of the Tenant's creditors,
- and the Tenant fails to comply with a notice from the Landlord given under Section 124(1) *Property Law Act 1974*.
- 26.2 The Landlord may (but is not obliged to) remedy at any time without notice any default by the Tenant under this Sublease and whenever the Landlord so elects all reasonable costs incurred by the Landlord (including legal costs) in remedying a default will be a liquidated debt and must be paid by the Tenant to the Landlord on demand.
- 26.3 No consent or waiver expressed or implied by the Landlord to or of any breach of any obligation of the Tenant is to be taken as a consent or waiver to or of any other breach of the same or any other obligation. No waiver of any breach by the Tenant is to be implied from the Landlord's failure to exercise the Landlord's rights in respect of such breach.

27 Essential terms

- 27.1 Essential terms of this Sublease include the obligations of the Tenant:
- (a) to pay Rent when due;

Title Reference 15728041 and 15728042

- (b) regarding maintenance and repairs;
- (c) regarding the Tenant's use of the Demised Premises;
- (d) regarding any roof runoff water and water tanks;
- (e) regarding insurances;
- (f) in relation to membership of the Club, including being a full financial voting member of the Club;
- (g) to comply with the Constitution and By-Laws of the Club; and
- (h) regarding sub-letting and parting with possession.

27.2 The acceptance by the Landlord of any late payment of Rent will not be taken to be a waiver of the essentiality of the Tenants obligation to pay Rent when due.

27.3 If there is a breach by the Tenant of an essential term of this Sublease the Landlord may recover damages from the Tenant for losses over the entire period of this Sublease but the Landlord must, except in the case of abandonment of the Demised Premises by the Tenant, take all reasonable steps to mitigate the losses including endeavouring to lease the Demised Premises to a new Tenant.

27.4 The Landlord's right to recover damages from the Tenant will not be affected if:

- (a) the Tenant abandons possession of the Demised Premises;
- (b) there is a surrender of this Sublease;
- (c) the Landlord accepts the repudiation of the Lease by the Tenant; or
- (d) the Landlord terminates this Sublease by re-entering the Demised Premises or any part of the Demised Premises or by demanding possession of the Demised Premises.

28 Power of attorney

28.1 In consideration of the Landlord agreeing to grant this Sublease, the Tenant appoints the Landlord and its officers severally as the Tenant's attorney to act at any time if the Tenant is in breach of the Tenant's covenants under this Sublease and the Landlord's right of termination of this Sublease or right of re-entry has been exercised or is exercisable to:

- (a) execute and sign a transfer or surrender of this Sublease; and
- (b) procure the transfer or surrender of this Sublease to be registered if this Sublease has been registered; and
- (c) using the name of the Tenant for those purposes, and generally, do execute and perform any act, deed, matter or thing in respect of the Demised Premises as fully and effectually as the Tenant could do, execute or perform it.

28.2 A statutory declaration of the Landlord that the rights of the Tenant under clause 28.1 are exercisable will be deemed to be conclusive evidence of its contents in favour of any person who is not a party to this Sublease.

28.3 The Tenant must ratify and confirm anything lawfully done or caused to be done in and about the Demised Premises by the Tenant's attorney.

Title Reference 15728041 and 15728042

29 Dispute resolution

- 29.1 If a dispute arises between the Landlord and the Tenant under a provision of this Sublease and that provision states that the provision is to be dealt with under this clause 29, the dispute must be referred for written determination to a person (**Expert**) appointed under this clause 29. The Expert acts as an expert and not as an arbitrator and the Expert's determination is conclusive and binds both parties. The Expert must practice in the State of Queensland.
- 29.2 The Expert must have at least 10 years' current and continuous standing in the Expert's profession at the date of appointment and must be:
- (a) for a matter of law, a practising barrister or solicitor appointed by the president of the appropriate governing body of barristers or solicitors in the State of Queensland;
 - (b) for a financial or accountancy matter, a practising chartered accountant appointed by the President of the Division of the Institute of Chartered Accountants in Australia for the State of Queensland;
 - (c) for a matter connected with the construction of any part of the buildings on the Airfield, a practising architect appointed by the President of the Chapter of the Royal Australian Institute of Architects for the State of Queensland;
 - (d) for a matter connected with land or rental value, a qualified valuer appointed by the President of the Australian Property Institute (Queensland Division); and
 - (e) for any other matter, a qualified person appointed by the senior officer of an appropriate association, institute, society or board,
- or, if appropriate and the parties agree, the dispute may be referred to a panel of experts representing more than one of the appropriate skills.
- 29.3 If the parties cannot agree on an Expert within one month after a dispute arises, a party must sign an authority for the appointment of an Expert if the other party requests it to do so.
- 29.4 If a party does not sign the authority within 10 days after the other party requests it to do so, the other party may authorise the appointment of the Expert. Production of a copy of this clause and the request are conclusive of that authority.
- 29.5 Each party must pay one half of the Expert's fees and expenses, irrespective of the result of the determination.

30 Notices

- 30.1 Notices under this Sublease must be in writing and may be given by a party's solicitor.
- 30.2 Notices are effectively given if delivered or posted to the other party or sent to the facsimile number of the other party.
- 30.3 Posted notices will be treated as given two Business Days after posting.
- 30.4 Notices sent by facsimile will be treated as given when the sender obtains a clear transmission report.
- 30.5 Notices given after 5.00pm will be treated as given on the next Business Day.
- 30.6 Notices given by a party's solicitor will be treated as given with the party's authority.

Title Reference 15728041 and 15728042

31 Transfer of Sub Lease

The Landlord covenants and agrees that in the event that whilst this Sublease is not registered in the Department of Environment and Resource Management, pursuant to the *Land Title Act 1994* upon the Landlord assigning transferring or disposing of its interest in the Head Lease of which the Demised Premises forms part the Landlord must procure to be executed by the assignee transferee or disponent covenants (Purchaser's Covenant) in favour of the Tenant that the assignee transferee or disponent is bound by the provisions and the covenants contained in this Sublease to the same extent as if such assignee transferee or disponent were named as the Landlord in this Sublease and that such assignee or disponent will not assign, transfer or dispose of its interest in the Head Lease unless the Landlord procures a legally binding covenant from the assignee, transferee or disponent, in terms identical with the Purchaser's Covenant in favour of the Tenant.

32 Licensed Areas

Grant of licence

- 32.1 During the Term, and any extension of the Term, the Landlord grants to the Tenant and others authorised by the Tenant the non-exclusive right:
- (a) to use that part of the Licensed Areas comprising the Apron Area for the purpose of aircraft and pedestrian access to and from the Demised Premises and temporarily standing and loading and unloading aircraft;
 - (b) to use those parts of the Licensed Areas identified as Water Tank/Maintenance Area for the purpose of erecting and maintaining a water tank to collect water run off solely from the roof of the Demised Premises (**Tenant's Water Tank**). The Tenant must obtain the Landlord's prior written consent to erect any water tank or other improvement in the Water Tank/Maintenance Area. The Landlord may refuse its consent to the erection of any Tenant's Water Tank where it would interfere with or be in the same location required by the Landlord for a Shared Water Tank.
- 32.2 The Tenant must not use or occupy any Licensed Area so as to become a nuisance or annoyance to the Landlord or other tenants or users of the Airfield and must at all times comply with the reasonable directions of the Landlord and the Constitution and By-Laws of the Club in relation to the use and occupation of the Licensed Areas.
- 32.3 The Landlord may not determine the licence for the Licensed Areas granted by this clause whilst this Sublease remains in force.
- 32.4 The Tenant must:
- (a) keep and maintain those parts of the Licensed Areas referred to in clauses 32.1(a) and 32.1(b) in a clean and tidy condition and must cause all grassed areas within the Licensed Areas to be regularly mowed and maintained in a clean and tidy condition.;
 - (b) indemnify the Landlord in respect of all claims for loss or damage arising out of the use of those parts of the Licensed Areas by the Tenant or by any of the persons authorised by this clause; and
 - (c) occupy and use those parts of the Licensed Areas, as if they were part of the Demised Premises (but those parts of the Licensed Areas are not to be taken to be part of the Demised Premises).
- 32.5 All of the provisions of this Sublease relating to the Demised Premises apply to those parts of the Licensed Areas referred to in clause 32.1 as if those parts were part of the Demised Premises (but those parts are not to be taken to be part of the Demised Premises).

Title Reference 15728041 and 15728042

33 Guarantee and indemnity

- 33.1 This clause 33 applies if Guarantors are named at Item 9 of the Reference Schedule.
- 33.2 The Guarantor guarantees to the Landlord the payment by the Tenant of the Rent and all other monies payable by the Tenant under this Sublease and the performance by the Tenant of all other obligations of the Tenant under this Sublease.
- 33.3 If the Tenant fails to pay any Rent or other money due under this Sublease the Guarantor must pay such Rent or other money to the Landlord on demand.
- 33.4 The Guarantor will indemnify the Landlord against all loss and damage suffered by the Landlord in any of the following events:
- (a) if the Tenant fails to perform any obligation of the Tenant under this Sublease; or
 - (b) if this Sublease is disclaimed following the insolvency of the Tenant.
- 33.5 The obligations of the Guarantor to the Landlord will not be affected notwithstanding that:
- (a) the Landlord allows time or other indulgence to the Tenant or does not seek to recover any monies from the Tenant;
 - (b) this Sublease is not registered;
 - (c) this Sublease is assigned or transferred;
 - (d) any security taken by the Landlord in respect of the obligations of the Tenant under this Sublease is void or defective; or
 - (e) the Lease is varied or amended.
- 33.6 The Landlord may recover damages from the Guarantor for losses over the entire period of this Sublease but must take all reasonable steps to mitigate the losses including endeavouring to lease (with the consent of Seqwater) the Demised Premises to a new Tenant.
- 33.7 The guarantee and indemnity by the Guarantor to the Landlord applies not only to the obligations of the Tenant under this Sublease but also to the obligations of the Tenant under any renewal or extension of this Sublease or under any tenancy of the Tenant in respect of the Demised Premises. The Guarantor will sign or execute a guarantee and indemnity in similar terms to this clause 33 in respect of any such further sublease or tenancy if requested to do so by the Landlord.
- 33.8 If the Guarantor consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- 33.9 The obligations of the Guarantor to the Landlord will endure for the benefit of the successors and assigns of the Landlord.

34 Miscellaneous

- 34.1 The Landlord may appoint one or more persons to act as caretaker of the Airfield. The Landlord must notify the Tenant from time to time of the appointment or termination of the appointment of any caretaker. The Tenant must comply with any direction or requirement of the caretaker which is neither contrary to any right, entitlement or privilege granted to the Tenant under this Sublease nor the Constitution or By-Laws of the Club.

Title Reference 15728041 and 15728042

35 Sequential Leases

Application

35.1 This clause 35 applies:

- (a) despite any other provision of this Sublease; and
- (b) where one or more Sequential Leases are entered into in respect of the Demised Premises.

Sequential Lease

35.2 Where a Sequential Lease commences on the day after the Termination Date, any provisions of this Sublease in relation to:

- (a) the Tenant's right to hold over after the expiration of the Sublease;
- (b) the Tenant's obligation to remove any items from the Demised Premises;
- (c) the Tenant's obligation to make good the Demised Premises,

which would normally apply on the expiration of this Sublease, do not apply until the expiration of the final Sequential Lease.

35.3 If this Sublease is transferred, then (despite any other provision of any Sequential Lease) the Sequential Leases which are expressed to commence after the date of the transfer are deemed to be assigned to the same transferee and with effect on and from the same date.

35.4 If a Sequential Lease, which commenced prior to the Commencement Date is or has been transferred, then this Sublease is deemed to be transferred to the same transferee with effect on and from the same date.

35.5 If a Sequential Lease, which commenced prior to the Commencement Date terminates other than by expiration, then this Sublease is terminated with effect from the same date.

35.6 If the Tenant gives written notice to the Landlord no later than six months prior to the Commencement Date that the Tenant no longer requires to occupy the Demised Premises, then this Sublease terminates with effect on and from the date of service of the notice.

Title Reference 15728041 and 15728042

Reference Schedule

Item 1 Landlord	South East Queensland Sports Aircraft Club Incorporated
Item 2 Tenant	John Terrence Adams
Item 3 Term (clause 7.1)	3 years
Item 4 Commencement Date (clause 7.1)	1 January 2028
Item 5 Termination Date (clause 7.1)	31 December 2030
Item 6 Type of Construction (clause 5.1)	Aircraft Hangar building
Item 7 Permitted Use (clause 6.1)	Aircraft storage and ancillary storage
Item 8 Rent (clause 10.2)	<i>The rent at the commencement of the Sub-Lease shall be calculated as follows:</i>

$$R = \frac{A \times B}{C}$$

where:

- R = The Annual Rent at the commencement of this Sub-Lease*
- A = The Annual Rent payable for the last year of the immediately preceding Sub-Lease*
- B = Index Number for the December quarter for 2027*
- C = Index Number for the December quarter for 2024*

“Index Number” means the Consumer Price Index (All Groups) for the city of Brisbane as published by the Australian Bureau of Statistics. If that index is discontinued, the expression will mean an index or method of measuring increases in the cost of living agreed in writing by the Parties. If there is no agreement within a period of 14 days, it will be an index or method determined at the request of either Party by the President or Acting President of the Valuers’ Institute or their nominee.

Item 9
Guarantor/s (clause 33)

N/A

Title Reference 15728041 and 15728042

Annexure A

Plan of Demised Premises and Licensed Areas

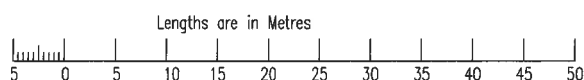
DIAGRAM

Scale @ A3 1:500

ALL MEASUREMENTS ARE APPROXIMATE

LEGEND

-  Lease Area
-  Apron Area
-  Water Tank/
Maintenance Area
-  Outside face of Building
-  Centreline of Wall



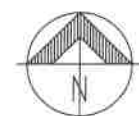
LEASE A3
165m²

362
CG4017

BUILDING A

Lease
No. 602170874

Sub-Lease A3 does affect Lease 602170874 and does not
affect Lease 602170873 or Emts. A-C on RP 854245.
Dated 30/10/2017



303
CG3813

LEASE A3
VIDE DIAG.

362
CG4017

Emt. C
RP854245

Emt. A
RP854246

Locality of Gentlem

371
CG363

Emt. B
RP854245

Emt. A
RP 854245

#8248

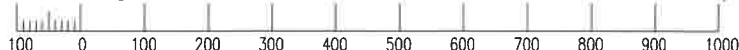
Lease
No. 602170874

361
CG4017

LEASE CONNECTION

LINE	BEARING	DISTANCE
A-B	Abt 57°15'	Abt 68.6

Lengths are in Metres



Meridian: CG4017

Map Ref: 9444-33234

NOTE
Lease dimensions & areas taken to
outside face of building and
centreline of internal walls.

R. KEATING
QBCC Lic. No. 065458



20 Bushlark Court
Upper Caboolture 4510
Ph.: (07) 5497 0334

BOB KEATING DESIGN & DRAFTING

PLAN FOR LEASE PURPOSES

Being part of Lease No. 602170874 in
Lots 361 & 362 on CG4017
(TR15728041 and 15728042)

Parish: KILCOY
Locality: WINYA

County: CANNING
Local Gov.: SOMERSET R.C.

CLIENT

South East Qld Sports Aircraft Club

SCALE (A3)

1:8000

PLAN NO.

Lease-A3



OFFICE USE ONLY

Privacy Statement

Collection of information from this form is authorised by legislation and is used to maintain publicly searchable records. For more information see the Department's website.

1. Sublessor	Lodger (Name, address, E-mail & phone number)	Lodger Code
South East Queensland Sports Aircraft Club Incorporated		

2. Lot on Plan Description	Title Reference
Lot 361 on CP CG4017	15728041
Lot 362 on CP CG4017	15728042

3. Sublessee	Given names	Surname/Company name and number	(include tenancy if more than one)
	John Terrence	Adams	

4. Interest being subleased
Lease 602170874 (K935953B)

5. Description of premises being subleased
That part of the building erected on the land, indicated as area "A3" on the plan in Annexure A

6. Term of lease	7. Rental/Consideration
Commencement date/event: 1 January 2031	See attached schedule
Expiry date: 31 December 2033	
Options: Nil	

8. Grant/Execution
The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule

Witnessing officer must be aware of his/her obligations under section 162 of the Land Title Act 1994

..... signature
..... full name See Enlarged Panel
..... qualification / /

Witnessing Officer (Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)	Execution Date	Sublessor's Signature
---	-----------------------	------------------------------

9. Acceptance The Lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.		
..... signature		
..... full name	See Enlarged Panel	
..... qualification	/ /	
Witnessing Officer (Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)	Execution Date	Sublessee's Signature

Title Reference 15728041 and 15728042

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule



Given under the common seal of the South East Queensland Sports Aircraft Club Incorporated in accordance with its Rules of Club in the presence of

a member of the Management Committee and the

Secretary/member of the Management Committee who certify that they are the proper officers to affix such seal:

..... signature

..... full name

..... qualification 2/12/2018

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

Sublessor's Signature

9. Acceptance

The Sublessee accepts the sublease and acknowledges the amount payable or other considerations for the sublease.

..... signature

MARK RODERICK FOY
SOLICITOR, QLD full name

..... qualification

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

2/12/18
Execution Date

Sublessee's Signature

Title Reference 15728041 and 15728042

1 Definitions and interpretations

Definitions

1.1 In this document:

Term	Definition
Accounting Period	means each of the following periods: the period from the Commencement Date to the immediately following 30 June; each full period of 12 months from 1 July to 30 June during the Term; and the period from 1 July immediately preceding the Termination Date.
Agents	means agents, servants, employees, licensees and invitees.
Airfield	means the land known as Kilcoy Airfield situated at Kennedy's Road, Kilcoy and more particularly described as Lease A (No. 602170874 (K935953B)) in Lots 361 and 362 on Plan CP CG4017, Title Reference 15728041 and 15728042, such land being nominally divided into precincts for specific uses as specified in the Master Plan.
Approval to Operate	means a written approval issued by the Landlord for the carrying out of specified activities (nominated in that written approval) on specific areas of the Airfield as designated on the Master Plan.
Apron Area	means the area shown on the plan in Annexure A.
Business Day	means a day on which trading banks are open for business in Brisbane, Queensland.
Club	means the Landlord and its successors.
Commencement Date	means the commencement date of this Sublease stated at Item 4 of the Reference Schedule.
Cover Page	means page 1 of this Sublease.
Default Interest Rate	means that rate which is 2% above the rate charged by National Australia Bank on overdraft amounts in excess of Fifty Thousand Dollars (\$50,000).
Demised Premises	means the premises described at Item 5 on the Cover Page of this Sublease.
Development Control Plan	means the development control plan for the Airfield dated February 2008.
Environmental Management System	means the document titled the environmental management system and which is applicable to the Airfield dated February 2005.
Guarantor	means the guarantors named in Item 9 of the Reference Schedule (if any).
Head Lease	means lease number 602170874 (K935953B) dated 16 January 1992 between Seqwater and South East Queensland Sports Aircraft Club Incorporated in relation to the Airfield.
Item	means an item in the Reference Schedule of this Sublease unless it is specified to be an item on the Cover Page of this Sublease.
Landlord	means South East Queensland Sports Aircraft Club Incorporated, being the sublessor identified in Item 1 of the Cover Page of this Sublease and the tenant named in the Head Lease.
Licensed Areas	means those parts marked and shown as 'Apron Area' and 'Water

Title Reference 15728041 and 15728042

Term	Definition
	Tank/Maintenance Area' on the plan in Annexure A.
Master Plan	means the plan designating the uses authorised by Seqwater and Somerset Regional Council, for specified precincts of the Airfield dated June 2007 and other plan in force from time to time together with conditions of approval of the Somerset Regional Council or other relevant authority (where the context requires) in force from time to time.
Operating Expenses	means all net amounts paid or payable by the Landlord in any one Accounting Period (after taking into account the benefit of any discount, rebate, allowance or concession): (a) for municipal rates and charges of a periodic nature assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period; (b) for other fees, levies, taxes or charges assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period by any statutory or other authority.
Permitted Use	means the permitted use stated at Item 7 of the Reference Schedule.
Reference Schedule	means the reference schedule attached to this Sublease.
Rent	means the rent stated at Item 8 of the Reference Schedule.
Sequential Lease	means a sublease to the Sublessee of the Demised Premises (other than this Sublease) which is entered into at the same time as this Sublease but which is for a period either before or after the Term.
Seqwater	means the Queensland Bulk Water Supply Authority trading as Seqwater, being the registered proprietor of the Airfield and the landlord under the Head Lease.
Shared Water Tank	has the meaning given in clause 6.10.
Sublease	means this schedule, the Cover Page and the Reference Schedule attached to this Sublease.
Tenant	means the sublessee identified in Item 3 on the Cover Page of this Sublease.
Tenant's Proportion	is calculated in accordance with the formula: $TP = \frac{1}{TH}$ where: TP = the Tenant's Proportion TH = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a sublease granted by the Landlord.
Tenant's Water Tank	has the meaning given in clause 32.
Term	means the term of this Sublease stated at Item 3 of the Reference Schedule.
Termination Date	means the termination date stated at Item 5 of the Reference Schedule.

Interpretation

1.2 In this Sublease, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa;

Title Reference 15728041 and 15728042

- (b) 'person' includes a firm, a company, a body corporate, an unincorporated Club or an authority in so far as it relates to the Lessor, its agents or others associated with the Sublease with the exception of the Lessee who will at all times remain a natural person.
- (c) an agreement, representation or warranty:
 - (i) in favour of two or more persons is for the benefit of them jointly and severally; and
 - (ii) on the part of two or more persons binds or is given by them jointly and severally;
- (d) a reference to:
 - (i) a person includes a person's legal personal representatives, successors, substitutes (including persons taking by novation) and assigns;
 - (ii) a document includes any variation or replacement of it;
 - (iii) a law includes regulations and other instruments under it and amendments or replacements of any of them;
 - (iv) a thing includes the whole and each part of it;
 - (v) a group of persons includes all of them collectively, any two or more of them collectively and each of them individually; and
 - (vi) the president of a body or authority includes any person acting in that capacity;
- (e) 'including' when introducing a list of items does not limit the meaning of the words to which the list relates to those items or to items of a similar kind;
- (f) a reference to time is the time at Brisbane;
- (g) a reference to a clause is a reference to a clause of this Sublease; and
- (h) where any word or phrase is given a defined meaning any grammatical form or other part of speech in respect of such word or phrase shall have a corresponding meaning.
- (i) Headings have been inserted for convenience and do not affect the interpretation of this Sublease.
- (j) A gender includes all genders, the singular includes the plural and conversely, and persons include corporations and conversely.
- (k) If a party to the lease consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- (l) No covenant is implied in the lease by Section 107(4) *Property Law Act 1974*.
- (m) This Sublease comprises the whole of the agreement between the Landlord and the Tenant and no further or other terms or agreements shall be deemed to be implied or to arise by way of collateral or other agreement by reason of any promise, representation, warranty or undertaking by or on behalf of the Landlord or the Tenant on or prior to the execution of the Sublease.
- (n) Any notice, notification or consent under the Sublease and any variation of the Sublease must be in writing.
- (o) The Sublease is a deed even if it is not registered.

Title Reference 15728041 and 15728042

- (p) The Sublease must be interpreted so that it complies with the laws of Queensland and of the Commonwealth of Australia. If any provision of the Sublease does not comply the provision must be read down so as to give it as much effect as possible. If the provision cannot be given any effect it must be severed from the Sublease.

2 Head Lease

- 2.1 This Sublease and the rights of the Landlord and the Tenant under this Sublease are subject to all the covenants and conditions of the Head Lease. The Landlord and the Tenant agree that so far as relates to the Demised Premises and this Sublease, the Tenant covenants with the Landlord that it will not do any act or permit any act to be done which if done or permitted to be done would constitute a breach of any of the covenants and conditions in the Head Lease. If the Head Lease requires a consent or approval (from Seqwater) for the doing of any act or thing, by a tenant, then the Tenant shall procure such consent or approval before doing the act or thing (and provide a copy of it to the Landlord).
- 2.2 The Tenant acknowledges having received a copy of the Head Lease before the Tenant entered into this Sublease.
- 2.3 If the Head Lease is terminated or otherwise determined, this Sublease shall simultaneously terminate without notice or further act of the parties and without any liability on the part of each party to the other party but without prejudice to the rights of each party in respect of any antecedent breach of the covenants and conditions of this Sublease by the other party.
- 2.4 If the provisions of this Sublease (other than this clause 2) conflict with any of the provisions of the Head Lease, then the provisions of the Head Lease shall prevail.

3 Landlord's Covenants

- 3.1 If the Tenant does everything which the Tenant is required to do under this Sublease the Landlord must permit the Tenant to have possession of the Demised Premises and to use the Demised Premises for the Permitted Use without interruption or disturbance by the Landlord or by any other person lawfully claiming under the Landlord.
- 3.2 The Tenant's right to be free of interruption or disturbance is subject to the rights of the Landlord under this Sublease.
- 3.3 The Landlord covenants with the Tenant that the Landlord will pay the rent payable under the Head Lease and will do everything which the Landlord is required to do under the Head Lease.

4 Landlord's rights of access to the Demised Premises

- 4.1 The Tenant must allow the Landlord or any person authorised by the Landlord to enter the Demised Premises at any reasonable time for any of the following purposes:
- (a) inspect the condition of the Demised Premises or any construction built by the Tenant on the Demised Premises;
 - (b) to check the use of the Demised Premises;
 - (c) to do any work that the Landlord must or may do pursuant to this Sublease or the law;
 - (d) to value the Demised Premises;
 - (e) to inspect the Demised Premises or to affix a notice on the Demised Premises or on the outside of any construction on the Demised Premises within the last six months of the Term of this Sublease or at any time after the termination of that period in relation to a prospective letting of the Demised Premises;

Title Reference 15728041 and 15728042

- (f) to carry out any improvements or repairs to the Demised Premises or adjoining premises considered by the Landlord to be desirable so long as the work is done without undue interference with the occupation and use of the Demised Premises by the Tenant;
- (g) to allow entry by Seqwater or the Landlord where entry is or may be required to allow exercise of a right or fulfilment of an obligation under the Head Lease; or
- (h) to carry out any work on any structure or thing on the Demised Premises because the Tenant is in breach of this Sub-lease and has failed to remedy the breach.

4.2 The Landlord must give the Tenant at least five days' notice of access or entry to the Demised Premises except in an emergency where no notice is needed.

5 Alterations to the Demised Premises

- 5.1 The Tenant must not make or allow to be made any alterations or additions to any construction on the Demised Premises (including without limitation erecting any sign or notice or painting any improvements) unless:
- (a) the Tenant first obtains the consent of Seqwater, and the Landlord, and the approval or consent of any relevant authority; and
 - (b) the alterations or additions comply with the Master Plan and the consents and approvals referred to in clause 5.1(a).
- 5.2 Any construction, alteration or addition must be carried out in a proper and workmanlike manner at the expense of the Tenant and (if so required by the Landlord) subject to the supervision of the Landlord's architect whose fees must be paid by the Tenant.
- 5.3 If any construction, alteration or addition is made by the consent of the Landlord upon the condition that the Demised Premises are to be restored to their former condition at the expiry or on earlier termination of this Sublease then upon the expiry or on earlier termination of this Sublease the Tenant must restore the Demised Premises accordingly.

6 Use of Demised Premises

- 6.1 The Tenant must use the Demised Premises only for the Permitted Use. The Tenant must obtain the prior written consent of the Landlord which the Landlord must not unreasonably withhold before any aircraft not owned by the Tenant is stored in the Demised Premises. It will not be unreasonable for the Landlord to refuse its consent if the storage of the aircraft would cause the Landlord to be in breach of any applicable Law. The Landlord may impose conditions when granting its consent including that the Tenant pays a fee determined by the Landlord as a contribution to the maintenance of the Airfield.
- 6.2 The Tenant acknowledges that the Permitted Use must be carried on in compliance with:
- (a) the Master Plan;
 - (b) the Development Control Plan;
 - (c) the Environmental Management System; and
 - (d) all applicable regulatory approvals licences or permits the Landlord has in place, holds or to which the Landlord is subject from time to time.
- 6.3 The Landlord does not represent or warrant that the Demised Premises are suitable or can be lawfully used for the Permitted Use or for any other purpose of the Tenant.

Title Reference 15728041 and 15728042

- 6.4 The Airfield may only be used for recreational flying. Flying operations for any commercial or profit making undertaking or business are not permitted. The Landlord does not represent or warrant that the runways, taxiways, parking areas and roads on the Airfield are of all-weather standard, or that after periods of wet weather these areas are suitable for aircraft or motor vehicle use. The Tenant shall repair any damage to these areas by the Tenant should the Tenant use these areas after periods of rain.
- 6.5 The Tenant must obtain any necessary consents or licences regarding the Permitted Use, keep them current and comply with any conditions attaching to them.
- 6.6 If an Approval to Operate issued by the Landlord is required in relation to the Demised Premises because of the Permitted Use or the Master Plan, the Tenant must keep such Approval current at all times throughout the Term and comply with all renewal requirements of the Landlord.
- 6.7 The Tenant must duly and punctually comply with and observe all statutes, ordinances, regulations and by-laws and all requirements and orders of any relevant authority or public body relating to the Demised Premises.
- 6.8 The Tenant must comply with all reasonable directions of the Landlord or the insurer of the Demised Premises as to prevention, detection and limitation of fire and fire protection.
- 6.9 The Tenant must comply with the requirements of the local Fire Brigade Board and the laws and regulations for the time being relating to fires.
- 6.10 The Tenant must direct all roof runoff water and water storage overflow by drainpipes to a water tank with a minimum capacity of 5,000 litres (**Shared Water Tank**) located in a position determined by the Landlord adjacent to the Demised Premises. The Tenant consents to the Landlord determining a position for and locating a Shared Water Tank within the area licensed to the Tenant as the Water Tank/Maintenance Area. The water contained in a Shared Water Tank or any Tenant's Water Tank placed in the Water Tank/Maintenance Area must if required be made available for use by the Landlord or at the Landlord's direction other tenants or occupiers of the Airfield.
- 6.11 The Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank maintain such water tank and keep it in good repair and condition. If any Shared Water Tank leaks, the Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank immediately repair it or have it removed and replaced with new tank. If the Tenant in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank does not repair any water leak within a reasonable time (determined solely by the Landlord), the Landlord may have such leak repaired at the cost of the Tenant. Such cost shall be a liquidated debt owing to the Landlord in equal shares by all tenants whose Demised Premises are connected to the Shared Water Tank.
- 6.12 The Tenant must not:
- (a) use the Demised Premises for any commercial or profit making undertaking or business (including, subject to clause 6.1 storage of aircraft not owned by the Tenant);
 - (b) use the Demised Premises for residential purposes or for other than casual (not permanent) occupation;
 - (c) despite clause 6.12(b) use the Demised Premises (or any part of the Demised Premises) as a sleeping place;
 - (d) use the Demised Premises for any noxious, noisome, offensive, dangerous or illegal activity or purpose;
 - (e) do anything in the Demised Premises which is or might become a nuisance, annoyance or disturbance to the Landlord, Seqwater, or to the owner or occupiers of neighbouring premises;
 - (f) hold any auction, bankrupt or fire sale in the Demised Premises;
 - (g) store upon the Demised Premises any fluid, gas (excluding domestic gas cylinders) or substance which is or might be dangerous because of its inflammable, explosive or corrosive nature;

Title Reference 15728041 and 15728042

- (h) do anything that might invalidate any insurance policy in respect of the Airfield or any adjoining site or sites or increase the premium payable for such insurances;
- (i) use any water, drainage, or other pipes or connections for any purpose other than that for which they were constructed or intended;
- (j) cause or permit any advertisement hoarding or sign (including any neon or similar sign) to be painted affixed put up or placed upon the Demised Premises or any part of the Demised Premises or paint any part of the improvements upon the Demised Premises without first obtaining the written approval of Seqwater and the Landlord.

7 Term

- 7.1 This Sublease is for the Term, commencing on the Commencement Date and ending at midnight on the Termination Date.

If the Tenant remains in the Demised Premises with the Landlord's consent after the Termination Date, then the Tenant will occupy the Demised Premises as a monthly tenant on the same terms and conditions as at the Termination Date except that the Landlord or the Tenant may end the tenancy on any day by giving a month's notice to the other party.

8 Club membership

The Tenant must:

- (a) maintain its full financial voting membership status of the Club for the duration of the Term; and
- (b) not be in breach of the Constitution or By-Laws of the Club for a period in excess of one calendar month.

9 Tenant payments

- 9.1 The Tenant must pay to the Landlord:

- (a) the Rent (varied in accordance with the Lease) within 28 days of receiving a Tax Invoice;
- (b) the professional costs and outlays of the Landlord of preparation and execution of this Sublease and each Sequential Lease;
- (c) the reasonable costs to the Landlord of dealing with any application by the Tenant for the Landlord's consent under this Sublease (whether or not consent is given);
- (d) the reasonable costs to the Landlord incurred in connection with a default by the Tenant;
- (e) survey fees associated with the plan attached as Annexure A;
- (f) the reasonable expenses incurred by the Landlord in obtaining the consent of Seqwater to this Sublease, any assignment of this Sublease, or any consent required under the Head Lease because of the Tenant's use of the Demised Premises;
- (g) any amount paid by the Landlord to Seqwater, pursuant to any deed of consent executed by Seqwater and the Landlord giving consent to this Sublease; and
- (h) the reasonable professional costs and outlays of the Landlord incurred in connection with the surrender of this Sublease.

Title Reference 15728041 and 15728042

- 9.2 If requested by the Landlord, the Tenant must establish a direct debit arrangement with a bank so that the amounts payable by the Tenant are paid directly to the Landlord by the Tenant's bank on each due date for payment.
- 9.3 If the Tenant is late in paying the Rent or other money to the Landlord, then the Tenant must pay interest on it at the Default Interest Rate. Interest will accrue and be compounded monthly and be calculated on a daily basis from the day the Rent or other money was due until the day it is paid in full.
- 9.4 The Tenant must pay for all services, if any, supplied to the Demised Premises.

10 Rent

- 10.1 The Rent for the first year of the Term must be paid on or before the Commencement Date.
- 10.2 The Tenant must pay the Rent (varied in accordance with this Sublease) in advance, and on or before the first day of each year of this Sublease.
- 10.3 If this Sublease is terminated by either party for any reason (whether under clause 26, or otherwise), the Landlord must within 30 days of receiving a written demand, reimburse the Tenant for Rent, the Tenant's Proportion of the Operating Expenses for the relevant Accounting Period and any other amounts payable under this Sublease.

11 Rent reviews

Rent shall be increased on the same date as any increase in the rent payable by the Landlord under the Head Lease. The Rent shall be increased to:

$$R = A + \frac{B}{C}$$

where:

R = the increased Rent;

A = the current Rent;

B = the amount of the increased rent payable under the Head Lease at the relevant review; and

C = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a lease granted by the Landlord.

12 Outgoings

- 12.1 The Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses for each Accounting Period billed to the Tenant in accordance with this clause 12.
- For the purpose of calculating the Tenant's Proportion the Operating Expenses are deemed to accrue equally day to day.
- 12.2 Any change in the Tenant's Proportion will not take effect until the first day of the month following the later of:
- (a) the date the Landlord gives written notice to the Tenant of the change; and
 - (b) the increase or decrease in the total number of aircraft hangars located on the Airfield which causes the change.

Title Reference 15728041 and 15728042

12.3 The Tenant's Proportion of Operating Expenses must not be greater as a result of:

- (a) any other occupant of an aircraft hangar on the Airfield not contributing to an item of Operating Expenses;
or
- (b) any aircraft hangar on the Airfield capable of being leased or licensed being vacant.

13 Landlord's estimates of Operating Expenses

13.1 At least one month prior to the commencement of each Accounting Period and upon request from the Tenant, the Landlord will, but only at the direction of the club management committee, prepare and provide to the Tenant an estimate of Operating Expenses for that Accounting Period.

13.2 The estimates should detail:

- (a) each item of Operating Expense;
- (b) how the estimates have been calculated; and
- (c) the Tenant's Proportion of the estimated Operating Expenses and the figures from which the Tenant's Proportion has been calculated.

14 Payment of Operating Expenses on account

14.1 At the same time as providing the estimates of Operating Expenses for the next Accounting Period, the Landlord may by written notice to the Tenant require the Tenant to pay the Tenant's Proportion of the estimated Operating Expenses.

14.2 On receipt of the request, the Tenant must pay the Landlord the Tenant's Proportion of the estimated Operating Expenses for the next Accounting Period by one annual payment on the first day of each Accounting Period throughout the Term. The first instalment for the first quarter need not be paid by the Tenant until the date 45 days after the date of this Sublease.

14.3 If the Tenant disputes whether the Tenant's Proportion of estimated Operating Expenses required by the Landlord to be paid:

- (a) has been calculated correctly; or
- (b) includes amounts that are not Operating Expenses,

and the dispute is not resolved between the Landlord and the Tenant within one month then:

- (c) the dispute will be dealt with under clause 29; and
- (d) until the dispute is resolved, the Tenant will not be required to pay the amount in dispute.

15 Landlord's Statement of Expenditure

15.1 Within three months after the end of each Accounting Period, and upon timely request from the Tenant in the first instance being received, the Landlord will prepare and provide to the Tenant a statement of expenditure (**Statement of Expenditure**) which specifies the Operating Expenses actually incurred in that Accounting Period.

15.2 The Statement of Expenditure should detail and is not limited to:

- (a) each item of Operating Expense;

Title Reference 15728041 and 15728042

- (b) how the Operating Expenses have been calculated; and
- (c) the Tenant's Proportion of Operating Expenses and the figures from which the Tenant's Proportion have been calculated.

15.3 The Landlord must:

- (a) keep accurate records of the Operating Expenses for each Accounting Period including copies of all relevant assessments, invoices or statements; and
- (b) allow the Tenant to inspect the records.

16 Adjustment of Operating Expenses at end of Accounting Period

- 16.1 Within three months of receipt by the Tenant of a Statement of Expenditure correctly specifying the total Operating Expenses the Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses less the total of any amount paid for that Accounting Period under clause 12.
- 16.2 If the amount paid for that Accounting Period under clause 12 is greater than the Tenant's Proportion of the Operating Expenses then the Landlord must repay the difference to the Tenant within three months of receipt by the Tenant of the Statement of Expenditure.
- 16.3 If the Tenant disputes whether the Tenant's Proportion of Operating Expenses set out in the Statement of Expenditure:
- (a) has been calculated correctly; or
 - (b) includes amounts that are not Operating Expenses,
- then until the dispute is resolved the Tenant may withhold the amount in dispute and if:
- (c) the Tenant still disputes the Tenant's Proportion of the Operating Expenses three months after receipt by the Tenant of the Statement of Expenditure,
- then the dispute will be dealt with under clause 29.
- 16.4 The Tenant's liability to pay the Tenant's Proportion of the Operating Expenses is not affected by the termination of this Sublease.

17 GST

- 17.1 In this clause words or terms have the meanings as they do in *A New Tax System (Goods and Services Tax) Act 1999*.
- 17.2 Unless otherwise set out, the parties confirm that any amount payable under this Sublease has been calculated without regard to GST.
- 17.3 If there is a Taxable Supply then the party paying for the Taxable Supply will also pay the GST.
- 17.4 Any reference to a cost or charge under this Sublease excludes GST where the party liable to pay it can claim an Input Tax Credit
- 17.5 Each party must do everything reasonably necessary to assist the other to claim an Input Tax Credit.
- 17.6 If a party wishes to make a claim on the other for GST, that claim must be made within six months of the date of the relevant notice.

Title Reference 15728041 and 15728042

- 17.7 Within 21 days of receiving a payment which includes GST, the party who receives the payment must give a Tax invoice to the party making the payment (unless one has already been provided).

18 Maintenance and repairs

- 18.1 The Tenant must maintain any construction built by or at the request of the Tenant comprising the Demised Premises pursuant to clause 5.1 in its condition at the time the construction was built and must carry out any repairs that are necessary to maintain the construction in that condition.
- 18.2 If the Tenant fails to do any work required of the Tenant under clause 18.1 and the Landlord gives the Tenant notice stating what the Tenant has failed to do so, then the Tenant must do such work immediately where there is an emergency and otherwise must do such work promptly and diligently.
- 18.3 If the Tenant fails to do any work following notice from the Landlord under clause 18.2, the Landlord may do the work and the Tenant must reimburse the Landlord for the cost of the work. The Landlord may recover the cost of the work from the Tenant as a liquidated debt.
- 18.4 The Tenant must keep the Demised Premises and the surroundings of the Demised Premises in a thorough state of cleanliness and must not allow any accumulation of rubbish on the Demised Premises whether outside or inside the Demised Premises.
- 18.5 The Tenant must comply with all environmental legislation and must ensure that neither the Demised Premises nor the Airfield or any other land is contaminated, polluted or degraded as a result of anything done or omitted to be done by the Tenant.
- 18.6 If there is any contamination, pollution or degradation of the Demised Premises, the Airfield or any other land as a result of anything done or omitted to be done by the Tenant then the Tenant must carry out all necessary remedial work to the satisfaction of the Landlord, Seqwater and all regulatory authorities.

19 Insurances

- 19.1 The Tenant must have and keep current:
- (a) a public liability insurance policy for an amount not less than \$10 million (or such higher amount as the Landlord may determine from time to time) for each event; and
 - (b) any other insurance policies reasonably required by the Landlord from time to time.
- 19.2 All insurance policies referred to in clause 19.1 shall note the interest of the Landlord and Seqwater.
- 19.3 Upon request by the Landlord the Tenant must give to the Landlord copies of any insurance policy required under clause 19.1 and of the receipt for the last premium.
- 19.4 If the Tenant does anything that might increase the premium payable by the Landlord for any insurance policy in respect of the Demised Premises, then the Tenant must pay to the Landlord the amount of the increased premium.

20 Indemnities by the Tenant

- 20.1 The Tenant will occupy and use the Demised Premises at the risk of the Tenant and releases to the fullest extent permitted by law the Landlord and its contractors and Agents from all claims and demands and from all liability which might arise in respect of any damage to property or death of or injury to any person in or near the Demised Premises (except where caused by the negligence of the Landlord, its contractors or Agents) and the Landlord will have no responsibility or liability for any loss of or damage to any property of the Tenant (except where caused by the negligence of the Landlord, its contractors or Agents).

Title Reference 15728041 and 15728042

- 20.2 To the extent that monies paid to the Landlord out of any insurance effected by the Tenant do not fully indemnify the Landlord, the Tenant will indemnify the Landlord, its contractors and Agents against all actions, claims, losses, damages, costs and expenses incurred by the Landlord or for which the Landlord or its contractors or Agents might become liable in respect of any damage to property or death of or injury to any person (except where caused by the negligence of the Landlord or its contractors or Agents) which may be suffered or sustained in, upon or near the Demised Premises.
- 20.3 The Landlord will not be liable for any loss or damage which the Tenant might suffer by reason of any damage to the Demised Premises or to anything of any nature whatsoever in or about the Demised Premises caused by or arising from the entry, flow or leakage of water or from any defect in the water, gas or electricity connections or any fittings or appliances used in connection with them or from any other defect in the Demised Premises.
- 20.4 Without limiting the generality of clauses 20.1, 20.2 and 20.3, the Tenant will indemnify the Landlord against all actions, claims, losses, damages, costs and expenses for which the Landlord might become liable in respect of or arising from:
- (a) the negligent or careless use by the Tenant or any contractor or Agent of the Tenant of the water, gas, electricity or other services and facilities of the Demised Premises or arising from any faulty fitting, fixture or other plant or equipment of the Tenant;
 - (b) overflow or leakage of water in or from the Demised Premises but having origin within the Demised Premises or caused or contributed to by any act or omission on the part of the Tenant or other persons referred to in clause 20.4(a);
 - (c) loss, damage or injury to property or person caused or contributed to by the use of the Demised Premises by the Tenant or other persons referred to in clause 20.4(a);
 - (d) loss, damage or injury to the Demised Premises or to any property or person within or without the Demised Premises occasioned or contributed to by any act or omission of the Tenant or other persons referred to in clause 20.4(a); and
 - (e) inundation of the Demised Premises or part thereof or any improvements by water (whether or not from Somerset Dam or its catchment areas).

21 Damage to building on Demised Premises

- 21.1 In the event that the Demised Premises is wholly or substantially damaged or destroyed so as not to be reasonably usable or repairable for the Permitted Use the Tenant shall within a period of 90 days at the Tenant's expense clear the Demised Premises of all damaged materials to the satisfaction of the Landlord.
- 21.2 If the Tenant does not clear the Demised Premises in accordance with clause 21.1, the Landlord shall have the right to clear the Demised Premises and recover the cost of such clearing from the Tenant as a liquidated debt.
- 21.3 The Landlord has the right to terminate this Sublease in the event the Landlord exercises its rights under clause 21.2.

22 Resumption

- 22.1 If the Demised Premises or the Airfield is resumed by any competent authority the Landlord will be entitled by giving not less than one month's notice to the Tenant to terminate this Sublease.
- 22.2 The Tenant will not be entitled to claim any compensation from the Landlord in respect of such resumption or termination but the termination will be without prejudice to the rights of either party with regard to any antecedent breach of this Sublease.

Title Reference 15728041 and 15728042

23 Transfer and SubLease

- 23.1 The Tenant must not assign transfer dispose of mortgage or charge the Demised Premises or any part of the Demised Premises or the Tenant's interest in this Sublease without the prior written consent of the Landlord. The Landlord must not unreasonably delay or refuse to grant such consent. It will be reasonable for the Landlord to refuse to grant its consent to a proposed assignee or transferee who is not a full financial voting member of the Club.
- 23.2 The Tenant must not sublet or part with use or possession of the whole or any part of the Demised Premises. Allowing others to store aircraft in the Demised Premises is not sub-letting or parting with possession.
- 23.3 A request for the Landlord's consent pursuant to clause 23.1 must be made in writing and the Tenant must provide the Landlord with such information as the Landlord may reasonably require concerning the financial standing of the proposed transferee.
- 23.4 The Tenant must procure from the proposed transferee:
- (a) the consent of and execution of any document required by Seqwater and/or the Landlord at the expense of the Tenant; and
 - (b) the execution of a deed of covenant to be prepared by the Landlord's solicitors at the expense of the Tenant, which deed of covenant will set out that the transferee must comply with all of the Tenant's obligations under this Sublease. If the proposed transferee is a corporation (other than a corporation whose shares are listed on any stock exchange in Australia) then the Tenant must procure the execution by the directors and principal shareholders of the transferee of a guarantee of the obligations of the proposed transferee such guarantee to be prepared by the Landlord's solicitors at the expense of the Tenant.
- 23.5 The Landlord in granting its consent pursuant to clause 23.1 shall require the Tenant to pay the following amounts:
- (a) a reasonable sum to the Landlord in connection with considering and granting the consent, such sum to be fixed by the Landlord from time to time; and
 - (b) a reasonable sum in respect of any legal expenses incurred by the Landlord in connection with considering and granting the consent including the deed of covenant referred to in clause 23.4(b).

24 Use of facilities

- 24.1 The Landlord shall permit the Tenant and all persons lawfully authorised by the Tenant in common with others having like rights to use the facilities from time to time provided by the Landlord for the tenants of the Airfield and their Agents.
- 24.2 The Landlord may set rules from time to time in relation to the use of facilities on or relating to the Airfield or any part of the Airfield. In the event any such rules are set the Tenant will comply and ensure its Agents comply with such rules at all times during the Term.

25 Giving up possession to the Landlord

- 25.1 On the expiration of the Term or upon termination of this Sublease for any other reason the Tenant must:
- (a) remove the construction (including foundations) comprising the Demised Premises and make good any damage caused in doing so; and

Title Reference 15728041 and 15728042

- (b) remove from the Demised Premises the Tenant's fixtures, fittings, plant, machinery and other goods in the nature of tenant's fixtures brought upon the Demised Premises by the Tenant, and make good any damage caused in doing so; and
- (c) remediate any Contamination or Environmental Harm (as defined by relevant Queensland law) caused to the Demised Premises by the Tenant,

unless the Landlord otherwise agrees in writing.

- 25.2 If this Sublease is terminated because of the Tenant's breach of this Sublease or if the Tenant is in default under this Sublease, the right to remove given to the Tenant under clauses 25.1(a) and 25.1(b) is subject to the written consent of the Landlord.
- 25.3 Any construction, fixtures or other goods of the Tenant which are not removed by the Tenant on the termination of this Sublease (whether voluntarily or because of the operation of clause 25.2) become the property of the Landlord who may either keep them or dispose of them.
- 4 The Landlord may charge to the Tenant and recover from the Tenant as a liquidated debt all costs of removal and disposal of any construction, fixtures and other goods of the Tenant and all costs of making good any damage caused by such removal.
- 25.5 The Landlord shall not be required to pay any compensation of any nature to the Tenant in respect of any improvements upon the Demised Premises or the construction comprising the Demised Premises which may be carried out by the Tenant during the Term.

26 Default

- 26.1 The Landlord may terminate this Sublease by re-entering and taking possession of the Demised Premises or by demanding possession of the Demised Premises if:
 - (a) the Rent or other money payable under the Lease is 28 days overdue for payment; or
 - (b) the Tenant fails to meet an obligation of the Tenant under this Sublease; or
 - (c) the Tenant repudiates this Sublease; or
 - (d) if the Tenant becomes a bankrupt or executes a Deed of Arrangement or a Deed of Assignment for the benefit of the Tenant's creditors,and the Tenant fails to comply with a notice from the Landlord given under Section 124(1) *Property Law Act 1974*.
- 26.2 The Landlord may (but is not obliged to) remedy at any time without notice any default by the Tenant under this Sublease and whenever the Landlord so elects all reasonable costs incurred by the Landlord (including legal costs) in remedying a default will be a liquidated debt and must be paid by the Tenant to the Landlord on demand.
- 26.3 No consent or waiver expressed or implied by the Landlord to or of any breach of any obligation of the Tenant is to be taken as a consent or waiver to or of any other breach of the same or any other obligation. No waiver of any breach by the Tenant is to be implied from the Landlord's failure to exercise the Landlord's rights in respect of such breach.

27 Essential terms

- 27.1 Essential terms of this Sublease include the obligations of the Tenant:
 - (a) to pay Rent when due;

Title Reference 15728041 and 15728042

- (b) regarding maintenance and repairs;
 - (c) regarding the Tenant's use of the Demised Premises;
 - (d) regarding any roof runoff water and water tanks;
 - (e) regarding insurances;
 - (f) in relation to membership of the Club, including being a full financial voting member of the Club;
 - (g) to comply with the Constitution and By-Laws of the Club; and
 - (h) regarding sub-letting and parting with possession.
- 27.2 The acceptance by the Landlord of any late payment of Rent will not be taken to be a waiver of the essentiality of the Tenants obligation to pay Rent when due.
- 27.3 If there is a breach by the Tenant of an essential term of this Sublease the Landlord may recover damages from the Tenant for losses over the entire period of this Sublease but the Landlord must, except in the case of abandonment of the Demised Premises by the Tenant, take all reasonable steps to mitigate the losses including endeavouring to lease the Demised Premises to a new Tenant.
- 27.4 The Landlord's right to recover damages from the Tenant will not be affected if:
- (a) the Tenant abandons possession of the Demised Premises;
 - (b) there is a surrender of this Sublease;
 - (c) the Landlord accepts the repudiation of the Lease by the Tenant; or
 - (d) the Landlord terminates this Sublease by re-entering the Demised Premises or any part of the Demised Premises or by demanding possession of the Demised Premises.

28 Power of attorney

- 28.1 In consideration of the Landlord agreeing to grant this Sublease, the Tenant appoints the Landlord and its officers severally as the Tenant's attorney to act at any time if the Tenant is in breach of the Tenant's covenants under this Sublease and the Landlord's right of termination of this Sublease or right of re-entry has been exercised or is exercisable to:
- (a) execute and sign a transfer or surrender of this Sublease; and
 - (b) procure the transfer or surrender of this Sublease to be registered if this Sublease has been registered; and
 - (c) using the name of the Tenant for those purposes, and generally, do execute and perform any act, deed, matter or thing in respect of the Demised Premises as fully and effectually as the Tenant could do, execute or perform it.
- 28.2 A statutory declaration of the Landlord that the rights of the Tenant under clause 28.1 are exercisable will be deemed to be conclusive evidence of its contents in favour of any person who is not a party to this Sublease.
- 28.3 The Tenant must ratify and confirm anything lawfully done or caused to be done in and about the Demised Premises by the Tenant's attorney.

Title Reference 15728041 and 15728042

29 Dispute resolution

- 29.1 If a dispute arises between the Landlord and the Tenant under a provision of this Sublease and that provision states that the provision is to be dealt with under this clause 29, the dispute must be referred for written determination to a person (**Expert**) appointed under this clause 29. The Expert acts as an expert and not as an arbitrator and the Expert's determination is conclusive and binds both parties. The Expert must practice in the State of Queensland.
- 29.2 The Expert must have at least 10 years' current and continuous standing in the Expert's profession at the date of appointment and must be:
- (a) for a matter of law, a practising barrister or solicitor appointed by the president of the appropriate governing body of barristers or solicitors in the State of Queensland;
 - (b) for a financial or accountancy matter, a practising chartered accountant appointed by the President of the Division of the Institute of Chartered Accountants in Australia for the State of Queensland;
 - (c) for a matter connected with the construction of any part of the buildings on the Airfield, a practising architect appointed by the President of the Chapter of the Royal Australian Institute of Architects for the State of Queensland;
 - (d) for a matter connected with land or rental value, a qualified valuer appointed by the President of the Australian Property Institute (Queensland Division); and
 - (e) for any other matter, a qualified person appointed by the senior officer of an appropriate association, institute, society or board,
- or, if appropriate and the parties agree, the dispute may be referred to a panel of experts representing more than one of the appropriate skills.
- 29.3 If the parties cannot agree on an Expert within one month after a dispute arises, a party must sign an authority for the appointment of an Expert if the other party requests it to do so.
- 29.4 If a party does not sign the authority within 10 days after the other party requests it to do so, the other party may authorise the appointment of the Expert. Production of a copy of this clause and the request are conclusive of that authority.
- 29.5 Each party must pay one half of the Expert's fees and expenses, irrespective of the result of the determination.

30 Notices

- 30.1 Notices under this Sublease must be in writing and may be given by a party's solicitor.
- 30.2 Notices are effectively given if delivered or posted to the other party or sent to the facsimile number of the other party.
- 30.3 Posted notices will be treated as given two Business Days after posting.
- 30.4 Notices sent by facsimile will be treated as given when the sender obtains a clear transmission report.
- 30.5 Notices given after 5.00pm will be treated as given on the next Business Day.
- 30.6 Notices given by a party's solicitor will be treated as given with the party's authority.

Title Reference 15728041 and 15728042

31 Transfer of Sub Lease

The Landlord covenants and agrees that in the event that whilst this Sublease is not registered in the Department of Environment and Resource Management, pursuant to the *Land Title Act 1994* upon the Landlord assigning transferring or disposing of its interest in the Head Lease of which the Demised Premises forms part the Landlord must procure to be executed by the assignee transferee or disponente covenants (Purchaser's Covenant) in favour of the Tenant that the assignee transferee or disponente is bound by the provisions and the covenants contained in this Sublease to the same extent as if such assignee transferee or disponente were named as the Landlord in this Sublease and that such assignee or disponente will not assign, transfer or dispose of its interest in the Head Lease unless the Landlord procures a legally binding covenant from the assignee, transferee or disponente, in terms identical with the Purchaser's Covenant in favour of the Tenant.

32 Licensed Areas

Grant of licence

- 32.1 During the Term, and any extension of the Term, the Landlord grants to the Tenant and others authorised by the Tenant the non-exclusive right:
- (a) to use that part of the Licensed Areas comprising the Apron Area for the purpose of aircraft and pedestrian access to and from the Demised Premises and temporarily standing and loading and unloading aircraft;
 - (b) to use those parts of the Licensed Areas identified as Water Tank/Maintenance Area for the purpose of erecting and maintaining a water tank to collect water run off solely from the roof of the Demised Premises (**Tenant's Water Tank**). The Tenant must obtain the Landlord's prior written consent to erect any water tank or other improvement in the Water Tank/Maintenance Area. The Landlord may refuse its consent to the erection of any Tenant's Water Tank where it would interfere with or be in the same location required by the Landlord for a Shared Water Tank.
- 32.2 The Tenant must not use or occupy any Licensed Area so as to become a nuisance or annoyance to the Landlord or other tenants or users of the Airfield and must at all times comply with the reasonable directions of the Landlord and the Constitution and By-Laws of the Club in relation to the use and occupation of the Licensed Areas.
- 32.3 The Landlord may not determine the licence for the Licensed Areas granted by this clause whilst this Sublease remains in force.
- 32.4 The Tenant must:
- (a) keep and maintain those parts of the Licensed Areas referred to in clauses 32.1(a) and 32.1(b) in a clean and tidy condition and must cause all grassed areas within the Licensed Areas to be regularly mowed and maintained in a clean and tidy condition.;
 - (b) indemnify the Landlord in respect of all claims for loss or damage arising out of the use of those parts of the Licensed Areas by the Tenant or by any of the persons authorised by this clause; and
 - (c) occupy and use those parts of the Licensed Areas, as if they were part of the Demised Premises (but those parts of the Licensed Areas are not to be taken to be part of the Demised Premises).
- 32.5 All of the provisions of this Sublease relating to the Demised Premises apply to those parts of the Licensed Areas referred to in clause 32.1 as if those parts were part of the Demised Premises (but those parts are not to be taken to be part of the Demised Premises).

Title Reference 15728041 and 15728042

33 Guarantee and indemnity

- 33.1 This clause 33 applies if Guarantors are named at Item 9 of the Reference Schedule.
- 33.2 The Guarantor guarantees to the Landlord the payment by the Tenant of the Rent and all other monies payable by the Tenant under this Sublease and the performance by the Tenant of all other obligations of the Tenant under this Sublease.
- 33.3 If the Tenant fails to pay any Rent or other money due under this Sublease the Guarantor must pay such Rent or other money to the Landlord on demand.
- 33.4 The Guarantor will indemnify the Landlord against all loss and damage suffered by the Landlord in any of the following events:
- (a) if the Tenant fails to perform any obligation of the Tenant under this Sublease; or
 - (b) if this Sublease is disclaimed following the insolvency of the Tenant.
- 33.5 The obligations of the Guarantor to the Landlord will not be affected notwithstanding that:
- (a) the Landlord allows time or other indulgence to the Tenant or does not seek to recover any monies from the Tenant;
 - (b) this Sublease is not registered;
 - (c) this Sublease is assigned or transferred;
 - (d) any security taken by the Landlord in respect of the obligations of the Tenant under this Sublease is void or defective; or
 - (e) the Lease is varied or amended.
- 33.6 The Landlord may recover damages from the Guarantor for losses over the entire period of this Sublease but must take all reasonable steps to mitigate the losses including endeavouring to lease (with the consent of Seqwater) the Demised Premises to a new Tenant.
- 33.7 The guarantee and indemnity by the Guarantor to the Landlord applies not only to the obligations of the Tenant under this Sublease but also to the obligations of the Tenant under any renewal or extension of this Sublease or under any tenancy of the Tenant in respect of the Demised Premises. The Guarantor will sign or execute a guarantee and indemnity in similar terms to this clause 33 in respect of any such further sublease or tenancy if requested to do so by the Landlord.
- 33.8 If the Guarantor consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- 33.9 The obligations of the Guarantor to the Landlord will endure for the benefit of the successors and assigns of the Landlord.

34 Miscellaneous

- 34.1 The Landlord may appoint one or more persons to act as caretaker of the Airfield. The Landlord must notify the Tenant from time to time of the appointment or termination of the appointment of any caretaker. The Tenant must comply with any direction or requirement of the caretaker which is neither contrary to any right, entitlement or privilege granted to the Tenant under this Sublease nor the Constitution or By-Laws of the Club.

Title Reference 15728041 and 15728042

35 Sequential Leases

Application

35.1 This clause 35 applies:

- (a) despite any other provision of this Sublease; and
- (b) where one or more Sequential Leases are entered into in respect of the Demised Premises.

Sequential Lease

35.2 Where a Sequential Lease commences on the day after the Termination Date, any provisions of this Sublease in relation to:

- (a) the Tenant's right to hold over after the expiration of the Sublease;
- (b) the Tenant's obligation to remove any items from the Demised Premises;
- (c) the Tenant's obligation to make good the Demised Premises,

which would normally apply on the expiration of this Sublease, do not apply until the expiration of the final Sequential Lease.

35.3 If this Sublease is transferred, then (despite any other provision of any Sequential Lease) the Sequential Leases which are expressed to commence after the date of the transfer are deemed to be assigned to the same transferee and with effect on and from the same date.

35.4 If a Sequential Lease, which commenced prior to the Commencement Date is or has been transferred, then this Sublease is deemed to be transferred to the same transferee with effect on and from the same date.

35.5 If a Sequential Lease, which commenced prior to the Commencement Date terminates other than by expiration, then this Sublease is terminated with effect from the same date.

35.6 If the Tenant gives written notice to the Landlord no later than six months prior to the Commencement Date that the Tenant no longer requires to occupy the Demised Premises, then this Sublease terminates with effect on and from the date of service of the notice.

Title Reference 15728041 and 15728042

Reference Schedule

Item 1 Landlord	South East Queensland Sports Aircraft Club Incorporated
Item 2 Tenant	John Terrence Adams
Item 3 Term (clause 7.1)	3 years
Item 4 Commencement Date (clause 7.1)	1 January 2031
Item 5 Termination Date (clause 7.1)	31 December 2033
Item 6 Type of Construction (clause 5.1)	Aircraft Hangar building
Item 7 Permitted Use (clause 6.1)	Aircraft storage and ancillary storage
Item 8 Rent (clause 10.2)	<i>The rent at the commencement of the Sub-Lease shall be calculated as follows:</i>

$$R = \frac{A \times B}{C}$$

where:

R = The Annual Rent at the commencement of this Sub-Lease
A = The Annual Rent payable for the last year of the immediately preceding Sub-Lease
B = Index Number for the December quarter for 2030
C = Index Number for the December quarter for 2027

“Index Number” means the Consumer Price Index (All Groups) for the city of Brisbane as published by the Australian Bureau of Statistics. If that index is discontinued, the expression will mean an index or method of measuring increases in the cost of living agreed in writing by the Parties. If there is no agreement within a period of 14 days, it will be an index or method determined at the request of either Party by the President or Acting President of the Valuers’ Institute or their nominee.

Item 9
Guarantor/s (clause 33)

N/A

Title Reference 15728041 and 15728042

Annexure A

Plan of Demised Premises and Licensed Areas

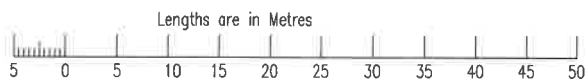
DIAGRAM

Scale @ A3 1:500

ALL MEASUREMENTS ARE APPROXIMATE

LEGEND

-  Lease Area
-  Apron Area
-  Water Tank/ Maintenance Area
-  Outside face of Building
-  Centreline of Wall



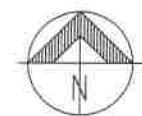
LEASE A3
165m²

362
CG4017

BUILDING A

Lease
No. 602170874

Sub-Lease A3 does affect Lease 602170874 and does not affect Lease 602170873 or Emts. A-C on RP 854245.
Dated 30/10/2017



303
CG3813

LEASE A3
VIDE DIAG.

362
CG4017

Emt. A
RP854246

Emt. C
RP854245

Locality of Glenfern

371
CG363

Emt. B
RP854245

Emt. A
RP 854245

#8248

Lease
No. 602170874

361
CG4017

LEASE CONNECTION

LINE	BEARING	DISTANCE
A-B	Abt 57°15'	Abt 68.6

Lengths are in Metres



Meridian: CG4017

Map Ref: 9444-33234

NOTE
Lease dimensions & areas taken to outside face of building and centreline of internal walls.

R. KEATING
QBCC Lic. No. 065458



20 Bushlark Court
Upper Caboolture 4510
Ph.: (07) 5497 0334

BOB KEATING DESIGN & DRAFTING

PLAN FOR LEASE PURPOSES

Being part of Lease No. 602170874 in
Lots 361 & 362 on CG4017
(TR15728041 and 15728042)

Parish: KILCOY
Locality: WINYA

County: CANNING
Local Gov.: SOMERSET R.C.

CLIENT

South East Qld Sports Aircraft Club

SCALE (A3)

1:8000

PLAN NO.

Lease-A3



OFFICE USE ONLY

Privacy Statement

Collection of information from this form is authorised by legislation and is used to maintain publicly searchable records. For more information see the Department's website.

1. Sublessor	Lodger (Name, address, E-mail & phone number)	Lodger Code
South East Queensland Sports Aircraft Club Incorporated		

2. Lot on Plan Description	Title Reference
Lot 361 on CP CG4017	15728041
Lot 362 on CP CG4017	15728042

3. Sublessee Given names	Surname/Company name and number	(include tenancy if more than one)
John Terrence	Adams	

4. Interest being subleased
Lease 602170874 (K935953B)

5. Description of premises being subleased
That part of the building erected on the land, indicated as area "A3" on the plan in Annexure A

6. Term of lease	7. Rental/Consideration
Commencement date/event: 1 January 2034	See attached schedule
Expiry date: 31 December 2036	
Options: Nil	

8. Grant/Execution
The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule

Witnessing officer must be aware of his/her obligations under section 162 of the Land Title Act 1994

..... signature	
..... full name	See Enlarged Panel
..... qualification	/ /

Witnessing Officer	Execution Date	Sublessor's Signature
(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)		

9. Acceptance
The Lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

..... signature	
..... full name	See Enlarged Panel
..... qualification	/ /

Witnessing Officer	Execution Date	Sublessee's Signature
(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)		

Title Reference 15728041 and 15728042

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule



Given under the common seal of the South East Queensland Sports Aircraft Club Incorporated in accordance with its Rules of Club in the presence of

a member of the Management Committee and the

Secretary/member of the Management Committee who certify that they are the proper officers to affix such seal:

[Handwritten signature]

..... signature

..... full name

..... qualification 2/12/2018

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

Sublessor's Signature

9. Acceptance

The Sublessee accepts the sublease and acknowledges the amount payable or other considerations for the sublease.

[Handwritten signature] signature

MARK RODRICK FOY
SOLICITOR, QLD full name

..... qualification

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

2/12/18
Execution Date

[Handwritten signature]
J. T. Adams

Sublessee's Signature

Title Reference 15728041 and 15728042

1 Definitions and interpretations

Definitions

1.1 In this document:

Term	Definition
Accounting Period	means each of the following periods: the period from the Commencement Date to the immediately following 30 June; each full period of 12 months from 1 July to 30 June during the Term; and the period from 1 July immediately preceding the Termination Date.
Agents	means agents, servants, employees, licensees and invitees.
Airfield	means the land known as Kilcoy Airfield situated at Kennedy's Road, Kilcoy and more particularly described as Lease A (No. 602170874 (K935953B)) in Lots 361 and 362 on Plan CP CG4017, Title Reference 15728041 and 15728042, such land being nominally divided into precincts for specific uses as specified in the Master Plan.
Approval to Operate	means a written approval issued by the Landlord for the carrying out of specified activities (nominated in that written approval) on specific areas of the Airfield as designated on the Master Plan.
Apron Area	means the area shown on the plan in Annexure A.
Business Day	means a day on which trading banks are open for business in Brisbane, Queensland.
Club	means the Landlord and its successors.
Commencement Date	means the commencement date of this Sublease stated at Item 4 of the Reference Schedule.
Cover Page	means page 1 of this Sublease.
Default Interest Rate	means that rate which is 2% above the rate charged by National Australia Bank on overdraft amounts in excess of Fifty Thousand Dollars (\$50,000).
Demised Premises	means the premises described at Item 5 on the Cover Page of this Sublease.
Development Control Plan	means the development control plan for the Airfield dated February 2008.
Environmental Management System	means the document titled the environmental management system and which is applicable to the Airfield dated February 2005.
Guarantor	means the guarantors named in Item 9 of the Reference Schedule (if any).
Head Lease	means lease number 602170874 (K935953B) dated 16 January 1992 between Seqwater and South East Queensland Sports Aircraft Club Incorporated in relation to the Airfield.
Item	means an item in the Reference Schedule of this Sublease unless it is specified to be an item on the Cover Page of this Sublease.
Landlord	means South East Queensland Sports Aircraft Club Incorporated, being the sublessor identified in Item 1 of the Cover Page of this Sublease and the tenant named in the Head Lease.
Licensed Areas	means those parts marked and shown as 'Apron Area' and 'Water

Title Reference 15728041 and 15728042

Term	Definition
	Tank/Maintenance Area' on the plan in Annexure A.
Master Plan	means the plan designating the uses authorised by Seqwater and Somerset Regional Council, for specified precincts of the Airfield dated June 2007 and other plan in force from time to time together with conditions of approval of the Somerset Regional Council or other relevant authority (where the context requires) in force from time to time.
Operating Expenses	means all net amounts paid or payable by the Landlord in any one Accounting Period (after taking into account the benefit of any discount, rebate, allowance or concession): (a) for municipal rates and charges of a periodic nature assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period; (b) for other fees, levies, taxes or charges assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period by any statutory or other authority.
Permitted Use	means the permitted use stated at Item 7 of the Reference Schedule.
Reference Schedule	means the reference schedule attached to this Sublease.
Rent	means the rent stated at Item 8 of the Reference Schedule.
Sequential Lease	means a sublease to the Sublessee of the Demised Premises (other than this Sublease) which is entered into at the same time as this Sublease but which is for a period either before or after the Term.
Seqwater	means the Queensland Bulk Water Supply Authority trading as Seqwater, being the registered proprietor of the Airfield and the landlord under the Head Lease.
Shared Water Tank	has the meaning given in clause 6.10.
Sublease	means this schedule, the Cover Page and the Reference Schedule attached to this Sublease.
Tenant	means the sublessee identified in Item 3 on the Cover Page of this Sublease.
Tenant's Proportion	is calculated in accordance with the formula: $TP = \frac{1}{TH}$ where: TP = the Tenant's Proportion TH = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a sublease granted by the Landlord.
Tenant's Water Tank	has the meaning given in clause 32.
Term	means the term of this Sublease stated at Item 3 of the Reference Schedule.
Termination Date	means the termination date stated at Item 5 of the Reference Schedule.

Interpretation

1.2 In this Sublease, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa;

Title Reference 15728041 and 15728042

- (b) 'person' includes a firm, a company, a body corporate, an unincorporated Club or an authority in so far as it relates to the Lessor, its agents or others associated with the Sublease with the exception of the Lessee who will at all times remain a natural person.
- (c) an agreement, representation or warranty:
 - (i) in favour of two or more persons is for the benefit of them jointly and severally; and
 - (ii) on the part of two or more persons binds or is given by them jointly and severally;
- (d) a reference to:
 - (i) a person includes a person's legal personal representatives, successors, substitutes (including persons taking by novation) and assigns;
 - (ii) a document includes any variation or replacement of it;
 - (iii) a law includes regulations and other instruments under it and amendments or replacements of any of them;
 - (iv) a thing includes the whole and each part of it;
 - (v) a group of persons includes all of them collectively, any two or more of them collectively and each of them individually; and
 - (vi) the president of a body or authority includes any person acting in that capacity;
- (e) 'including' when introducing a list of items does not limit the meaning of the words to which the list relates to those items or to items of a similar kind;
- (f) a reference to time is the time at Brisbane;
- (g) a reference to a clause is a reference to a clause of this Sublease; and
- (h) where any word or phrase is given a defined meaning any grammatical form or other part of speech in respect of such word or phrase shall have a corresponding meaning.
- (i) Headings have been inserted for convenience and do not affect the interpretation of this Sublease.
- (j) A gender includes all genders, the singular includes the plural and conversely, and persons include corporations and conversely.
- (k) If a party to the lease consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- (l) No covenant is implied in the lease by Section 107(4) *Property Law Act 1974*.
- (m) This Sublease comprises the whole of the agreement between the Landlord and the Tenant and no further or other terms or agreements shall be deemed to be implied or to arise by way of collateral or other agreement by reason of any promise, representation, warranty or undertaking by or on behalf of the Landlord or the Tenant on or prior to the execution of the Sublease.
- (n) Any notice, notification or consent under the Sublease and any variation of the Sublease must be in writing.
- (o) The Sublease is a deed even if it is not registered.

Title Reference 15728041 and 15728042

- (p) The Sublease must be interpreted so that it complies with the laws of Queensland and of the Commonwealth of Australia. If any provision of the Sublease does not comply the provision must be read down so as to give it as much effect as possible. If the provision cannot be given any effect it must be severed from the Sublease.

2 Head Lease

- 2.1 This Sublease and the rights of the Landlord and the Tenant under this Sublease are subject to all the covenants and conditions of the Head Lease. The Landlord and the Tenant agree that so far as relates to the Demised Premises and this Sublease, the Tenant covenants with the Landlord that it will not do any act or permit any act to be done which if done or permitted to be done would constitute a breach of any of the covenants and conditions in the Head Lease. If the Head Lease requires a consent or approval (from Seqwater) for the doing of any act or thing, by a tenant, then the Tenant shall procure such consent or approval before doing the act or thing (and provide a copy of it to the Landlord).
- 2.2 The Tenant acknowledges having received a copy of the Head Lease before the Tenant entered into this Sublease.
- 2.3 If the Head Lease is terminated or otherwise determined, this Sublease shall simultaneously terminate without notice or further act of the parties and without any liability on the part of each party to the other party but without prejudice to the rights of each party in respect of any antecedent breach of the covenants and conditions of this Sublease by the other party.
- 2.4 If the provisions of this Sublease (other than this clause 2) conflict with any of the provisions of the Head Lease, then the provisions of the Head Lease shall prevail.

3 Landlord's Covenants

- 3.1 If the Tenant does everything which the Tenant is required to do under this Sublease the Landlord must permit the Tenant to have possession of the Demised Premises and to use the Demised Premises for the Permitted Use without interruption or disturbance by the Landlord or by any other person lawfully claiming under the Landlord.
- 3.2 The Tenant's right to be free of interruption or disturbance is subject to the rights of the Landlord under this Sublease.
- 3.3 The Landlord covenants with the Tenant that the Landlord will pay the rent payable under the Head Lease and will do everything which the Landlord is required to do under the Head Lease.

4 Landlord's rights of access to the Demised Premises

- 4.1 The Tenant must allow the Landlord or any person authorised by the Landlord to enter the Demised Premises at any reasonable time for any of the following purposes:
- (a) inspect the condition of the Demised Premises or any construction built by the Tenant on the Demised Premises;
 - (b) to check the use of the Demised Premises;
 - (c) to do any work that the Landlord must or may do pursuant to this Sublease or the law;
 - (d) to value the Demised Premises;
 - (e) to inspect the Demised Premises or to affix a notice on the Demised Premises or on the outside of any construction on the Demised Premises within the last six months of the Term of this Sublease or at any time after the termination of that period in relation to a prospective letting of the Demised Premises;

Title Reference 15728041 and 15728042

- (f) to carry out any improvements or repairs to the Demised Premises or adjoining premises considered by the Landlord to be desirable so long as the work is done without undue interference with the occupation and use of the Demised Premises by the Tenant;
- (g) to allow entry by Seqwater or the Landlord where entry is or may be required to allow exercise of a right or fulfilment of an obligation under the Head Lease; or
- (h) to carry out any work on any structure or thing on the Demised Premises because the Tenant is in breach of this Sub-lease and has failed to remedy the breach.

4.2 The Landlord must give the Tenant at least five days' notice of access or entry to the Demised Premises except in an emergency where no notice is needed.

5 Alterations to the Demised Premises

- 5.1 The Tenant must not make or allow to be made any alterations or additions to any construction on the Demised Premises (including without limitation erecting any sign or notice or painting any improvements) unless:
- (a) the Tenant first obtains the consent of Seqwater, and the Landlord, and the approval or consent of any relevant authority; and
 - (b) the alterations or additions comply with the Master Plan and the consents and approvals referred to in clause 5.1(a).
- 5.2 Any construction, alteration or addition must be carried out in a proper and workmanlike manner at the expense of the Tenant and (if so required by the Landlord) subject to the supervision of the Landlord's architect whose fees must be paid by the Tenant.
- 5.3 If any construction, alteration or addition is made by the consent of the Landlord upon the condition that the Demised Premises are to be restored to their former condition at the expiry or on earlier termination of this Sublease then upon the expiry or on earlier termination of this Sublease the Tenant must restore the Demised Premises accordingly.

6 Use of Demised Premises

- 6.1 The Tenant must use the Demised Premises only for the Permitted Use. The Tenant must obtain the prior written consent of the Landlord which the Landlord must not unreasonably withhold before any aircraft not owned by the Tenant is stored in the Demised Premises. It will not be unreasonable for the Landlord to refuse its consent if the storage of the aircraft would cause the Landlord to be in breach of any applicable Law. The Landlord may impose conditions when granting its consent including that the Tenant pays a fee determined by the Landlord as a contribution to the maintenance of the Airfield.
- 6.2 The Tenant acknowledges that the Permitted Use must be carried on in compliance with:
- (a) the Master Plan;
 - (b) the Development Control Plan;
 - (c) the Environmental Management System; and
 - (d) all applicable regulatory approvals licences or permits the Landlord has in place, holds or to which the Landlord is subject from time to time.
- 6.3 The Landlord does not represent or warrant that the Demised Premises are suitable or can be lawfully used for the Permitted Use or for any other purpose of the Tenant.

Title Reference 15728041 and 15728042

- 6.4 The Airfield may only be used for recreational flying. Flying operations for any commercial or profit making undertaking or business are not permitted. The Landlord does not represent or warrant that the runways, taxiways, parking areas and roads on the Airfield are of all-weather standard, or that after periods of wet weather these areas are suitable for aircraft or motor vehicle use. The Tenant shall repair any damage to these areas by the Tenant should the Tenant use these areas after periods of rain.
- 6.5 The Tenant must obtain any necessary consents or licences regarding the Permitted Use, keep them current and comply with any conditions attaching to them.
- 6.6 If an Approval to Operate issued by the Landlord is required in relation to the Demised Premises because of the Permitted Use or the Master Plan, the Tenant must keep such Approval current at all times throughout the Term and comply with all renewal requirements of the Landlord.
- 6.7 The Tenant must duly and punctually comply with and observe all statutes, ordinances, regulations and by-laws and all requirements and orders of any relevant authority or public body relating to the Demised Premises.
- 6.8 The Tenant must comply with all reasonable directions of the Landlord or the insurer of the Demised Premises as to prevention, detection and limitation of fire and fire protection.
- 6.9 The Tenant must comply with the requirements of the local Fire Brigade Board and the laws and regulations for the time being relating to fires.
- 6.10 The Tenant must direct all roof runoff water and water storage overflow by drainpipes to a water tank with a minimum capacity of 5,000 litres (**Shared Water Tank**) located in a position determined by the Landlord adjacent to the Demised Premises. The Tenant consents to the Landlord determining a position for and locating a Shared Water Tank within the area licensed to the Tenant as the Water Tank/Maintenance Area. The water contained in a Shared Water Tank or any Tenant's Water Tank placed in the Water Tank/Maintenance Area must if required be made available for use by the Landlord or at the Landlord's direction other tenants or occupiers of the Airfield.
- 6.11 The Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank maintain such water tank and keep it in good repair and condition. If any Shared Water Tank leaks, the Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank immediately repair it or have it removed and replaced with new tank. If the Tenant in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank does not repair any water leak within a reasonable time (determined solely by the Landlord), the Landlord may have such leak repaired at the cost of the Tenant. Such cost shall be a liquidated debt owing to the Landlord in equal shares by all tenants whose Demised Premises are connected to the Shared Water Tank.
- 6.12 The Tenant must not:
- (a) use the Demised Premises for any commercial or profit making undertaking or business (including, subject to clause 6.1 storage of aircraft not owned by the Tenant);
 - (b) use the Demised Premises for residential purposes or for other than casual (not permanent) occupation;
 - (c) despite clause 6.12(b) use the Demised Premises (or any part of the Demised Premises) as a sleeping place;
 - (d) use the Demised Premises for any noxious, noisome, offensive, dangerous or illegal activity or purpose;
 - (e) do anything in the Demised Premises which is or might become a nuisance, annoyance or disturbance to the Landlord, Seqwater, or to the owner or occupiers of neighbouring premises;
 - (f) hold any auction, bankrupt or fire sale in the Demised Premises;
 - (g) store upon the Demised Premises any fluid, gas (excluding domestic gas cylinders) or substance which is or might be dangerous because of its inflammable, explosive or corrosive nature;

Title Reference 15728041 and 15728042

- (h) do anything that might invalidate any insurance policy in respect of the Airfield or any adjoining site or sites or increase the premium payable for such insurances;
- (i) use any water, drainage, or other pipes or connections for any purpose other than that for which they were constructed or intended;
- (j) cause or permit any advertisement hoarding or sign (including any neon or similar sign) to be painted affixed put up or placed upon the Demised Premises or any part of the Demised Premises or paint any part of the improvements upon the Demised Premises without first obtaining the written approval of Seqwater and the Landlord.

7 Term

- 7.1 This Sublease is for the Term, commencing on the Commencement Date and ending at midnight on the Termination Date.

If the Tenant remains in the Demised Premises with the Landlord's consent after the Termination Date, then the Tenant will occupy the Demised Premises as a monthly tenant on the same terms and conditions as at the Termination Date except that the Landlord or the Tenant may end the tenancy on any day by giving a month's notice to the other party.

8 Club membership

The Tenant must:

- (a) maintain its full financial voting membership status of the Club for the duration of the Term; and
- (b) not be in breach of the Constitution or By-Laws of the Club for a period in excess of one calendar month.

9 Tenant payments

- 9.1 The Tenant must pay to the Landlord:

- (a) the Rent (varied in accordance with the Lease) within 28 days of receiving a Tax Invoice;
- (b) the professional costs and outlays of the Landlord of preparation and execution of this Sublease and each Sequential Lease;
- (c) the reasonable costs to the Landlord of dealing with any application by the Tenant for the Landlord's consent under this Sublease (whether or not consent is given);
- (d) the reasonable costs to the Landlord incurred in connection with a default by the Tenant;
- (e) survey fees associated with the plan attached as Annexure A;
- (f) the reasonable expenses incurred by the Landlord in obtaining the consent of Seqwater to this Sublease, any assignment of this Sublease, or any consent required under the Head Lease because of the Tenant's use of the Demised Premises;
- (g) any amount paid by the Landlord to Seqwater, pursuant to any deed of consent executed by Seqwater and the Landlord giving consent to this Sublease; and
- (h) the reasonable professional costs and outlays of the Landlord incurred in connection with the surrender of this Sublease.

Title Reference 15728041 and 15728042

- 9.2 If requested by the Landlord, the Tenant must establish a direct debit arrangement with a bank so that the amounts payable by the Tenant are paid directly to the Landlord by the Tenant's bank on each due date for payment.
- 9.3 If the Tenant is late in paying the Rent or other money to the Landlord, then the Tenant must pay interest on it at the Default Interest Rate. Interest will accrue and be compounded monthly and be calculated on a daily basis from the day the Rent or other money was due until the day it is paid in full.
- 9.4 The Tenant must pay for all services, if any, supplied to the Demised Premises.

10 Rent

- 10.1 The Rent for the first year of the Term must be paid on or before the Commencement Date.
- 10.2 The Tenant must pay the Rent (varied in accordance with this Sublease) in advance, and on or before the first day of each year of this Sublease.
- 10.3 If this Sublease is terminated by either party for any reason (whether under clause 26, or otherwise), the Landlord must within 30 days of receiving a written demand, reimburse the Tenant for Rent, the Tenant's Proportion of the Operating Expenses for the relevant Accounting Period and any other amounts payable under this Sublease.

11 Rent reviews

Rent shall be increased on the same date as any increase in the rent payable by the Landlord under the Head Lease. The Rent shall be increased to:

$$R = A + \frac{B}{C}$$

where:

R = the increased Rent;

A = the current Rent;

B = the amount of the increased rent payable under the Head Lease at the relevant review; and

C = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a lease granted by the Landlord.

12 Outgoings

- 12.1 The Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses for each Accounting Period billed to the Tenant in accordance with this clause 12.
- For the purpose of calculating the Tenant's Proportion the Operating Expenses are deemed to accrue equally day to day.
- 12.2 Any change in the Tenant's Proportion will not take effect until the first day of the month following the later of:
- (a) the date the Landlord gives written notice to the Tenant of the change; and
 - (b) the increase or decrease in the total number of aircraft hangars located on the Airfield which causes the change.

Title Reference 15728041 and 15728042

12.3 The Tenant's Proportion of Operating Expenses must not be greater as a result of:

- (a) any other occupant of an aircraft hangar on the Airfield not contributing to an item of Operating Expenses;
or
- (b) any aircraft hangar on the Airfield capable of being leased or licensed being vacant.

13 Landlord's estimates of Operating Expenses

13.1 At least one month prior to the commencement of each Accounting Period and upon request from the Tenant, the Landlord will, but only at the direction of the club management committee, prepare and provide to the Tenant an estimate of Operating Expenses for that Accounting Period.

13.2 The estimates should detail:

- (a) each item of Operating Expense;
- (b) how the estimates have been calculated; and
- (c) the Tenant's Proportion of the estimated Operating Expenses and the figures from which the Tenant's Proportion has been calculated.

14 Payment of Operating Expenses on account

14.1 At the same time as providing the estimates of Operating Expenses for the next Accounting Period, the Landlord may by written notice to the Tenant require the Tenant to pay the Tenant's Proportion of the estimated Operating Expenses.

14.2 On receipt of the request, the Tenant must pay the Landlord the Tenant's Proportion of the estimated Operating Expenses for the next Accounting Period by one annual payment on the first day of each Accounting Period throughout the Term. The first instalment for the first quarter need not be paid by the Tenant until the date 45 days after the date of this Sublease.

14.3 If the Tenant disputes whether the Tenant's Proportion of estimated Operating Expenses required by the Landlord to be paid:

- (a) has been calculated correctly; or
- (b) includes amounts that are not Operating Expenses,

and the dispute is not resolved between the Landlord and the Tenant within one month then:

- (c) the dispute will be dealt with under clause 29; and
- (d) until the dispute is resolved, the Tenant will not be required to pay the amount in dispute.

15 Landlord's Statement of Expenditure

15.1 Within three months after the end of each Accounting Period, and upon timely request from the Tenant in the first instance being received, the Landlord will prepare and provide to the Tenant a statement of expenditure (**Statement of Expenditure**) which specifies the Operating Expenses actually incurred in that Accounting Period.

15.2 The Statement of Expenditure should detail and is not limited to:

- (a) each item of Operating Expense;

Title Reference 15728041 and 15728042

- (b) how the Operating Expenses have been calculated; and
- (c) the Tenant's Proportion of Operating Expenses and the figures from which the Tenant's Proportion have been calculated.

15.3 The Landlord must:

- (a) keep accurate records of the Operating Expenses for each Accounting Period including copies of all relevant assessments, invoices or statements; and
- (b) allow the Tenant to inspect the records.

16 Adjustment of Operating Expenses at end of Accounting Period

- 16.1 Within three months of receipt by the Tenant of a Statement of Expenditure correctly specifying the total Operating Expenses the Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses less the total of any amount paid for that Accounting Period under clause 12.
- 16.2 If the amount paid for that Accounting Period under clause 12 is greater than the Tenant's Proportion of the Operating Expenses then the Landlord must repay the difference to the Tenant within three months of receipt by the Tenant of the Statement of Expenditure.
- 16.3 If the Tenant disputes whether the Tenant's Proportion of Operating Expenses set out in the Statement of Expenditure:
- (a) has been calculated correctly; or
 - (b) includes amounts that are not Operating Expenses,
- then until the dispute is resolved the Tenant may withhold the amount in dispute and if:
- (c) the Tenant still disputes the Tenant's Proportion of the Operating Expenses three months after receipt by the Tenant of the Statement of Expenditure,
- then the dispute will be dealt with under clause 29.
- 16.4 The Tenant's liability to pay the Tenant's Proportion of the Operating Expenses is not affected by the termination of this Sublease.

17 GST

- 17.1 In this clause words or terms have the meanings as they do in *A New Tax System (Goods and Services Tax) Act 1999*.
- 17.2 Unless otherwise set out, the parties confirm that any amount payable under this Sublease has been calculated without regard to GST.
- 17.3 If there is a Taxable Supply then the party paying for the Taxable Supply will also pay the GST.
- 17.4 Any reference to a cost or charge under this Sublease excludes GST where the party liable to pay it can claim an Input Tax Credit
- 17.5 Each party must do everything reasonably necessary to assist the other to claim an Input Tax Credit.
- 17.6 If a party wishes to make a claim on the other for GST, that claim must be made within six months of the date of the relevant notice.

Title Reference 15728041 and 15728042

- 17.7 Within 21 days of receiving a payment which includes GST, the party who receives the payment must give a Tax invoice to the party making the payment (unless one has already been provided).

18 Maintenance and repairs

- 18.1 The Tenant must maintain any construction built by or at the request of the Tenant comprising the Demised Premises pursuant to clause 5.1 in its condition at the time the construction was built and must carry out any repairs that are necessary to maintain the construction in that condition.
- 18.2 If the Tenant fails to do any work required of the Tenant under clause 18.1 and the Landlord gives the Tenant notice stating what the Tenant has failed to do so, then the Tenant must do such work immediately where there is an emergency and otherwise must do such work promptly and diligently.
- 18.3 If the Tenant fails to do any work following notice from the Landlord under clause 18.2, the Landlord may do the work and the Tenant must reimburse the Landlord for the cost of the work. The Landlord may recover the cost of the work from the Tenant as a liquidated debt.
- 18.4 The Tenant must keep the Demised Premises and the surroundings of the Demised Premises in a thorough state of cleanliness and must not allow any accumulation of rubbish on the Demised Premises whether outside or inside the Demised Premises.
- 18.5 The Tenant must comply with all environmental legislation and must ensure that neither the Demised Premises nor the Airfield or any other land is contaminated, polluted or degraded as a result of anything done or omitted to be done by the Tenant.
- 18.6 If there is any contamination, pollution or degradation of the Demised Premises, the Airfield or any other land as a result of anything done or omitted to be done by the Tenant then the Tenant must carry out all necessary remedial work to the satisfaction of the Landlord, Seqwater and all regulatory authorities.

19 Insurances

- 19.1 The Tenant must have and keep current:
- (a) a public liability insurance policy for an amount not less than \$10 million (or such higher amount as the Landlord may determine from time to time) for each event; and
 - (b) any other insurance policies reasonably required by the Landlord from time to time.
- 19.2 All insurance policies referred to in clause 19.1 shall note the interest of the Landlord and Seqwater.
- 19.3 Upon request by the Landlord the Tenant must give to the Landlord copies of any insurance policy required under clause 19.1 and of the receipt for the last premium.
- 19.4 If the Tenant does anything that might increase the premium payable by the Landlord for any insurance policy in respect of the Demised Premises, then the Tenant must pay to the Landlord the amount of the increased premium.

20 Indemnities by the Tenant

- 20.1 The Tenant will occupy and use the Demised Premises at the risk of the Tenant and releases to the fullest extent permitted by law the Landlord and its contractors and Agents from all claims and demands and from all liability which might arise in respect of any damage to property or death of or injury to any person in or near the Demised Premises (except where caused by the negligence of the Landlord, its contractors or Agents) and the Landlord will have no responsibility or liability for any loss of or damage to any property of the Tenant (except where caused by the negligence of the Landlord, its contractors or Agents).

Title Reference 15728041 and 15728042

- 20.2 To the extent that monies paid to the Landlord out of any insurance effected by the Tenant do not fully indemnify the Landlord, the Tenant will indemnify the Landlord, its contractors and Agents against all actions, claims, losses, damages, costs and expenses incurred by the Landlord or for which the Landlord or its contractors or Agents might become liable in respect of any damage to property or death of or injury to any person (except where caused by the negligence of the Landlord or its contractors or Agents) which may be suffered or sustained in, upon or near the Demised Premises.
- 20.3 The Landlord will not be liable for any loss or damage which the Tenant might suffer by reason of any damage to the Demised Premises or to anything of any nature whatsoever in or about the Demised Premises caused by or arising from the entry, flow or leakage of water or from any defect in the water, gas or electricity connections or any fittings or appliances used in connection with them or from any other defect in the Demised Premises.
- 20.4 Without limiting the generality of clauses 20.1, 20.2 and 20.3, the Tenant will indemnify the Landlord against all actions, claims, losses, damages, costs and expenses for which the Landlord might become liable in respect of or arising from:
- (a) the negligent or careless use by the Tenant or any contractor or Agent of the Tenant of the water, gas, electricity or other services and facilities of the Demised Premises or arising from any faulty fitting, fixture or other plant or equipment of the Tenant;
 - (b) overflow or leakage of water in or from the Demised Premises but having origin within the Demised Premises or caused or contributed to by any act or omission on the part of the Tenant or other persons referred to in clause 20.4(a);
 - (c) loss, damage or injury to property or person caused or contributed to by the use of the Demised Premises by the Tenant or other persons referred to in clause 20.4(a);
 - (d) loss, damage or injury to the Demised Premises or to any property or person within or without the Demised Premises occasioned or contributed to by any act or omission of the Tenant or other persons referred to in clause 20.4(a); and
 - (e) inundation of the Demised Premises or part thereof or any improvements by water (whether or not from Somerset Dam or its catchment areas).

21 Damage to building on Demised Premises

- 21.1 In the event that the Demised Premises is wholly or substantially damaged or destroyed so as not to be reasonably usable or repairable for the Permitted Use the Tenant shall within a period of 90 days at the Tenant's expense clear the Demised Premises of all damaged materials to the satisfaction of the Landlord.
- 21.2 If the Tenant does not clear the Demised Premises in accordance with clause 21.1, the Landlord shall have the right to clear the Demised Premises and recover the cost of such clearing from the Tenant as a liquidated debt.
- 21.3 The Landlord has the right to terminate this Sublease in the event the Landlord exercises its rights under clause 21.2.

22 Resumption

- 22.1 If the Demised Premises or the Airfield is resumed by any competent authority the Landlord will be entitled by giving not less than one month's notice to the Tenant to terminate this Sublease.
- 22.2 The Tenant will not be entitled to claim any compensation from the Landlord in respect of such resumption or termination but the termination will be without prejudice to the rights of either party with regard to any antecedent breach of this Sublease.

Title Reference 15728041 and 15728042

23 Transfer and SubLease

- 23.1 The Tenant must not assign transfer dispose of mortgage or charge the Demised Premises or any part of the Demised Premises or the Tenant's interest in this Sublease without the prior written consent of the Landlord. The Landlord must not unreasonably delay or refuse to grant such consent. It will be reasonable for the Landlord to refuse to grant its consent to a proposed assignee or transferee who is not a full financial voting member of the Club.
- 23.2 The Tenant must not sublet or part with use or possession of the whole or any part of the Demised Premises. Allowing others to store aircraft in the Demised Premises is not sub-letting or parting with possession.
- 23.3 A request for the Landlord's consent pursuant to clause 23.1 must be made in writing and the Tenant must provide the Landlord with such information as the Landlord may reasonably require concerning the financial standing of the proposed transferee.
- 23.4 The Tenant must procure from the proposed transferee:
- (a) the consent of and execution of any document required by Seqwater and/or the Landlord at the expense of the Tenant; and
 - (b) the execution of a deed of covenant to be prepared by the Landlord's solicitors at the expense of the Tenant, which deed of covenant will set out that the transferee must comply with all of the Tenant's obligations under this Sublease. If the proposed transferee is a corporation (other than a corporation whose shares are listed on any stock exchange in Australia) then the Tenant must procure the execution by the directors and principal shareholders of the transferee of a guarantee of the obligations of the proposed transferee such guarantee to be prepared by the Landlord's solicitors at the expense of the Tenant.
- 23.5 The Landlord in granting its consent pursuant to clause 23.1 shall require the Tenant to pay the following amounts:
- (a) a reasonable sum to the Landlord in connection with considering and granting the consent, such sum to be fixed by the Landlord from time to time; and
 - (b) a reasonable sum in respect of any legal expenses incurred by the Landlord in connection with considering and granting the consent including the deed of covenant referred to in clause 23.4(b).

24 Use of facilities

- 24.1 The Landlord shall permit the Tenant and all persons lawfully authorised by the Tenant in common with others having like rights to use the facilities from time to time provided by the Landlord for the tenants of the Airfield and their Agents.
- 24.2 The Landlord may set rules from time to time in relation to the use of facilities on or relating to the Airfield or any part of the Airfield. In the event any such rules are set the Tenant will comply and ensure its Agents comply with such rules at all times during the Term.

25 Giving up possession to the Landlord

- 25.1 On the expiration of the Term or upon termination of this Sublease for any other reason the Tenant must:
- (a) remove the construction (including foundations) comprising the Demised Premises and make good any damage caused in doing so; and

Title Reference 15728041 and 15728042

- (b) remove from the Demised Premises the Tenant's fixtures, fittings, plant, machinery and other goods in the nature of tenant's fixtures brought upon the Demised Premises by the Tenant, and make good any damage caused in doing so; and
- (c) remediate any Contamination or Environmental Harm (as defined by relevant Queensland law) caused to the Demised Premises by the Tenant,

unless the Landlord otherwise agrees in writing.

- 25.2 If this Sublease is terminated because of the Tenant's breach of this Sublease or if the Tenant is in default under this Sublease, the right to remove given to the Tenant under clauses 25.1(a) and 25.1(b) is subject to the written consent of the Landlord.
- 25.3 Any construction, fixtures or other goods of the Tenant which are not removed by the Tenant on the termination of this Sublease (whether voluntarily or because of the operation of clause 25.2) become the property of the Landlord who may either keep them or dispose of them.
- 4 The Landlord may charge to the Tenant and recover from the Tenant as a liquidated debt all costs of removal and disposal of any construction, fixtures and other goods of the Tenant and all costs of making good any damage caused by such removal.
- 25.5 The Landlord shall not be required to pay any compensation of any nature to the Tenant in respect of any improvements upon the Demised Premises or the construction comprising the Demised Premises which may be carried out by the Tenant during the Term.

26 Default

- 26.1 The Landlord may terminate this Sublease by re-entering and taking possession of the Demised Premises or by demanding possession of the Demised Premises if:
- (a) the Rent or other money payable under the Lease is 28 days overdue for payment; or
 - (b) the Tenant fails to meet an obligation of the Tenant under this Sublease; or
 - (c) the Tenant repudiates this Sublease; or
 - (d) if the Tenant becomes a bankrupt or executes a Deed of Arrangement or a Deed of Assignment for the benefit of the Tenant's creditors,
- and the Tenant fails to comply with a notice from the Landlord given under Section 124(1) *Property Law Act 1974*.
- 26.2 The Landlord may (but is not obliged to) remedy at any time without notice any default by the Tenant under this Sublease and whenever the Landlord so elects all reasonable costs incurred by the Landlord (including legal costs) in remedying a default will be a liquidated debt and must be paid by the Tenant to the Landlord on demand.
- 26.3 No consent or waiver expressed or implied by the Landlord to or of any breach of any obligation of the Tenant is to be taken as a consent or waiver to or of any other breach of the same or any other obligation. No waiver of any breach by the Tenant is to be implied from the Landlord's failure to exercise the Landlord's rights in respect of such breach.

27 Essential terms

- 27.1 Essential terms of this Sublease include the obligations of the Tenant:
- (a) to pay Rent when due;

Title Reference 15728041 and 15728042

- (b) regarding maintenance and repairs;
 - (c) regarding the Tenant's use of the Demised Premises;
 - (d) regarding any roof runoff water and water tanks;
 - (e) regarding insurances;
 - (f) in relation to membership of the Club, including being a full financial voting member of the Club;
 - (g) to comply with the Constitution and By-Laws of the Club; and
 - (h) regarding sub-letting and parting with possession.
- 27.2 The acceptance by the Landlord of any late payment of Rent will not be taken to be a waiver of the essentiality of the Tenants obligation to pay Rent when due.
- 27.3 If there is a breach by the Tenant of an essential term of this Sublease the Landlord may recover damages from the Tenant for losses over the entire period of this Sublease but the Landlord must, except in the case of abandonment of the Demised Premises by the Tenant, take all reasonable steps to mitigate the losses including endeavouring to lease the Demised Premises to a new Tenant.
- 27.4 The Landlord's right to recover damages from the Tenant will not be affected if:
- (a) the Tenant abandons possession of the Demised Premises;
 - (b) there is a surrender of this Sublease;
 - (c) the Landlord accepts the repudiation of the Lease by the Tenant; or
 - (d) the Landlord terminates this Sublease by re-entering the Demised Premises or any part of the Demised Premises or by demanding possession of the Demised Premises.

28 Power of attorney

- 28.1 In consideration of the Landlord agreeing to grant this Sublease, the Tenant appoints the Landlord and its officers severally as the Tenant's attorney to act at any time if the Tenant is in breach of the Tenant's covenants under this Sublease and the Landlord's right of termination of this Sublease or right of re-entry has been exercised or is exercisable to:
- (a) execute and sign a transfer or surrender of this Sublease; and
 - (b) procure the transfer or surrender of this Sublease to be registered if this Sublease has been registered; and
 - (c) using the name of the Tenant for those purposes, and generally, do execute and perform any act, deed, matter or thing in respect of the Demised Premises as fully and effectually as the Tenant could do, execute or perform it.
- 28.2 A statutory declaration of the Landlord that the rights of the Tenant under clause 28.1 are exercisable will be deemed to be conclusive evidence of its contents in favour of any person who is not a party to this Sublease.
- 28.3 The Tenant must ratify and confirm anything lawfully done or caused to be done in and about the Demised Premises by the Tenant's attorney.

Title Reference 15728041 and 15728042

29 Dispute resolution

- 29.1 If a dispute arises between the Landlord and the Tenant under a provision of this Sublease and that provision states that the provision is to be dealt with under this clause 29, the dispute must be referred for written determination to a person (**Expert**) appointed under this clause 29. The Expert acts as an expert and not as an arbitrator and the Expert's determination is conclusive and binds both parties. The Expert must practice in the State of Queensland.
- 29.2 The Expert must have at least 10 years' current and continuous standing in the Expert's profession at the date of appointment and must be:
- (a) for a matter of law, a practising barrister or solicitor appointed by the president of the appropriate governing body of barristers or solicitors in the State of Queensland;
 - (b) for a financial or accountancy matter, a practising chartered accountant appointed by the President of the Division of the Institute of Chartered Accountants in Australia for the State of Queensland;
 - (c) for a matter connected with the construction of any part of the buildings on the Airfield, a practising architect appointed by the President of the Chapter of the Royal Australian Institute of Architects for the State of Queensland;
 - (d) for a matter connected with land or rental value, a qualified valuer appointed by the President of the Australian Property Institute (Queensland Division); and
 - (e) for any other matter, a qualified person appointed by the senior officer of an appropriate association, institute, society or board,
- or, if appropriate and the parties agree, the dispute may be referred to a panel of experts representing more than one of the appropriate skills.
- 29.3 If the parties cannot agree on an Expert within one month after a dispute arises, a party must sign an authority for the appointment of an Expert if the other party requests it to do so.
- 29.4 If a party does not sign the authority within 10 days after the other party requests it to do so, the other party may authorise the appointment of the Expert. Production of a copy of this clause and the request are conclusive of that authority.
- 29.5 Each party must pay one half of the Expert's fees and expenses, irrespective of the result of the determination.

30 Notices

- 30.1 Notices under this Sublease must be in writing and may be given by a party's solicitor.
- 30.2 Notices are effectively given if delivered or posted to the other party or sent to the facsimile number of the other party.
- 30.3 Posted notices will be treated as given two Business Days after posting.
- 30.4 Notices sent by facsimile will be treated as given when the sender obtains a clear transmission report.
- 30.5 Notices given after 5.00pm will be treated as given on the next Business Day.
- 30.6 Notices given by a party's solicitor will be treated as given with the party's authority.

Title Reference 15728041 and 15728042

31 Transfer of Sub Lease

The Landlord covenants and agrees that in the event that whilst this Sublease is not registered in the Department of Environment and Resource Management, pursuant to the *Land Title Act 1994* upon the Landlord assigning transferring or disposing of its interest in the Head Lease of which the Demised Premises forms part the Landlord must procure to be executed by the assignee transferee or disponent covenants (Purchaser's Covenant) in favour of the Tenant that the assignee transferee or disponent is bound by the provisions and the covenants contained in this Sublease to the same extent as if such assignee transferee or disponent were named as the Landlord in this Sublease and that such assignee or disponent will not assign, transfer or dispose of its interest in the Head Lease unless the Landlord procures a legally binding covenant from the assignee, transferee or disponent, in terms identical with the Purchaser's Covenant in favour of the Tenant.

32 Licensed Areas

Grant of licence

- 32.1 During the Term, and any extension of the Term, the Landlord grants to the Tenant and others authorised by the Tenant the non-exclusive right:
- (a) to use that part of the Licensed Areas comprising the Apron Area for the purpose of aircraft and pedestrian access to and from the Demised Premises and temporarily standing and loading and unloading aircraft;
 - (b) to use those parts of the Licensed Areas identified as Water Tank/Maintenance Area for the purpose of erecting and maintaining a water tank to collect water run off solely from the roof of the Demised Premises (**Tenant's Water Tank**). The Tenant must obtain the Landlord's prior written consent to erect any water tank or other improvement in the Water Tank/Maintenance Area. The Landlord may refuse its consent to the erection of any Tenant's Water Tank where it would interfere with or be in the same location required by the Landlord for a Shared Water Tank.
- 32.2 The Tenant must not use or occupy any Licensed Area so as to become a nuisance or annoyance to the Landlord or other tenants or users of the Airfield and must at all times comply with the reasonable directions of the Landlord and the Constitution and By-Laws of the Club in relation to the use and occupation of the Licensed Areas.
- 32.3 The Landlord may not determine the licence for the Licensed Areas granted by this clause whilst this Sublease remains in force.
- 32.4 The Tenant must:
- (a) keep and maintain those parts of the Licensed Areas referred to in clauses 32.1(a) and 32.1(b) in a clean and tidy condition and must cause all grassed areas within the Licensed Areas to be regularly mowed and maintained in a clean and tidy condition.;
 - (b) indemnify the Landlord in respect of all claims for loss or damage arising out of the use of those parts of the Licensed Areas by the Tenant or by any of the persons authorised by this clause; and
 - (c) occupy and use those parts of the Licensed Areas, as if they were part of the Demised Premises (but those parts of the Licensed Areas are not to be taken to be part of the Demised Premises).
- 32.5 All of the provisions of this Sublease relating to the Demised Premises apply to those parts of the Licensed Areas referred to in clause 32.1 as if those parts were part of the Demised Premises (but those parts are not to be taken to be part of the Demised Premises).

Title Reference 15728041 and 15728042

33 Guarantee and indemnity

- 33.1 This clause 33 applies if Guarantors are named at Item 9 of the Reference Schedule.
- 33.2 The Guarantor guarantees to the Landlord the payment by the Tenant of the Rent and all other monies payable by the Tenant under this Sublease and the performance by the Tenant of all other obligations of the Tenant under this Sublease.
- 33.3 If the Tenant fails to pay any Rent or other money due under this Sublease the Guarantor must pay such Rent or other money to the Landlord on demand.
- 33.4 The Guarantor will indemnify the Landlord against all loss and damage suffered by the Landlord in any of the following events:
- (a) if the Tenant fails to perform any obligation of the Tenant under this Sublease; or
 - (b) if this Sublease is disclaimed following the insolvency of the Tenant.
- 33.5 The obligations of the Guarantor to the Landlord will not be affected notwithstanding that:
- (a) the Landlord allows time or other indulgence to the Tenant or does not seek to recover any monies from the Tenant;
 - (b) this Sublease is not registered;
 - (c) this Sublease is assigned or transferred;
 - (d) any security taken by the Landlord in respect of the obligations of the Tenant under this Sublease is void or defective; or
 - (e) the Lease is varied or amended.
- 33.6 The Landlord may recover damages from the Guarantor for losses over the entire period of this Sublease but must take all reasonable steps to mitigate the losses including endeavouring to lease (with the consent of Seqwater) the Demised Premises to a new Tenant.
- 33.7 The guarantee and indemnity by the Guarantor to the Landlord applies not only to the obligations of the Tenant under this Sublease but also to the obligations of the Tenant under any renewal or extension of this Sublease or under any tenancy of the Tenant in respect of the Demised Premises. The Guarantor will sign or execute a guarantee and indemnity in similar terms to this clause 33 in respect of any such further sublease or tenancy if requested to do so by the Landlord.
- 33.8 If the Guarantor consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- 33.9 The obligations of the Guarantor to the Landlord will endure for the benefit of the successors and assigns of the Landlord.

34 Miscellaneous

- 34.1 The Landlord may appoint one or more persons to act as caretaker of the Airfield. The Landlord must notify the Tenant from time to time of the appointment or termination of the appointment of any caretaker. The Tenant must comply with any direction or requirement of the caretaker which is neither contrary to any right, entitlement or privilege granted to the Tenant under this Sublease nor the Constitution or By-Laws of the Club.

Title Reference 15728041 and 15728042

35 Sequential Leases

Application

35.1 This clause 35 applies:

- (a) despite any other provision of this Sublease; and
- (b) where one or more Sequential Leases are entered into in respect of the Demised Premises.

Sequential Lease

35.2 Where a Sequential Lease commences on the day after the Termination Date, any provisions of this Sublease in relation to:

- (a) the Tenant's right to hold over after the expiration of the Sublease;
- (b) the Tenant's obligation to remove any items from the Demised Premises;
- (c) the Tenant's obligation to make good the Demised Premises,

which would normally apply on the expiration of this Sublease, do not apply until the expiration of the final Sequential Lease.

35.3 If this Sublease is transferred, then (despite any other provision of any Sequential Lease) the Sequential Leases which are expressed to commence after the date of the transfer are deemed to be assigned to the same transferee and with effect on and from the same date.

35.4 If a Sequential Lease, which commenced prior to the Commencement Date is or has been transferred, then this Sublease is deemed to be transferred to the same transferee with effect on and from the same date.

35.5 If a Sequential Lease, which commenced prior to the Commencement Date terminates other than by expiration, then this Sublease is terminated with effect from the same date.

35.6 If the Tenant gives written notice to the Landlord no later than six months prior to the Commencement Date that the Tenant no longer requires to occupy the Demised Premises, then this Sublease terminates with effect on and from the date of service of the notice.

Title Reference 15728041 and 15728042

Reference Schedule

Item 1 Landlord	South East Queensland Sports Aircraft Club Incorporated
Item 2 Tenant	John Terrence Adams
Item 3 Term (clause 7.1)	3 years
Item 4 Commencement Date (clause 7.1)	1 January 2034
Item 5 Termination Date (clause 7.1)	31 December 2036
Item 6 Type of Construction (clause 5.1)	Aircraft Hangar building
Item 7 Permitted Use (clause 6.1)	Aircraft storage and ancillary storage
Item 8 Rent (clause 10.2)	<i>The rent at the commencement of the Sub-Lease shall be calculated as follows:</i> $R = \frac{A \times B}{C}$ <i>where:</i> <i>R = The Annual Rent at the commencement of this Sub-Lease</i> <i>A = The Annual Rent payable for the last year of the immediately preceding Sub-Lease</i> <i>B = Index Number for the December quarter for 2033</i> <i>C = Index Number for the December quarter for 2030</i> <i>“Index Number” means the Consumer Price Index (All Groups) for the city of Brisbane as published by the Australian Bureau of Statistics. If that index is discontinued, the expression will mean an index or method of measuring increases in the cost of living agreed in writing by the Parties. If there is no agreement within a period of 14 days, it will be an index or method determined at the request of either Party by the President or Acting President of the Valuers’ Institute or their nominee.</i>
Item 9 Guarantor/s (clause 33)	N/A

Title Reference 15728041 and 15728042

Annexure A

Plan of Demised Premises and Licensed Areas

DIAGRAM

Scale @ A3 1:500

ALL MEASUREMENTS ARE APPROXIMATE

LEGEND

Lease Area



Apron Area

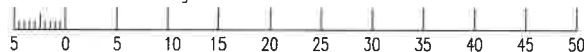
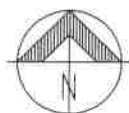
Water Tank/
Maintenance Area

— Outside face of Building

— Centreline of Wall

LEASE A3165m²362
CG4017**BUILDING A**Lease
No. 602170874

Lengths are in Metres

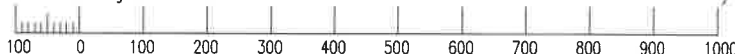
Sub-Lease A3 does affect Lease 602170874 and does not
affect Lease 602170873 or Emts. A-C on RP 854245.
Dated 30/10/2017362
CG4017**LEASE A3**
VIDE DIAG.303
CG3813

#8248

Lease
No. 602170874361
CG4017**LEASE CONNECTION**

LINE	BEARING	DISTANCE
A-B	Abt 57°15'	Abt 68.6

Lengths are in Metres



Meridian: CG4017

Map Ref: 9444-33234

NOTE
Lease dimensions & areas taken to
outside face of building and
centreline of internal walls.R. KEATING
QBCC Lic. No. 06545820 Bushlark Court
Upper Caboolture 4510
Ph: (07) 5497 0334

BOB KEATING DESIGN & DRAFTING

PLAN FOR LEASE PURPOSESBeing part of Lease No. 602170874 in
Lots 361 & 362 on CG4017
(TR15728041 and 15728042)Parish: KILCOY
Locality: WINYACounty: CANNING
Local Gov.: SOMERSET R.C.

CLIENT

South East Qld Sports Aircraft Club

SCALE (A3)

1:8000

PLAN NO.

Lease-A3



OFFICE USE ONLY

Privacy Statement

Collection of information from this form is authorised by legislation and is used to maintain publicly searchable records. For more information see the Department's website.

1. Sublessor	Lodger (Name, address, E-mail & phone number)	Lodger Code
South East Queensland Sports Aircraft Club Incorporated		

2. Lot on Plan Description	Title Reference
Lot 361 on CP CG4017	15728041
Lot 362 on CP CG4017	15728042

3. Sublessee Given names	Surname/Company name and number	(include tenancy if more than one)
John Terrence	Adams	

4. Interest being subleased
Lease 602170874 (K935953B)

5. Description of premises being subleased
That part of the building erected on the land, indicated as area "A3" on the plan in Annexure A

6. Term of lease	7. Rental/Consideration
Commencement date/event: 1 January 2037	See attached schedule
Expiry date: 31 December 2039	
Options: Nil	

8. Grant/Execution
The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule

Witnessing officer must be aware of his/her obligations under section 162 of the Land Title Act 1994

..... signature
..... full name See Enlarged Panel
..... qualification / /

Witnessing Officer	Execution Date	Sublessor's Signature
(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)		

9. Acceptance

The Lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

..... signature
..... full name See Enlarged Panel
..... qualification / /

Witnessing Officer	Execution Date	Sublessee's Signature
(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)		

Title Reference 15728041 and 15728042

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule



Given under the common seal of the South East Queensland Sports Aircraft Club Incorporated in accordance with its Rules of Club in the presence of

a member of the Management Committee and the

Secretary/member of the Management Committee who certify that they are the proper officers to affix such seal:

.....signature

.....full name

.....qualification 2/12/2018

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

Sublessor's Signature

9. Acceptance

The Sublessee accepts the sublease and acknowledges the amount payable or other considerations for the sublease.

.....signature

MARK RODERICK FOY
SOLICITOR, QLD full name

.....qualification

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

2/12/18
Execution Date

Sublessee's Signature

Title Reference 15728041 and 15728042

1 Definitions and interpretations

Definitions

1.1 In this document:

Term	Definition
Accounting Period	means each of the following periods: the period from the Commencement Date to the immediately following 30 June; each full period of 12 months from 1 July to 30 June during the Term; and the period from 1 July immediately preceding the Termination Date.
Agents	means agents, servants, employees, licensees and invitees.
Airfield	means the land known as Kilcoy Airfield situated at Kennedy's Road, Kilcoy and more particularly described as Lease A (No. 602170874 (K935953B)) in Lots 361 and 362 on Plan CP CG4017, Title Reference 15728041 and 15728042, such land being nominally divided into precincts for specific uses as specified in the Master Plan.
Approval to Operate	means a written approval issued by the Landlord for the carrying out of specified activities (nominated in that written approval) on specific areas of the Airfield as designated on the Master Plan.
Apron Area	means the area shown on the plan in Annexure A.
Business Day	means a day on which trading banks are open for business in Brisbane, Queensland.
Club	means the Landlord and its successors.
Commencement Date	means the commencement date of this Sublease stated at Item 4 of the Reference Schedule.
Cover Page	means page 1 of this Sublease.
Default Interest Rate	means that rate which is 2% above the rate charged by National Australia Bank on overdraft amounts in excess of Fifty Thousand Dollars (\$50,000).
Demised Premises	means the premises described at Item 5 on the Cover Page of this Sublease.
Development Control Plan	means the development control plan for the Airfield dated February 2008.
Environmental Management System	means the document titled the environmental management system and which is applicable to the Airfield dated February 2005.
Guarantor	means the guarantors named in Item 9 of the Reference Schedule (if any).
Head Lease	means lease number 602170874 (K935953B) dated 16 January 1992 between Seqwater and South East Queensland Sports Aircraft Club Incorporated in relation to the Airfield.
Item	means an item in the Reference Schedule of this Sublease unless it is specified to be an item on the Cover Page of this Sublease.
Landlord	means South East Queensland Sports Aircraft Club Incorporated, being the sublessor identified in Item 1 of the Cover Page of this Sublease and the tenant named in the Head Lease.
Licensed Areas	means those parts marked and shown as 'Apron Area' and 'Water

Title Reference 15728041 and 15728042

Term	Definition
	Tank/Maintenance Area' on the plan in Annexure A.
Master Plan	means the plan designating the uses authorised by Seqwater and Somerset Regional Council, for specified precincts of the Airfield dated June 2007 and other plan in force from time to time together with conditions of approval of the Somerset Regional Council or other relevant authority (where the context requires) in force from time to time.
Operating Expenses	means all net amounts paid or payable by the Landlord in any one Accounting Period (after taking into account the benefit of any discount, rebate, allowance or concession): (a) for municipal rates and charges of a periodic nature assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period; (b) for other fees, levies, taxes or charges assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period by any statutory or other authority.
Permitted Use	means the permitted use stated at Item 7 of the Reference Schedule.
Reference Schedule	means the reference schedule attached to this Sublease.
Rent	means the rent stated at Item 8 of the Reference Schedule.
Sequential Lease	means a sublease to the Sublessee of the Demised Premises (other than this Sublease) which is entered into at the same time as this Sublease but which is for a period either before or after the Term.
Seqwater	means the Queensland Bulk Water Supply Authority trading as Seqwater, being the registered proprietor of the Airfield and the landlord under the Head Lease.
Shared Water Tank	has the meaning given in clause 6.10.
Sublease	means this schedule, the Cover Page and the Reference Schedule attached to this Sublease.
Tenant	means the sublessee identified in Item 3 on the Cover Page of this Sublease.
Tenant's Proportion	is calculated in accordance with the formula: $TP = \frac{1}{TH}$ where: TP = the Tenant's Proportion TH = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a sublease granted by the Landlord.
Tenant's Water Tank	has the meaning given in clause 32.
Term	means the term of this Sublease stated at Item 3 of the Reference Schedule.
Termination Date	means the termination date stated at Item 5 of the Reference Schedule.

Interpretation

1.2 In this Sublease, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa;

Title Reference 15728041 and 15728042

- (b) 'person' includes a firm, a company, a body corporate, an unincorporated Club or an authority in so far as it relates to the Lessor, its agents or others associated with the Sublease with the exception of the Lessee who will at all times remain a natural person.
- (c) an agreement, representation or warranty:
 - (i) in favour of two or more persons is for the benefit of them jointly and severally; and
 - (ii) on the part of two or more persons binds or is given by them jointly and severally;
- (d) a reference to:
 - (i) a person includes a person's legal personal representatives, successors, substitutes (including persons taking by novation) and assigns;
 - (ii) a document includes any variation or replacement of it;
 - (iii) a law includes regulations and other instruments under it and amendments or replacements of any of them;
 - (iv) a thing includes the whole and each part of it;
 - (v) a group of persons includes all of them collectively, any two or more of them collectively and each of them individually; and
 - (vi) the president of a body or authority includes any person acting in that capacity;
- (e) 'including' when introducing a list of items does not limit the meaning of the words to which the list relates to those items or to items of a similar kind;
- (f) a reference to time is the time at Brisbane;
- (g) a reference to a clause is a reference to a clause of this Sublease; and
- (h) where any word or phrase is given a defined meaning any grammatical form or other part of speech in respect of such word or phrase shall have a corresponding meaning.
- (i) Headings have been inserted for convenience and do not affect the interpretation of this Sublease.
- (j) A gender includes all genders, the singular includes the plural and conversely, and persons include corporations and conversely.
- (k) If a party to the lease consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- (l) No covenant is implied in the lease by Section 107(4) *Property Law Act 1974*.
- (m) This Sublease comprises the whole of the agreement between the Landlord and the Tenant and no further or other terms or agreements shall be deemed to be implied or to arise by way of collateral or other agreement by reason of any promise, representation, warranty or undertaking by or on behalf of the Landlord or the Tenant on or prior to the execution of the Sublease.
- (n) Any notice, notification or consent under the Sublease and any variation of the Sublease must be in writing.
- (o) The Sublease is a deed even if it is not registered.

Title Reference 15728041 and 15728042

- (p) The Sublease must be interpreted so that it complies with the laws of Queensland and of the Commonwealth of Australia. If any provision of the Sublease does not comply the provision must be read down so as to give it as much effect as possible. If the provision cannot be given any effect it must be severed from the Sublease.

2 Head Lease

- 2.1 This Sublease and the rights of the Landlord and the Tenant under this Sublease are subject to all the covenants and conditions of the Head Lease. The Landlord and the Tenant agree that so far as relates to the Demised Premises and this Sublease, the Tenant covenants with the Landlord that it will not do any act or permit any act to be done which if done or permitted to be done would constitute a breach of any of the covenants and conditions in the Head Lease. If the Head Lease requires a consent or approval (from Seqwater) for the doing of any act or thing, by a tenant, then the Tenant shall procure such consent or approval before doing the act or thing (and provide a copy of it to the Landlord).
- 2.2 The Tenant acknowledges having received a copy of the Head Lease before the Tenant entered into this Sublease.
- 2.3 If the Head Lease is terminated or otherwise determined, this Sublease shall simultaneously terminate without notice or further act of the parties and without any liability on the part of each party to the other party but without prejudice to the rights of each party in respect of any antecedent breach of the covenants and conditions of this Sublease by the other party.
- 2.4 If the provisions of this Sublease (other than this clause 2) conflict with any of the provisions of the Head Lease, then the provisions of the Head Lease shall prevail.

3 Landlord's Covenants

- 3.1 If the Tenant does everything which the Tenant is required to do under this Sublease the Landlord must permit the Tenant to have possession of the Demised Premises and to use the Demised Premises for the Permitted Use without interruption or disturbance by the Landlord or by any other person lawfully claiming under the Landlord.
- 3.2 The Tenant's right to be free of interruption or disturbance is subject to the rights of the Landlord under this Sublease.
- 3.3 The Landlord covenants with the Tenant that the Landlord will pay the rent payable under the Head Lease and will do everything which the Landlord is required to do under the Head Lease.

4 Landlord's rights of access to the Demised Premises

- 4.1 The Tenant must allow the Landlord or any person authorised by the Landlord to enter the Demised Premises at any reasonable time for any of the following purposes:
- (a) inspect the condition of the Demised Premises or any construction built by the Tenant on the Demised Premises;
 - (b) to check the use of the Demised Premises;
 - (c) to do any work that the Landlord must or may do pursuant to this Sublease or the law;
 - (d) to value the Demised Premises;
 - (e) to inspect the Demised Premises or to affix a notice on the Demised Premises or on the outside of any construction on the Demised Premises within the last six months of the Term of this Sublease or at any time after the termination of that period in relation to a prospective letting of the Demised Premises;

Title Reference 15728041 and 15728042

- (f) to carry out any improvements or repairs to the Demised Premises or adjoining premises considered by the Landlord to be desirable so long as the work is done without undue interference with the occupation and use of the Demised Premises by the Tenant;
 - (g) to allow entry by Seqwater or the Landlord where entry is or may be required to allow exercise of a right or fulfilment of an obligation under the Head Lease; or
 - (h) to carry out any work on any structure or thing on the Demised Premises because the Tenant is in breach of this Sub-lease and has failed to remedy the breach.
- 4.2 The Landlord must give the Tenant at least five days' notice of access or entry to the Demised Premises except in an emergency where no notice is needed.

5 Alterations to the Demised Premises

- 5.1 The Tenant must not make or allow to be made any alterations or additions to any construction on the Demised Premises (including without limitation erecting any sign or notice or painting any improvements) unless:
- (a) the Tenant first obtains the consent of Seqwater, and the Landlord, and the approval or consent of any relevant authority; and
 - (b) the alterations or additions comply with the Master Plan and the consents and approvals referred to in clause 5.1(a).
- 5.2 Any construction, alteration or addition must be carried out in a proper and workmanlike manner at the expense of the Tenant and (if so required by the Landlord) subject to the supervision of the Landlord's architect whose fees must be paid by the Tenant.
- 5.3 If any construction, alteration or addition is made by the consent of the Landlord upon the condition that the Demised Premises are to be restored to their former condition at the expiry or on earlier termination of this Sublease then upon the expiry or on earlier termination of this Sublease the Tenant must restore the Demised Premises accordingly.

6 Use of Demised Premises

- 6.1 The Tenant must use the Demised Premises only for the Permitted Use. The Tenant must obtain the prior written consent of the Landlord which the Landlord must not unreasonably withhold before any aircraft not owned by the Tenant is stored in the Demised Premises. It will not be unreasonable for the Landlord to refuse its consent if the storage of the aircraft would cause the Landlord to be in breach of any applicable Law. The Landlord may impose conditions when granting its consent including that the Tenant pays a fee determined by the Landlord as a contribution to the maintenance of the Airfield.
- 6.2 The Tenant acknowledges that the Permitted Use must be carried on in compliance with:
- (a) the Master Plan;
 - (b) the Development Control Plan;
 - (c) the Environmental Management System; and
 - (d) all applicable regulatory approvals licences or permits the Landlord has in place, holds or to which the Landlord is subject from time to time.
- 6.3 The Landlord does not represent or warrant that the Demised Premises are suitable or can be lawfully used for the Permitted Use or for any other purpose of the Tenant.

Title Reference 15728041 and 15728042

- 6.4 The Airfield may only be used for recreational flying. Flying operations for any commercial or profit making undertaking or business are not permitted. The Landlord does not represent or warrant that the runways, taxiways, parking areas and roads on the Airfield are of all-weather standard, or that after periods of wet weather these areas are suitable for aircraft or motor vehicle use. The Tenant shall repair any damage to these areas by the Tenant should the Tenant use these areas after periods of rain.
- 6.5 The Tenant must obtain any necessary consents or licences regarding the Permitted Use, keep them current and comply with any conditions attaching to them.
- 6.6 If an Approval to Operate issued by the Landlord is required in relation to the Demised Premises because of the Permitted Use or the Master Plan, the Tenant must keep such Approval current at all times throughout the Term and comply with all renewal requirements of the Landlord.
- 6.7 The Tenant must duly and punctually comply with and observe all statutes, ordinances, regulations and by-laws and all requirements and orders of any relevant authority or public body relating to the Demised Premises.
- 6.8 The Tenant must comply with all reasonable directions of the Landlord or the insurer of the Demised Premises as to prevention, detection and limitation of fire and fire protection.
- 6.9 The Tenant must comply with the requirements of the local Fire Brigade Board and the laws and regulations for the time being relating to fires.
- 6.10 The Tenant must direct all roof runoff water and water storage overflow by drainpipes to a water tank with a minimum capacity of 5,000 litres (**Shared Water Tank**) located in a position determined by the Landlord adjacent to the Demised Premises. The Tenant consents to the Landlord determining a position for and locating a Shared Water Tank within the area licensed to the Tenant as the Water Tank/Maintenance Area. The water contained in a Shared Water Tank or any Tenant's Water Tank placed in the Water Tank/Maintenance Area must if required be made available for use by the Landlord or at the Landlord's direction other tenants or occupiers of the Airfield.
- 6.11 The Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank maintain such water tank and keep it in good repair and condition. If any Shared Water Tank leaks, the Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank immediately repair it or have it removed and replaced with new tank. If the Tenant in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank does not repair any water leak within a reasonable time (determined solely by the Landlord), the Landlord may have such leak repaired at the cost of the Tenant. Such cost shall be a liquidated debt owing to the Landlord in equal shares by all tenants whose Demised Premises are connected to the Shared Water Tank.
- 6.12 The Tenant must not:
- (a) use the Demised Premises for any commercial or profit making undertaking or business (including, subject to clause 6.1 storage of aircraft not owned by the Tenant);
 - (b) use the Demised Premises for residential purposes or for other than casual (not permanent) occupation;
 - (c) despite clause 6.12(b) use the Demised Premises (or any part of the Demised Premises) as a sleeping place;
 - (d) use the Demised Premises for any noxious, noisome, offensive, dangerous or illegal activity or purpose;
 - (e) do anything in the Demised Premises which is or might become a nuisance, annoyance or disturbance to the Landlord, Seqwater, or to the owner or occupiers of neighbouring premises;
 - (f) hold any auction, bankrupt or fire sale in the Demised Premises;
 - (g) store upon the Demised Premises any fluid, gas (excluding domestic gas cylinders) or substance which is or might be dangerous because of its inflammable, explosive or corrosive nature;

Title Reference 15728041 and 15728042

- (h) do anything that might invalidate any insurance policy in respect of the Airfield or any adjoining site or sites or increase the premium payable for such insurances;
- (i) use any water, drainage, or other pipes or connections for any purpose other than that for which they were constructed or intended;
- (j) cause or permit any advertisement hoarding or sign (including any neon or similar sign) to be painted affixed put up or placed upon the Demised Premises or any part of the Demised Premises or paint any part of the improvements upon the Demised Premises without first obtaining the written approval of Seqwater and the Landlord.

7 Term

- 7.1 This Sublease is for the Term, commencing on the Commencement Date and ending at midnight on the Termination Date.

If the Tenant remains in the Demised Premises with the Landlord's consent after the Termination Date, then the Tenant will occupy the Demised Premises as a monthly tenant on the same terms and conditions as at the Termination Date except that the Landlord or the Tenant may end the tenancy on any day by giving a month's notice to the other party.

8 Club membership

The Tenant must:

- (a) maintain its full financial voting membership status of the Club for the duration of the Term; and
- (b) not be in breach of the Constitution or By-Laws of the Club for a period in excess of one calendar month.

9 Tenant payments

- 9.1 The Tenant must pay to the Landlord:

- (a) the Rent (varied in accordance with the Lease) within 28 days of receiving a Tax Invoice;
- (b) the professional costs and outlays of the Landlord of preparation and execution of this Sublease and each Sequential Lease;
- (c) the reasonable costs to the Landlord of dealing with any application by the Tenant for the Landlord's consent under this Sublease (whether or not consent is given);
- (d) the reasonable costs to the Landlord incurred in connection with a default by the Tenant;
- (e) survey fees associated with the plan attached as Annexure A;
- (f) the reasonable expenses incurred by the Landlord in obtaining the consent of Seqwater to this Sublease, any assignment of this Sublease, or any consent required under the Head Lease because of the Tenant's use of the Demised Premises;
- (g) any amount paid by the Landlord to Seqwater, pursuant to any deed of consent executed by Seqwater and the Landlord giving consent to this Sublease; and
- (h) the reasonable professional costs and outlays of the Landlord incurred in connection with the surrender of this Sublease.

Title Reference 15728041 and 15728042

- 9.2 If requested by the Landlord, the Tenant must establish a direct debit arrangement with a bank so that the amounts payable by the Tenant are paid directly to the Landlord by the Tenant's bank on each due date for payment.
- 9.3 If the Tenant is late in paying the Rent or other money to the Landlord, then the Tenant must pay interest on it at the Default Interest Rate. Interest will accrue and be compounded monthly and be calculated on a daily basis from the day the Rent or other money was due until the day it is paid in full.
- 9.4 The Tenant must pay for all services, if any, supplied to the Demised Premises.

10 Rent

- 10.1 The Rent for the first year of the Term must be paid on or before the Commencement Date.
- 10.2 The Tenant must pay the Rent (varied in accordance with this Sublease) in advance, and on or before the first day of each year of this Sublease.
- 10.3 If this Sublease is terminated by either party for any reason (whether under clause 26, or otherwise), the Landlord must within 30 days of receiving a written demand, reimburse the Tenant for Rent, the Tenant's Proportion of the Operating Expenses for the relevant Accounting Period and any other amounts payable under this Sublease.

11 Rent reviews

Rent shall be increased on the same date as any increase in the rent payable by the Landlord under the Head Lease. The Rent shall be increased to:

$$R = A + \frac{B}{C}$$

where:

R = the increased Rent;

A = the current Rent;

B = the amount of the increased rent payable under the Head Lease at the relevant review; and

C = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a lease granted by the Landlord.

12 Outgoings

- 12.1 The Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses for each Accounting Period billed to the Tenant in accordance with this clause 12.
- For the purpose of calculating the Tenant's Proportion the Operating Expenses are deemed to accrue equally day to day.
- 12.2 Any change in the Tenant's Proportion will not take effect until the first day of the month following the later of:
- (a) the date the Landlord gives written notice to the Tenant of the change; and
 - (b) the increase or decrease in the total number of aircraft hangars located on the Airfield which causes the change.

Title Reference 15728041 and 15728042

12.3 The Tenant's Proportion of Operating Expenses must not be greater as a result of:

- (a) any other occupant of an aircraft hangar on the Airfield not contributing to an item of Operating Expenses;
or
- (b) any aircraft hangar on the Airfield capable of being leased or licensed being vacant.

13 Landlord's estimates of Operating Expenses

13.1 At least one month prior to the commencement of each Accounting Period and upon request from the Tenant, the Landlord will, but only at the direction of the club management committee, prepare and provide to the Tenant an estimate of Operating Expenses for that Accounting Period.

13.2 The estimates should detail:

- (a) each item of Operating Expense;
- (b) how the estimates have been calculated; and
- (c) the Tenant's Proportion of the estimated Operating Expenses and the figures from which the Tenant's Proportion has been calculated.

14 Payment of Operating Expenses on account

14.1 At the same time as providing the estimates of Operating Expenses for the next Accounting Period, the Landlord may by written notice to the Tenant require the Tenant to pay the Tenant's Proportion of the estimated Operating Expenses.

14.2 On receipt of the request, the Tenant must pay the Landlord the Tenant's Proportion of the estimated Operating Expenses for the next Accounting Period by one annual payment on the first day of each Accounting Period throughout the Term. The first instalment for the first quarter need not be paid by the Tenant until the date 45 days after the date of this Sublease.

14.3 If the Tenant disputes whether the Tenant's Proportion of estimated Operating Expenses required by the Landlord to be paid:

- (a) has been calculated correctly; or
- (b) includes amounts that are not Operating Expenses,

and the dispute is not resolved between the Landlord and the Tenant within one month then:

- (c) the dispute will be dealt with under clause 29; and
- (d) until the dispute is resolved, the Tenant will not be required to pay the amount in dispute.

15 Landlord's Statement of Expenditure

15.1 Within three months after the end of each Accounting Period, and upon timely request from the Tenant in the first instance being received, the Landlord will prepare and provide to the Tenant a statement of expenditure (**Statement of Expenditure**) which specifies the Operating Expenses actually incurred in that Accounting Period.

15.2 The Statement of Expenditure should detail and is not limited to:

- (a) each item of Operating Expense;

Title Reference 15728041 and 15728042

- (b) how the Operating Expenses have been calculated; and
- (c) the Tenant's Proportion of Operating Expenses and the figures from which the Tenant's Proportion have been calculated.

15.3 The Landlord must:

- (a) keep accurate records of the Operating Expenses for each Accounting Period including copies of all relevant assessments, invoices or statements; and
- (b) allow the Tenant to inspect the records.

16 Adjustment of Operating Expenses at end of Accounting Period

- 16.1 Within three months of receipt by the Tenant of a Statement of Expenditure correctly specifying the total Operating Expenses the Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses less the total of any amount paid for that Accounting Period under clause 12.
- 16.2 If the amount paid for that Accounting Period under clause 12 is greater than the Tenant's Proportion of the Operating Expenses then the Landlord must repay the difference to the Tenant within three months of receipt by the Tenant of the Statement of Expenditure.
- 16.3 If the Tenant disputes whether the Tenant's Proportion of Operating Expenses set out in the Statement of Expenditure:
- (a) has been calculated correctly; or
 - (b) includes amounts that are not Operating Expenses,
- then until the dispute is resolved the Tenant may withhold the amount in dispute and if:
- (c) the Tenant still disputes the Tenant's Proportion of the Operating Expenses three months after receipt by the Tenant of the Statement of Expenditure,
- then the dispute will be dealt with under clause 29.
- 16.4 The Tenant's liability to pay the Tenant's Proportion of the Operating Expenses is not affected by the termination of this Sublease.

17 GST

- 17.1 In this clause words or terms have the meanings as they do in *A New Tax System (Goods and Services Tax) Act 1999*.
- 17.2 Unless otherwise set out, the parties confirm that any amount payable under this Sublease has been calculated without regard to GST.
- 17.3 If there is a Taxable Supply then the party paying for the Taxable Supply will also pay the GST.
- 17.4 Any reference to a cost or charge under this Sublease excludes GST where the party liable to pay it can claim an Input Tax Credit
- 17.5 Each party must do everything reasonably necessary to assist the other to claim an Input Tax Credit.
- 17.6 If a party wishes to make a claim on the other for GST, that claim must be made within six months of the date of the relevant notice.

Title Reference 15728041 and 15728042

- 17.7 Within 21 days of receiving a payment which includes GST, the party who receives the payment must give a Tax invoice to the party making the payment (unless one has already been provided).

18 Maintenance and repairs

- 18.1 The Tenant must maintain any construction built by or at the request of the Tenant comprising the Demised Premises pursuant to clause 5.1 in its condition at the time the construction was built and must carry out any repairs that are necessary to maintain the construction in that condition.
- 18.2 If the Tenant fails to do any work required of the Tenant under clause 18.1 and the Landlord gives the Tenant notice stating what the Tenant has failed to do so, then the Tenant must do such work immediately where there is an emergency and otherwise must do such work promptly and diligently.
- 18.3 If the Tenant fails to do any work following notice from the Landlord under clause 18.2, the Landlord may do the work and the Tenant must reimburse the Landlord for the cost of the work. The Landlord may recover the cost of the work from the Tenant as a liquidated debt.
- 18.4 The Tenant must keep the Demised Premises and the surroundings of the Demised Premises in a thorough state of cleanliness and must not allow any accumulation of rubbish on the Demised Premises whether outside or inside the Demised Premises.
- 18.5 The Tenant must comply with all environmental legislation and must ensure that neither the Demised Premises nor the Airfield or any other land is contaminated, polluted or degraded as a result of anything done or omitted to be done by the Tenant.
- 18.6 If there is any contamination, pollution or degradation of the Demised Premises, the Airfield or any other land as a result of anything done or omitted to be done by the Tenant then the Tenant must carry out all necessary remedial work to the satisfaction of the Landlord, Seqwater and all regulatory authorities.

19 Insurances

- 19.1 The Tenant must have and keep current:
- (a) a public liability insurance policy for an amount not less than \$10 million (or such higher amount as the Landlord may determine from time to time) for each event; and
 - (b) any other insurance policies reasonably required by the Landlord from time to time.
- 19.2 All insurance policies referred to in clause 19.1 shall note the interest of the Landlord and Seqwater.
- 19.3 Upon request by the Landlord the Tenant must give to the Landlord copies of any insurance policy required under clause 19.1 and of the receipt for the last premium.
- 19.4 If the Tenant does anything that might increase the premium payable by the Landlord for any insurance policy in respect of the Demised Premises, then the Tenant must pay to the Landlord the amount of the increased premium.

20 Indemnities by the Tenant

- 20.1 The Tenant will occupy and use the Demised Premises at the risk of the Tenant and releases to the fullest extent permitted by law the Landlord and its contractors and Agents from all claims and demands and from all liability which might arise in respect of any damage to property or death of or injury to any person in or near the Demised Premises (except where caused by the negligence of the Landlord, its contractors or Agents) and the Landlord will have no responsibility or liability for any loss of or damage to any property of the Tenant (except where caused by the negligence of the Landlord, its contractors or Agents).

Title Reference 15728041 and 15728042

- 20.2 To the extent that monies paid to the Landlord out of any insurance effected by the Tenant do not fully indemnify the Landlord, the Tenant will indemnify the Landlord, its contractors and Agents against all actions, claims, losses, damages, costs and expenses incurred by the Landlord or for which the Landlord or its contractors or Agents might become liable in respect of any damage to property or death of or injury to any person (except where caused by the negligence of the Landlord or its contractors or Agents) which may be suffered or sustained in, upon or near the Demised Premises.
- 20.3 The Landlord will not be liable for any loss or damage which the Tenant might suffer by reason of any damage to the Demised Premises or to anything of any nature whatsoever in or about the Demised Premises caused by or arising from the entry, flow or leakage of water or from any defect in the water, gas or electricity connections or any fittings or appliances used in connection with them or from any other defect in the Demised Premises.
- 20.4 Without limiting the generality of clauses 20.1, 20.2 and 20.3, the Tenant will indemnify the Landlord against all actions, claims, losses, damages, costs and expenses for which the Landlord might become liable in respect of or arising from:
- (a) the negligent or careless use by the Tenant or any contractor or Agent of the Tenant of the water, gas, electricity or other services and facilities of the Demised Premises or arising from any faulty fitting, fixture or other plant or equipment of the Tenant;
 - (b) overflow or leakage of water in or from the Demised Premises but having origin within the Demised Premises or caused or contributed to by any act or omission on the part of the Tenant or other persons referred to in clause 20.4(a);
 - (c) loss, damage or injury to property or person caused or contributed to by the use of the Demised Premises by the Tenant or other persons referred to in clause 20.4(a);
 - (d) loss, damage or injury to the Demised Premises or to any property or person within or without the Demised Premises occasioned or contributed to by any act or omission of the Tenant or other persons referred to in clause 20.4(a); and
 - (e) inundation of the Demised Premises or part thereof or any improvements by water (whether or not from Somerset Dam or its catchment areas).

21 Damage to building on Demised Premises

- 21.1 In the event that the Demised Premises is wholly or substantially damaged or destroyed so as not to be reasonably usable or repairable for the Permitted Use the Tenant shall within a period of 90 days at the Tenant's expense clear the Demised Premises of all damaged materials to the satisfaction of the Landlord.
- 21.2 If the Tenant does not clear the Demised Premises in accordance with clause 21.1, the Landlord shall have the right to clear the Demised Premises and recover the cost of such clearing from the Tenant as a liquidated debt.
- 21.3 The Landlord has the right to terminate this Sublease in the event the Landlord exercises its rights under clause 21.2.

22 Resumption

- 22.1 If the Demised Premises or the Airfield is resumed by any competent authority the Landlord will be entitled by giving not less than one month's notice to the Tenant to terminate this Sublease.
- 22.2 The Tenant will not be entitled to claim any compensation from the Landlord in respect of such resumption or termination but the termination will be without prejudice to the rights of either party with regard to any antecedent breach of this Sublease.

Title Reference 15728041 and 15728042

23 Transfer and SubLease

- 23.1 The Tenant must not assign transfer dispose of mortgage or charge the Demised Premises or any part of the Demised Premises or the Tenant's interest in this Sublease without the prior written consent of the Landlord. The Landlord must not unreasonably delay or refuse to grant such consent. It will be reasonable for the Landlord to refuse to grant its consent to a proposed assignee or transferee who is not a full financial voting member of the Club.
- 23.2 The Tenant must not sublet or part with use or possession of the whole or any part of the Demised Premises. Allowing others to store aircraft in the Demised Premises is not sub-letting or parting with possession.
- 23.3 A request for the Landlord's consent pursuant to clause 23.1 must be made in writing and the Tenant must provide the Landlord with such information as the Landlord may reasonably require concerning the financial standing of the proposed transferee.
- 23.4 The Tenant must procure from the proposed transferee:
- (a) the consent of and execution of any document required by Seqwater and/or the Landlord at the expense of the Tenant; and
 - (b) the execution of a deed of covenant to be prepared by the Landlord's solicitors at the expense of the Tenant, which deed of covenant will set out that the transferee must comply with all of the Tenant's obligations under this Sublease. If the proposed transferee is a corporation (other than a corporation whose shares are listed on any stock exchange in Australia) then the Tenant must procure the execution by the directors and principal shareholders of the transferee of a guarantee of the obligations of the proposed transferee such guarantee to be prepared by the Landlord's solicitors at the expense of the Tenant.
- 23.5 The Landlord in granting its consent pursuant to clause 23.1 shall require the Tenant to pay the following amounts:
- (a) a reasonable sum to the Landlord in connection with considering and granting the consent, such sum to be fixed by the Landlord from time to time; and
 - (b) a reasonable sum in respect of any legal expenses incurred by the Landlord in connection with considering and granting the consent including the deed of covenant referred to in clause 23.4(b).

24 Use of facilities

- 24.1 The Landlord shall permit the Tenant and all persons lawfully authorised by the Tenant in common with others having like rights to use the facilities from time to time provided by the Landlord for the tenants of the Airfield and their Agents.
- 24.2 The Landlord may set rules from time to time in relation to the use of facilities on or relating to the Airfield or any part of the Airfield. In the event any such rules are set the Tenant will comply and ensure its Agents comply with such rules at all times during the Term.

25 Giving up possession to the Landlord

- 25.1 On the expiration of the Term or upon termination of this Sublease for any other reason the Tenant must:
- (a) remove the construction (including foundations) comprising the Demised Premises and make good any damage caused in doing so; and

Title Reference 15728041 and 15728042

- (b) remove from the Demised Premises the Tenant's fixtures, fittings, plant, machinery and other goods in the nature of tenant's fixtures brought upon the Demised Premises by the Tenant, and make good any damage caused in doing so; and
- (c) remediate any Contamination or Environmental Harm (as defined by relevant Queensland law) caused to the Demised Premises by the Tenant,

unless the Landlord otherwise agrees in writing.

- 25.2 If this Sublease is terminated because of the Tenant's breach of this Sublease or if the Tenant is in default under this Sublease, the right to remove given to the Tenant under clauses 25.1(a) and 25.1(b) is subject to the written consent of the Landlord.
- 25.3 Any construction, fixtures or other goods of the Tenant which are not removed by the Tenant on the termination of this Sublease (whether voluntarily or because of the operation of clause 25.2) become the property of the Landlord who may either keep them or dispose of them.
- 4 The Landlord may charge to the Tenant and recover from the Tenant as a liquidated debt all costs of removal and disposal of any construction, fixtures and other goods of the Tenant and all costs of making good any damage caused by such removal.
- 25.5 The Landlord shall not be required to pay any compensation of any nature to the Tenant in respect of any improvements upon the Demised Premises or the construction comprising the Demised Premises which may be carried out by the Tenant during the Term.

26 Default

- 26.1 The Landlord may terminate this Sublease by re-entering and taking possession of the Demised Premises or by demanding possession of the Demised Premises if:
- (a) the Rent or other money payable under the Lease is 28 days overdue for payment; or
 - (b) the Tenant fails to meet an obligation of the Tenant under this Sublease; or
 - (c) the Tenant repudiates this Sublease; or
 - (d) if the Tenant becomes a bankrupt or executes a Deed of Arrangement or a Deed of Assignment for the benefit of the Tenant's creditors,
- and the Tenant fails to comply with a notice from the Landlord given under Section 124(1) *Property Law Act 1974*.
- 26.2 The Landlord may (but is not obliged to) remedy at any time without notice any default by the Tenant under this Sublease and whenever the Landlord so elects all reasonable costs incurred by the Landlord (including legal costs) in remedying a default will be a liquidated debt and must be paid by the Tenant to the Landlord on demand.
- 26.3 No consent or waiver expressed or implied by the Landlord to or of any breach of any obligation of the Tenant is to be taken as a consent or waiver to or of any other breach of the same or any other obligation. No waiver of any breach by the Tenant is to be implied from the Landlord's failure to exercise the Landlord's rights in respect of such breach.

27 Essential terms

- 27.1 Essential terms of this Sublease include the obligations of the Tenant:
- (a) to pay Rent when due;

Title Reference 15728041 and 15728042

- (b) regarding maintenance and repairs;
 - (c) regarding the Tenant's use of the Demised Premises;
 - (d) regarding any roof runoff water and water tanks;
 - (e) regarding insurances;
 - (f) in relation to membership of the Club, including being a full financial voting member of the Club;
 - (g) to comply with the Constitution and By-Laws of the Club; and
 - (h) regarding sub-letting and parting with possession.
- 27.2 The acceptance by the Landlord of any late payment of Rent will not be taken to be a waiver of the essentiality of the Tenants obligation to pay Rent when due.
- 3 If there is a breach by the Tenant of an essential term of this Sublease the Landlord may recover damages from the Tenant for losses over the entire period of this Sublease but the Landlord must, except in the case of abandonment of the Demised Premises by the Tenant, take all reasonable steps to mitigate the losses including endeavouring to lease the Demised Premises to a new Tenant.
- 27.4 The Landlord's right to recover damages from the Tenant will not be affected if:
- (a) the Tenant abandons possession of the Demised Premises;
 - (b) there is a surrender of this Sublease;
 - (c) the Landlord accepts the repudiation of the Lease by the Tenant; or
 - (d) the Landlord terminates this Sublease by re-entering the Demised Premises or any part of the Demised Premises or by demanding possession of the Demised Premises.

28 Power of attorney

- 1 In consideration of the Landlord agreeing to grant this Sublease, the Tenant appoints the Landlord and its officers severally as the Tenant's attorney to act at any time if the Tenant is in breach of the Tenant's covenants under this Sublease and the Landlord's right of termination of this Sublease or right of re-entry has been exercised or is exercisable to:
- (a) execute and sign a transfer or surrender of this Sublease; and
 - (b) procure the transfer or surrender of this Sublease to be registered if this Sublease has been registered; and
 - (c) using the name of the Tenant for those purposes, and generally, do execute and perform any act, deed, matter or thing in respect of the Demised Premises as fully and effectually as the Tenant could do, execute or perform it.
- 28.2 A statutory declaration of the Landlord that the rights of the Tenant under clause 28.1 are exercisable will be deemed to be conclusive evidence of its contents in favour of any person who is not a party to this Sublease.
- 28.3 The Tenant must ratify and confirm anything lawfully done or caused to be done in and about the Demised Premises by the Tenant's attorney.

Title Reference 15728041 and 15728042

29 Dispute resolution

- 29.1 If a dispute arises between the Landlord and the Tenant under a provision of this Sublease and that provision states that the provision is to be dealt with under this clause 29, the dispute must be referred for written determination to a person (**Expert**) appointed under this clause 29. The Expert acts as an expert and not as an arbitrator and the Expert's determination is conclusive and binds both parties. The Expert must practice in the State of Queensland.
- 29.2 The Expert must have at least 10 years' current and continuous standing in the Expert's profession at the date of appointment and must be:
- (a) for a matter of law, a practising barrister or solicitor appointed by the president of the appropriate governing body of barristers or solicitors in the State of Queensland;
 - (b) for a financial or accountancy matter, a practising chartered accountant appointed by the President of the Division of the Institute of Chartered Accountants in Australia for the State of Queensland;
 - (c) for a matter connected with the construction of any part of the buildings on the Airfield, a practising architect appointed by the President of the Chapter of the Royal Australian Institute of Architects for the State of Queensland;
 - (d) for a matter connected with land or rental value, a qualified valuer appointed by the President of the Australian Property Institute (Queensland Division); and
 - (e) for any other matter, a qualified person appointed by the senior officer of an appropriate association, institute, society or board,
- or, if appropriate and the parties agree, the dispute may be referred to a panel of experts representing more than one of the appropriate skills.
- 29.3 If the parties cannot agree on an Expert within one month after a dispute arises, a party must sign an authority for the appointment of an Expert if the other party requests it to do so.
- 29.4 If a party does not sign the authority within 10 days after the other party requests it to do so, the other party may authorise the appointment of the Expert. Production of a copy of this clause and the request are conclusive of that authority.
- 29.5 Each party must pay one half of the Expert's fees and expenses, irrespective of the result of the determination.

30 Notices

- 30.1 Notices under this Sublease must be in writing and may be given by a party's solicitor.
- 30.2 Notices are effectively given if delivered or posted to the other party or sent to the facsimile number of the other party.
- 30.3 Posted notices will be treated as given two Business Days after posting.
- 30.4 Notices sent by facsimile will be treated as given when the sender obtains a clear transmission report.
- 30.5 Notices given after 5.00pm will be treated as given on the next Business Day.
- 30.6 Notices given by a party's solicitor will be treated as given with the party's authority.

Title Reference 15728041 and 15728042

31 Transfer of Sub Lease

The Landlord covenants and agrees that in the event that whilst this Sublease is not registered in the Department of Environment and Resource Management, pursuant to the *Land Title Act 1994* upon the Landlord assigning transferring or disposing of its interest in the Head Lease of which the Demised Premises forms part the Landlord must procure to be executed by the assignee transferee or disponent covenants (Purchaser's Covenant) in favour of the Tenant that the assignee transferee or disponent is bound by the provisions and the covenants contained in this Sublease to the same extent as if such assignee transferee or disponent were named as the Landlord in this Sublease and that such assignee or disponent will not assign, transfer or dispose of its interest in the Head Lease unless the Landlord procures a legally binding covenant from the assignee, transferee or disponent, in terms identical with the Purchaser's Covenant in favour of the Tenant.

32 Licensed Areas

Grant of licence

- 32.1 During the Term, and any extension of the Term, the Landlord grants to the Tenant and others authorised by the Tenant the non-exclusive right:
- (a) to use that part of the Licensed Areas comprising the Apron Area for the purpose of aircraft and pedestrian access to and from the Demised Premises and temporarily standing and loading and unloading aircraft;
 - (b) to use those parts of the Licensed Areas identified as Water Tank/Maintenance Area for the purpose of erecting and maintaining a water tank to collect water run off solely from the roof of the Demised Premises (**Tenant's Water Tank**). The Tenant must obtain the Landlord's prior written consent to erect any water tank or other improvement in the Water Tank/Maintenance Area. The Landlord may refuse its consent to the erection of any Tenant's Water Tank where it would interfere with or be in the same location required by the Landlord for a Shared Water Tank.
- 32.2 The Tenant must not use or occupy any Licensed Area so as to become a nuisance or annoyance to the Landlord or other tenants or users of the Airfield and must at all times comply with the reasonable directions of the Landlord and the Constitution and By-Laws of the Club in relation to the use and occupation of the Licensed Areas.
- 32.3 The Landlord may not determine the licence for the Licensed Areas granted by this clause whilst this Sublease remains in force.
- 32.4 The Tenant must:
- (a) keep and maintain those parts of the Licensed Areas referred to in clauses 32.1(a) and 32.1(b) in a clean and tidy condition and must cause all grassed areas within the Licensed Areas to be regularly mowed and maintained in a clean and tidy condition.;
 - (b) indemnify the Landlord in respect of all claims for loss or damage arising out of the use of those parts of the Licensed Areas by the Tenant or by any of the persons authorised by this clause; and
 - (c) occupy and use those parts of the Licensed Areas, as if they were part of the Demised Premises (but those parts of the Licensed Areas are not to be taken to be part of the Demised Premises).
- 32.5 All of the provisions of this Sublease relating to the Demised Premises apply to those parts of the Licensed Areas referred to in clause 32.1 as if those parts were part of the Demised Premises (but those parts are not to be taken to be part of the Demised Premises).

Title Reference 15728041 and 15728042

33 Guarantee and indemnity

- 33.1 This clause 33 applies if Guarantors are named at Item 9 of the Reference Schedule.
- 33.2 The Guarantor guarantees to the Landlord the payment by the Tenant of the Rent and all other monies payable by the Tenant under this Sublease and the performance by the Tenant of all other obligations of the Tenant under this Sublease.
- 33.3 If the Tenant fails to pay any Rent or other money due under this Sublease the Guarantor must pay such Rent or other money to the Landlord on demand.
- 33.4 The Guarantor will indemnify the Landlord against all loss and damage suffered by the Landlord in any of the following events:
- (a) if the Tenant fails to perform any obligation of the Tenant under this Sublease; or
 - (b) if this Sublease is disclaimed following the insolvency of the Tenant.
- 33.5 The obligations of the Guarantor to the Landlord will not be affected notwithstanding that:
- (a) the Landlord allows time or other indulgence to the Tenant or does not seek to recover any monies from the Tenant;
 - (b) this Sublease is not registered;
 - (c) this Sublease is assigned or transferred;
 - (d) any security taken by the Landlord in respect of the obligations of the Tenant under this Sublease is void or defective; or
 - (e) the Lease is varied or amended.
- 33.6 The Landlord may recover damages from the Guarantor for losses over the entire period of this Sublease but must take all reasonable steps to mitigate the losses including endeavouring to lease (with the consent of Seqwater) the Demised Premises to a new Tenant.
- 33.7 The guarantee and indemnity by the Guarantor to the Landlord applies not only to the obligations of the Tenant under this Sublease but also to the obligations of the Tenant under any renewal or extension of this Sublease or under any tenancy of the Tenant in respect of the Demised Premises. The Guarantor will sign or execute a guarantee and indemnity in similar terms to this clause 33 in respect of any such further sublease or tenancy if requested to do so by the Landlord.
- 33.8 If the Guarantor consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- 33.9 The obligations of the Guarantor to the Landlord will endure for the benefit of the successors and assigns of the Landlord.

34 Miscellaneous

- 34.1 The Landlord may appoint one or more persons to act as caretaker of the Airfield. The Landlord must notify the Tenant from time to time of the appointment or termination of the appointment of any caretaker. The Tenant must comply with any direction or requirement of the caretaker which is neither contrary to any right, entitlement or privilege granted to the Tenant under this Sublease nor the Constitution or By-Laws of the Club.

Title Reference 15728041 and 15728042

35 Sequential Leases

Application

35.1 This clause 35 applies:

- (a) despite any other provision of this Sublease; and
- (b) where one or more Sequential Leases are entered into in respect of the Demised Premises.

Sequential Lease

35.2 Where a Sequential Lease commences on the day after the Termination Date, any provisions of this Sublease in relation to:

- (a) the Tenant's right to hold over after the expiration of the Sublease;
- (b) the Tenant's obligation to remove any items from the Demised Premises;
- (c) the Tenant's obligation to make good the Demised Premises,

which would normally apply on the expiration of this Sublease, do not apply until the expiration of the final Sequential Lease.

35.3 If this Sublease is transferred, then (despite any other provision of any Sequential Lease) the Sequential Leases which are expressed to commence after the date of the transfer are deemed to be assigned to the same transferee and with effect on and from the same date.

35.4 If a Sequential Lease, which commenced prior to the Commencement Date is or has been transferred, then this Sublease is deemed to be transferred to the same transferee with effect on and from the same date.

35.5 If a Sequential Lease, which commenced prior to the Commencement Date terminates other than by expiration, then this Sublease is terminated with effect from the same date.

35.6 If the Tenant gives written notice to the Landlord no later than six months prior to the Commencement Date that the Tenant no longer requires to occupy the Demised Premises, then this Sublease terminates with effect on and from the date of service of the notice.

Title Reference 15728041 and 15728042

Reference Schedule

Item 1 Landlord	South East Queensland Sports Aircraft Club Incorporated
Item 2 Tenant	John Terrence Adams
Item 3 Term (clause 7.1)	3 years
Item 4 Commencement Date (clause 7.1)	1 January 2037
Item 5 Termination Date (clause 7.1)	31 December 2039
Item 6 Type of Construction (clause 5.1)	Aircraft Hangar building
Item 7 Permitted Use (clause 6.1)	Aircraft storage and ancillary storage
Item 8 Rent (clause 10.2)	<i>The rent at the commencement of the Sub-Lease shall be calculated as follows:</i>

$$R = \frac{A \times B}{C}$$

where:

R = The Annual Rent at the commencement of this Sub-Lease

A = The Annual Rent payable for the last year of the immediately preceding Sub-Lease

B = Index Number for the December quarter for 2036

C = Index Number for the December quarter for 2033

"Index Number" means the Consumer Price Index (All Groups) for the city of Brisbane as published by the Australian Bureau of Statistics. If that index is discontinued, the expression will mean an index or method of measuring increases in the cost of living agreed in writing by the Parties. If there is no agreement within a period of 14 days, it will be an index or method determined at the request of either Party by the President or Acting President of the Valuers' Institute or their nominee.

Item 9
Guarantor/s (clause 33)

N/A

Title Reference 15728041 and 15728042

Annexure A

Plan of Demised Premises and Licensed Areas

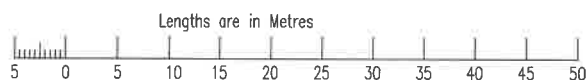
DIAGRAM

Scale @ A3 1:500

ALL MEASUREMENTS ARE APPROXIMATE

LEGEND

-  Lease Area
-  Apron Area
-  Water Tank/
Maintenance Area
-  Outside face of Building
-  Centreline of Wall



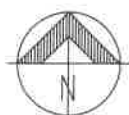
LEASE A3
165m²

362
CG4017

BUILDING A

Lease
No. 602170874

Sub-Lease A3 does affect Lease 602170874 and does not
affect Lease 602170873 or Emts. A-C on RP 854245.
Dated 30/10/2017



LEASE A3
VIDE DIAG.

362
CG4017

303
CG3813

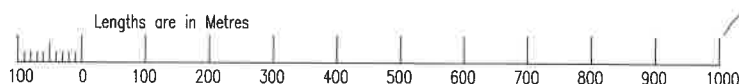
#8248

Lease
No. 602170874

361
CG4017

LEASE CONNECTION

LINE	BEARING	DISTANCE
A-B	Abt 57°15'	Abt 68.6



Meridian: CG4017

Map Ref: 9444-33234

NOTE
Lease dimensions & areas taken to
outside face of building and
centreline of internal walls.

R. KEATING
QBCC Lic. No. 065458



20 Bushlark Court
Upper Caboolture 4510
Ph: (07) 5497 0334

BOB KEATING DESIGN & DRAFTING

PLAN FOR LEASE PURPOSES

Being part of Lease No. 602170874 in
Lots 361 & 362 on CG4017
(TR15728041 and 15728042)

Parish: KILCOY
Locality: WINYA

County: CANNING
Local Gov.: SOMERSET R.C.

CLIENT

South East Qld Sports Aircraft Club

SCALE (A3)

1:8000

PLAN NO.

Lease-A3



OFFICE USE ONLY

Privacy Statement

Collection of information from this form is authorised by legislation and is used to maintain publicly searchable records. For more information see the Department's website.

1. Sublessor	Lodger (Name, address, E-mail & phone number)	Lodger Code
South East Queensland Sports Aircraft Club Incorporated		

2. Lot on Plan Description	Title Reference
Lot 361 on CP CG4017	15728041
Lot 362 on CP CG4017	15728042

3. Sublessee Given names	Surname/Company name and number	(include tenancy if more than one)
John Terrence	Adams	

4. Interest being subleased
Lease 602170874 (K935953B)

5. Description of premises being subleased
That part of the building erected on the land, indicated as area "A3" on the plan in Annexure A

6. Term of lease	7. Rental/Consideration
Commencement date/event: 1 January 2040	See attached schedule
Expiry date: 31 December 2042	
Options: Nil	

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule

Witnessing officer must be aware of his/her obligations under section 162 of the Land Title Act 1994

..... signature	
..... full name	See Enlarged Panel
..... qualification	/ /

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

Sublessor's Signature

9. Acceptance

The Lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

..... signature	
..... full name	See Enlarged Panel
..... qualification	/ /

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

Sublessee's Signature

Title Reference 15728041 and 15728042

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule



Given under the common seal of the South East Queensland Sports Aircraft Club Incorporated in accordance with its Rules of Club in the presence of

a member of the Management Committee and the

Secretary/member of the Management Committee who certify that they are the proper officers to affix such seal:

.....signature

.....full name

.....qualification

21/12/2018

Execution Date

.....
.....

Sublessor's Signature

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

9. Acceptance

The Sublessee accepts the sublease and acknowledges the amount payable or other considerations for the sublease.

.....signature

.....full name

.....qualification

21/12/18
Execution Date

.....
.....

Sublessee's Signature

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

.....
MARK RODRICK FOY,
SOLICITOR, QLD

Title Reference 15728041 and 15728042

1 Definitions and interpretations

Definitions

1.1 In this document:

Term	Definition
Accounting Period	means each of the following periods: the period from the Commencement Date to the immediately following 30 June; each full period of 12 months from 1 July to 30 June during the Term; and the period from 1 July immediately preceding the Termination Date.
Agents	means agents, servants, employees, licensees and invitees.
Airfield	means the land known as Kilcoy Airfield situated at Kennedy's Road, Kilcoy and more particularly described as Lease A (No. 602170874 (K935953B)) in Lots 361 and 362 on Plan CP CG4017, Title Reference 15728041 and 15728042, such land being nominally divided into precincts for specific uses as specified in the Master Plan.
Approval to Operate	means a written approval issued by the Landlord for the carrying out of specified activities (nominated in that written approval) on specific areas of the Airfield as designated on the Master Plan.
Apron Area	means the area shown on the plan in Annexure A.
Business Day	means a day on which trading banks are open for business in Brisbane, Queensland.
Club	means the Landlord and its successors.
Commencement Date	means the commencement date of this Sublease stated at Item 4 of the Reference Schedule.
Cover Page	means page 1 of this Sublease.
Default Interest Rate	means that rate which is 2% above the rate charged by National Australia Bank on overdraft amounts in excess of Fifty Thousand Dollars (\$50,000).
Demised Premises	means the premises described at Item 5 on the Cover Page of this Sublease.
Development Control Plan	means the development control plan for the Airfield dated February 2008.
Environmental Management System	means the document titled the environmental management system and which is applicable to the Airfield dated February 2005.
Guarantor	means the guarantors named in Item 9 of the Reference Schedule (if any).
Head Lease	means lease number 602170874 (K935953B) dated 16 January 1992 between Seqwater and South East Queensland Sports Aircraft Club Incorporated in relation to the Airfield.
Item	means an item in the Reference Schedule of this Sublease unless it is specified to be an item on the Cover Page of this Sublease.
Landlord	means South East Queensland Sports Aircraft Club Incorporated, being the sublessor identified in Item 1 of the Cover Page of this Sublease and the tenant named in the Head Lease.
Licensed Areas	means those parts marked and shown as 'Apron Area' and 'Water

Title Reference 15728041 and 15728042

Term	Definition
	Tank/Maintenance Area' on the plan in Annexure A.
Master Plan	means the plan designating the uses authorised by Seqwater and Somerset Regional Council, for specified precincts of the Airfield dated June 2007 and other plan in force from time to time together with conditions of approval of the Somerset Regional Council or other relevant authority (where the context requires) in force from time to time.
Operating Expenses	means all net amounts paid or payable by the Landlord in any one Accounting Period (after taking into account the benefit of any discount, rebate, allowance or concession): (a) for municipal rates and charges of a periodic nature assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period; (b) for other fees, levies, taxes or charges assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period by any statutory or other authority.
Permitted Use	means the permitted use stated at Item 7 of the Reference Schedule.
Reference Schedule	means the reference schedule attached to this Sublease.
Rent	means the rent stated at Item 8 of the Reference Schedule.
Sequential Lease	means a sublease to the Sublessee of the Demised Premises (other than this Sublease) which is entered into at the same time as this Sublease but which is for a period either before or after the Term.
Seqwater	means the Queensland Bulk Water Supply Authority trading as Seqwater, being the registered proprietor of the Airfield and the landlord under the Head Lease.
Shared Water Tank	has the meaning given in clause 6.10.
Sublease	means this schedule, the Cover Page and the Reference Schedule attached to this Sublease.
Tenant	means the sublessee identified in Item 3 on the Cover Page of this Sublease.
Tenant's Proportion	is calculated in accordance with the formula: $TP = \frac{1}{TH}$ where: TP = the Tenant's Proportion TH = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a sublease granted by the Landlord.
Tenant's Water Tank	has the meaning given in clause 32.
Term	means the term of this Sublease stated at Item 3 of the Reference Schedule.
Termination Date	means the termination date stated at Item 5 of the Reference Schedule.

Interpretation

1.2 In this Sublease, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa;

Title Reference 15728041 and 15728042

- (b) 'person' includes a firm, a company, a body corporate, an unincorporated Club or an authority in so far as it relates to the Lessor, its agents or others associated with the Sublease with the exception of the Lessee who will at all times remain a natural person.
- (c) an agreement, representation or warranty:
 - (i) in favour of two or more persons is for the benefit of them jointly and severally; and
 - (ii) on the part of two or more persons binds or is given by them jointly and severally;
- (d) a reference to:
 - (i) a person includes a person's legal personal representatives, successors, substitutes (including persons taking by novation) and assigns;
 - (ii) a document includes any variation or replacement of it;
 - (iii) a law includes regulations and other instruments under it and amendments or replacements of any of them;
 - (iv) a thing includes the whole and each part of it;
 - (v) a group of persons includes all of them collectively, any two or more of them collectively and each of them individually; and
 - (vi) the president of a body or authority includes any person acting in that capacity;
- (e) 'including' when introducing a list of items does not limit the meaning of the words to which the list relates to those items or to items of a similar kind;
- (f) a reference to time is the time at Brisbane;
- (g) a reference to a clause is a reference to a clause of this Sublease; and
- (h) where any word or phrase is given a defined meaning any grammatical form or other part of speech in respect of such word or phrase shall have a corresponding meaning.
- (i) Headings have been inserted for convenience and do not affect the interpretation of this Sublease.
- (j) A gender includes all genders, the singular includes the plural and conversely, and persons include corporations and conversely.
- (k) If a party to the lease consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- (l) No covenant is implied in the lease by Section 107(4) *Property Law Act 1974*.
- (m) This Sublease comprises the whole of the agreement between the Landlord and the Tenant and no further or other terms or agreements shall be deemed to be implied or to arise by way of collateral or other agreement by reason of any promise, representation, warranty or undertaking by or on behalf of the Landlord or the Tenant on or prior to the execution of the Sublease.
- (n) Any notice, notification or consent under the Sublease and any variation of the Sublease must be in writing.
- (o) The Sublease is a deed even if it is not registered.

Title Reference 15728041 and 15728042

- (p) The Sublease must be interpreted so that it complies with the laws of Queensland and of the Commonwealth of Australia. If any provision of the Sublease does not comply the provision must be read down so as to give it as much effect as possible. If the provision cannot be given any effect it must be severed from the Sublease.

2 Head Lease

- 2.1 This Sublease and the rights of the Landlord and the Tenant under this Sublease are subject to all the covenants and conditions of the Head Lease. The Landlord and the Tenant agree that so far as relates to the Demised Premises and this Sublease, the Tenant covenants with the Landlord that it will not do any act or permit any act to be done which if done or permitted to be done would constitute a breach of any of the covenants and conditions in the Head Lease. If the Head Lease requires a consent or approval (from Seqwater) for the doing of any act or thing, by a tenant, then the Tenant shall procure such consent or approval before doing the act or thing (and provide a copy of it to the Landlord).
- 2.2 The Tenant acknowledges having received a copy of the Head Lease before the Tenant entered into this Sublease.
- 2.3 If the Head Lease is terminated or otherwise determined, this Sublease shall simultaneously terminate without notice or further act of the parties and without any liability on the part of each party to the other party but without prejudice to the rights of each party in respect of any antecedent breach of the covenants and conditions of this Sublease by the other party.
- 2.4 If the provisions of this Sublease (other than this clause 2) conflict with any of the provisions of the Head Lease, then the provisions of the Head Lease shall prevail.

3 Landlord's Covenants

- 3.1 If the Tenant does everything which the Tenant is required to do under this Sublease the Landlord must permit the Tenant to have possession of the Demised Premises and to use the Demised Premises for the Permitted Use without interruption or disturbance by the Landlord or by any other person lawfully claiming under the Landlord.
- 3.2 The Tenant's right to be free of interruption or disturbance is subject to the rights of the Landlord under this Sublease.
- 3.3 The Landlord covenants with the Tenant that the Landlord will pay the rent payable under the Head Lease and will do everything which the Landlord is required to do under the Head Lease.

4 Landlord's rights of access to the Demised Premises

- 4.1 The Tenant must allow the Landlord or any person authorised by the Landlord to enter the Demised Premises at any reasonable time for any of the following purposes:
- (a) inspect the condition of the Demised Premises or any construction built by the Tenant on the Demised Premises;
 - (b) to check the use of the Demised Premises;
 - (c) to do any work that the Landlord must or may do pursuant to this Sublease or the law;
 - (d) to value the Demised Premises;
 - (e) to inspect the Demised Premises or to affix a notice on the Demised Premises or on the outside of any construction on the Demised Premises within the last six months of the Term of this Sublease or at any time after the termination of that period in relation to a prospective letting of the Demised Premises;

Title Reference 15728041 and 15728042

- (f) to carry out any improvements or repairs to the Demised Premises or adjoining premises considered by the Landlord to be desirable so long as the work is done without undue interference with the occupation and use of the Demised Premises by the Tenant;
- (g) to allow entry by Seqwater or the Landlord where entry is or may be required to allow exercise of a right or fulfilment of an obligation under the Head Lease; or
- (h) to carry out any work on any structure or thing on the Demised Premises because the Tenant is in breach of this Sub-lease and has failed to remedy the breach.

4.2 The Landlord must give the Tenant at least five days' notice of access or entry to the Demised Premises except in an emergency where no notice is needed.

5 Alterations to the Demised Premises

- 5.1 The Tenant must not make or allow to be made any alterations or additions to any construction on the Demised Premises (including without limitation erecting any sign or notice or painting any improvements) unless:
- (a) the Tenant first obtains the consent of Seqwater, and the Landlord, and the approval or consent of any relevant authority; and
 - (b) the alterations or additions comply with the Master Plan and the consents and approvals referred to in clause 5.1(a).
- 5.2 Any construction, alteration or addition must be carried out in a proper and workmanlike manner at the expense of the Tenant and (if so required by the Landlord) subject to the supervision of the Landlord's architect whose fees must be paid by the Tenant.
- 5.3 If any construction, alteration or addition is made by the consent of the Landlord upon the condition that the Demised Premises are to be restored to their former condition at the expiry or on earlier termination of this Sublease then upon the expiry or on earlier termination of this Sublease the Tenant must restore the Demised Premises accordingly.

6 Use of Demised Premises

- 6.1 The Tenant must use the Demised Premises only for the Permitted Use. The Tenant must obtain the prior written consent of the Landlord which the Landlord must not unreasonably withhold before any aircraft not owned by the Tenant is stored in the Demised Premises. It will not be unreasonable for the Landlord to refuse its consent if the storage of the aircraft would cause the Landlord to be in breach of any applicable Law. The Landlord may impose conditions when granting its consent including that the Tenant pays a fee determined by the Landlord as a contribution to the maintenance of the Airfield.
- 6.2 The Tenant acknowledges that the Permitted Use must be carried on in compliance with:
- (a) the Master Plan;
 - (b) the Development Control Plan;
 - (c) the Environmental Management System; and
 - (d) all applicable regulatory approvals licences or permits the Landlord has in place, holds or to which the Landlord is subject from time to time.
- 6.3 The Landlord does not represent or warrant that the Demised Premises are suitable or can be lawfully used for the Permitted Use or for any other purpose of the Tenant.

Title Reference 15728041 and 15728042

- 6.4 The Airfield may only be used for recreational flying. Flying operations for any commercial or profit making undertaking or business are not permitted. The Landlord does not represent or warrant that the runways, taxiways, parking areas and roads on the Airfield are of all-weather standard, or that after periods of wet weather these areas are suitable for aircraft or motor vehicle use. The Tenant shall repair any damage to these areas by the Tenant should the Tenant use these areas after periods of rain.
- 6.5 The Tenant must obtain any necessary consents or licences regarding the Permitted Use, keep them current and comply with any conditions attaching to them.
- 6.6 If an Approval to Operate issued by the Landlord is required in relation to the Demised Premises because of the Permitted Use or the Master Plan, the Tenant must keep such Approval current at all times throughout the Term and comply with all renewal requirements of the Landlord.
- 6.7 The Tenant must duly and punctually comply with and observe all statutes, ordinances, regulations and by-laws and all requirements and orders of any relevant authority or public body relating to the Demised Premises.
- 6.8 The Tenant must comply with all reasonable directions of the Landlord or the insurer of the Demised Premises as to prevention, detection and limitation of fire and fire protection.
- 6.9 The Tenant must comply with the requirements of the local Fire Brigade Board and the laws and regulations for the time being relating to fires.
- 6.10 The Tenant must direct all roof runoff water and water storage overflow by drainpipes to a water tank with a minimum capacity of 5,000 litres (**Shared Water Tank**) located in a position determined by the Landlord adjacent to the Demised Premises. The Tenant consents to the Landlord determining a position for and locating a Shared Water Tank within the area licensed to the Tenant as the Water Tank/Maintenance Area. The water contained in a Shared Water Tank or any Tenant's Water Tank placed in the Water Tank/Maintenance Area must if required be made available for use by the Landlord or at the Landlord's direction other tenants or occupiers of the Airfield.
- 6.11 The Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank maintain such water tank and keep it in good repair and condition. If any Shared Water Tank leaks, the Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank immediately repair it or have it removed and replaced with new tank. If the Tenant in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank does not repair any water leak within a reasonable time (determined solely by the Landlord), the Landlord may have such leak repaired at the cost of the Tenant. Such cost shall be a liquidated debt owing to the Landlord in equal shares by all tenants whose Demised Premises are connected to the Shared Water Tank.
- 6.12 The Tenant must not:
- (a) use the Demised Premises for any commercial or profit making undertaking or business (including, subject to clause 6.1 storage of aircraft not owned by the Tenant);
 - (b) use the Demised Premises for residential purposes or for other than casual (not permanent) occupation;
 - (c) despite clause 6.12(b) use the Demised Premises (or any part of the Demised Premises) as a sleeping place;
 - (d) use the Demised Premises for any noxious, noisome, offensive, dangerous or illegal activity or purpose;
 - (e) do anything in the Demised Premises which is or might become a nuisance, annoyance or disturbance to the Landlord, Seqwater, or to the owner or occupiers of neighbouring premises;
 - (f) hold any auction, bankrupt or fire sale in the Demised Premises;
 - (g) store upon the Demised Premises any fluid, gas (excluding domestic gas cylinders) or substance which is or might be dangerous because of its inflammable, explosive or corrosive nature;

Title Reference 15728041 and 15728042

- (h) do anything that might invalidate any insurance policy in respect of the Airfield or any adjoining site or sites or increase the premium payable for such insurances;
- (i) use any water, drainage, or other pipes or connections for any purpose other than that for which they were constructed or intended;
- (j) cause or permit any advertisement hoarding or sign (including any neon or similar sign) to be painted affixed put up or placed upon the Demised Premises or any part of the Demised Premises or paint any part of the improvements upon the Demised Premises without first obtaining the written approval of Seqwater and the Landlord.

7 Term

- 7.1 This Sublease is for the Term, commencing on the Commencement Date and ending at midnight on the Termination Date.

If the Tenant remains in the Demised Premises with the Landlord's consent after the Termination Date, then the Tenant will occupy the Demised Premises as a monthly tenant on the same terms and conditions as at the Termination Date except that the Landlord or the Tenant may end the tenancy on any day by giving a month's notice to the other party.

8 Club membership

The Tenant must:

- (a) maintain its full financial voting membership status of the Club for the duration of the Term; and
- (b) not be in breach of the Constitution or By-Laws of the Club for a period in excess of one calendar month.

9 Tenant payments

- 9.1 The Tenant must pay to the Landlord:

- (a) the Rent (varied in accordance with the Lease) within 28 days of receiving a Tax Invoice;
- (b) the professional costs and outlays of the Landlord of preparation and execution of this Sublease and each Sequential Lease;
- (c) the reasonable costs to the Landlord of dealing with any application by the Tenant for the Landlord's consent under this Sublease (whether or not consent is given);
- (d) the reasonable costs to the Landlord incurred in connection with a default by the Tenant;
- (e) survey fees associated with the plan attached as Annexure A;
- (f) the reasonable expenses incurred by the Landlord in obtaining the consent of Seqwater to this Sublease, any assignment of this Sublease, or any consent required under the Head Lease because of the Tenant's use of the Demised Premises;
- (g) any amount paid by the Landlord to Seqwater, pursuant to any deed of consent executed by Seqwater and the Landlord giving consent to this Sublease; and
- (h) the reasonable professional costs and outlays of the Landlord incurred in connection with the surrender of this Sublease.

Title Reference 15728041 and 15728042

- 9.2 If requested by the Landlord, the Tenant must establish a direct debit arrangement with a bank so that the amounts payable by the Tenant are paid directly to the Landlord by the Tenant's bank on each due date for payment.
- 9.3 If the Tenant is late in paying the Rent or other money to the Landlord, then the Tenant must pay interest on it at the Default Interest Rate. Interest will accrue and be compounded monthly and be calculated on a daily basis from the day the Rent or other money was due until the day it is paid in full.
- 9.4 The Tenant must pay for all services, if any, supplied to the Demised Premises.

10 Rent

- 10.1 The Rent for the first year of the Term must be paid on or before the Commencement Date.
- 10.2 The Tenant must pay the Rent (varied in accordance with this Sublease) in advance, and on or before the first day of each year of this Sublease.
- 10.3 If this Sublease is terminated by either party for any reason (whether under clause 26, or otherwise), the Landlord must within 30 days of receiving a written demand, reimburse the Tenant for Rent, the Tenant's Proportion of the Operating Expenses for the relevant Accounting Period and any other amounts payable under this Sublease.

11 Rent reviews

Rent shall be increased on the same date as any increase in the rent payable by the Landlord under the Head Lease. The Rent shall be increased to:

$$R = A + \frac{B}{C}$$

where:

R = the increased Rent;

A = the current Rent;

B = the amount of the increased rent payable under the Head Lease at the relevant review; and

C = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a lease granted by the Landlord.

12 Outgoings

- 12.1 The Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses for each Accounting Period billed to the Tenant in accordance with this clause 12.
- For the purpose of calculating the Tenant's Proportion the Operating Expenses are deemed to accrue equally day to day.
- 12.2 Any change in the Tenant's Proportion will not take effect until the first day of the month following the later of:
- (a) the date the Landlord gives written notice to the Tenant of the change; and
 - (b) the increase or decrease in the total number of aircraft hangars located on the Airfield which causes the change.

Title Reference 15728041 and 15728042

12.3 The Tenant's Proportion of Operating Expenses must not be greater as a result of:

- (a) any other occupant of an aircraft hangar on the Airfield not contributing to an item of Operating Expenses;
or
- (b) any aircraft hangar on the Airfield capable of being leased or licensed being vacant.

13 Landlord's estimates of Operating Expenses

13.1 At least one month prior to the commencement of each Accounting Period and upon request from the Tenant, the Landlord will, but only at the direction of the club management committee, prepare and provide to the Tenant an estimate of Operating Expenses for that Accounting Period.

13.2 The estimates should detail:

- (a) each item of Operating Expense;
- (b) how the estimates have been calculated; and
- (c) the Tenant's Proportion of the estimated Operating Expenses and the figures from which the Tenant's Proportion has been calculated.

14 Payment of Operating Expenses on account

14.1 At the same time as providing the estimates of Operating Expenses for the next Accounting Period, the Landlord may by written notice to the Tenant require the Tenant to pay the Tenant's Proportion of the estimated Operating Expenses.

14.2 On receipt of the request, the Tenant must pay the Landlord the Tenant's Proportion of the estimated Operating Expenses for the next Accounting Period by one annual payment on the first day of each Accounting Period throughout the Term. The first instalment for the first quarter need not be paid by the Tenant until the date 45 days after the date of this Sublease.

14.3 If the Tenant disputes whether the Tenant's Proportion of estimated Operating Expenses required by the Landlord to be paid:

- (a) has been calculated correctly; or
- (b) includes amounts that are not Operating Expenses,

and the dispute is not resolved between the Landlord and the Tenant within one month then:

- (c) the dispute will be dealt with under clause 29; and
- (d) until the dispute is resolved, the Tenant will not be required to pay the amount in dispute.

15 Landlord's Statement of Expenditure

15.1 Within three months after the end of each Accounting Period, and upon timely request from the Tenant in the first instance being received, the Landlord will prepare and provide to the Tenant a statement of expenditure (**Statement of Expenditure**) which specifies the Operating Expenses actually incurred in that Accounting Period.

15.2 The Statement of Expenditure should detail and is not limited to:

- (a) each item of Operating Expense;

Title Reference 15728041 and 15728042

- (b) how the Operating Expenses have been calculated; and
- (c) the Tenant's Proportion of Operating Expenses and the figures from which the Tenant's Proportion have been calculated.

15.3 The Landlord must:

- (a) keep accurate records of the Operating Expenses for each Accounting Period including copies of all relevant assessments, invoices or statements; and
- (b) allow the Tenant to inspect the records.

16 Adjustment of Operating Expenses at end of Accounting Period

- 16.1 Within three months of receipt by the Tenant of a Statement of Expenditure correctly specifying the total Operating Expenses the Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses less the total of any amount paid for that Accounting Period under clause 12.
- 16.2 If the amount paid for that Accounting Period under clause 12 is greater than the Tenant's Proportion of the Operating Expenses then the Landlord must repay the difference to the Tenant within three months of receipt by the Tenant of the Statement of Expenditure.
- 16.3 If the Tenant disputes whether the Tenant's Proportion of Operating Expenses set out in the Statement of Expenditure:
- (a) has been calculated correctly; or
 - (b) includes amounts that are not Operating Expenses,
- then until the dispute is resolved the Tenant may withhold the amount in dispute and if:
- (c) the Tenant still disputes the Tenant's Proportion of the Operating Expenses three months after receipt by the Tenant of the Statement of Expenditure,
- then the dispute will be dealt with under clause 29.
- 16.4 The Tenant's liability to pay the Tenant's Proportion of the Operating Expenses is not affected by the termination of this Sublease.

17 GST

- 17.1 In this clause words or terms have the meanings as they do in *A New Tax System (Goods and Services Tax) Act 1999*.
- 17.2 Unless otherwise set out, the parties confirm that any amount payable under this Sublease has been calculated without regard to GST.
- 17.3 If there is a Taxable Supply then the party paying for the Taxable Supply will also pay the GST.
- 17.4 Any reference to a cost or charge under this Sublease excludes GST where the party liable to pay it can claim an Input Tax Credit
- 17.5 Each party must do everything reasonably necessary to assist the other to claim an Input Tax Credit.
- 17.6 If a party wishes to make a claim on the other for GST, that claim must be made within six months of the date of the relevant notice.

Title Reference 15728041 and 15728042

- 17.7 Within 21 days of receiving a payment which includes GST, the party who receives the payment must give a Tax invoice to the party making the payment (unless one has already been provided).

18 Maintenance and repairs

- 18.1 The Tenant must maintain any construction built by or at the request of the Tenant comprising the Demised Premises pursuant to clause 5.1 in its condition at the time the construction was built and must carry out any repairs that are necessary to maintain the construction in that condition.
- 18.2 If the Tenant fails to do any work required of the Tenant under clause 18.1 and the Landlord gives the Tenant notice stating what the Tenant has failed to do so, then the Tenant must do such work immediately where there is an emergency and otherwise must do such work promptly and diligently.
- 18.3 If the Tenant fails to do any work following notice from the Landlord under clause 18.2, the Landlord may do the work and the Tenant must reimburse the Landlord for the cost of the work. The Landlord may recover the cost of the work from the Tenant as a liquidated debt.
- 18.4 The Tenant must keep the Demised Premises and the surroundings of the Demised Premises in a thorough state of cleanliness and must not allow any accumulation of rubbish on the Demised Premises whether outside or inside the Demised Premises.
- 18.5 The Tenant must comply with all environmental legislation and must ensure that neither the Demised Premises nor the Airfield or any other land is contaminated, polluted or degraded as a result of anything done or omitted to be done by the Tenant.
- 18.6 If there is any contamination, pollution or degradation of the Demised Premises, the Airfield or any other land as a result of anything done or omitted to be done by the Tenant then the Tenant must carry out all necessary remedial work to the satisfaction of the Landlord, Seqwater and all regulatory authorities.

19 Insurances

- 19.1 The Tenant must have and keep current:
- (a) a public liability insurance policy for an amount not less than \$10 million (or such higher amount as the Landlord may determine from time to time) for each event; and
 - (b) any other insurance policies reasonably required by the Landlord from time to time.
- 19.2 All insurance policies referred to in clause 19.1 shall note the interest of the Landlord and Seqwater.
- 19.3 Upon request by the Landlord the Tenant must give to the Landlord copies of any insurance policy required under clause 19.1 and of the receipt for the last premium.
- 19.4 If the Tenant does anything that might increase the premium payable by the Landlord for any insurance policy in respect of the Demised Premises, then the Tenant must pay to the Landlord the amount of the increased premium.

20 Indemnities by the Tenant

- 20.1 The Tenant will occupy and use the Demised Premises at the risk of the Tenant and releases to the fullest extent permitted by law the Landlord and its contractors and Agents from all claims and demands and from all liability which might arise in respect of any damage to property or death of or injury to any person in or near the Demised Premises (except where caused by the negligence of the Landlord, its contractors or Agents) and the Landlord will have no responsibility or liability for any loss of or damage to any property of the Tenant (except where caused by the negligence of the Landlord, its contractors or Agents).

Title Reference 15728041 and 15728042

- 20.2 To the extent that monies paid to the Landlord out of any insurance effected by the Tenant do not fully indemnify the Landlord, the Tenant will indemnify the Landlord, its contractors and Agents against all actions, claims, losses, damages, costs and expenses incurred by the Landlord or for which the Landlord or its contractors or Agents might become liable in respect of any damage to property or death of or injury to any person (except where caused by the negligence of the Landlord or its contractors or Agents) which may be suffered or sustained in, upon or near the Demised Premises.
- 20.3 The Landlord will not be liable for any loss or damage which the Tenant might suffer by reason of any damage to the Demised Premises or to anything of any nature whatsoever in or about the Demised Premises caused by or arising from the entry, flow or leakage of water or from any defect in the water, gas or electricity connections or any fittings or appliances used in connection with them or from any other defect in the Demised Premises.
- 20.4 Without limiting the generality of clauses 20.1, 20.2 and 20.3, the Tenant will indemnify the Landlord against all actions, claims, losses, damages, costs and expenses for which the Landlord might become liable in respect of or arising from:
- (a) the negligent or careless use by the Tenant or any contractor or Agent of the Tenant of the water, gas, electricity or other services and facilities of the Demised Premises or arising from any faulty fitting, fixture or other plant or equipment of the Tenant;
 - (b) overflow or leakage of water in or from the Demised Premises but having origin within the Demised Premises or caused or contributed to by any act or omission on the part of the Tenant or other persons referred to in clause 20.4(a);
 - (c) loss, damage or injury to property or person caused or contributed to by the use of the Demised Premises by the Tenant or other persons referred to in clause 20.4(a);
 - (d) loss, damage or injury to the Demised Premises or to any property or person within or without the Demised Premises occasioned or contributed to by any act or omission of the Tenant or other persons referred to in clause 20.4(a); and
 - (e) inundation of the Demised Premises or part thereof or any improvements by water (whether or not from Somerset Dam or its catchment areas).

21 Damage to building on Demised Premises

- 21.1 In the event that the Demised Premises is wholly or substantially damaged or destroyed so as not to be reasonably usable or repairable for the Permitted Use the Tenant shall within a period of 90 days at the Tenant's expense clear the Demised Premises of all damaged materials to the satisfaction of the Landlord.
- 21.2 If the Tenant does not clear the Demised Premises in accordance with clause 21.1, the Landlord shall have the right to clear the Demised Premises and recover the cost of such clearing from the Tenant as a liquidated debt.
- 21.3 The Landlord has the right to terminate this Sublease in the event the Landlord exercises its rights under clause 21.2.

22 Resumption

- 22.1 If the Demised Premises or the Airfield is resumed by any competent authority the Landlord will be entitled by giving not less than one month's notice to the Tenant to terminate this Sublease.
- 22.2 The Tenant will not be entitled to claim any compensation from the Landlord in respect of such resumption or termination but the termination will be without prejudice to the rights of either party with regard to any antecedent breach of this Sublease.

Title Reference 15728041 and 15728042

23 Transfer and SubLease

- 23.1 The Tenant must not assign transfer dispose of mortgage or charge the Demised Premises or any part of the Demised Premises or the Tenant's interest in this Sublease without the prior written consent of the Landlord. The Landlord must not unreasonably delay or refuse to grant such consent. It will be reasonable for the Landlord to refuse to grant its consent to a proposed assignee or transferee who is not a full financial voting member of the Club.
- 23.2 The Tenant must not sublet or part with use or possession of the whole or any part of the Demised Premises. Allowing others to store aircraft in the Demised Premises is not sub-letting or parting with possession.
- 23.3 A request for the Landlord's consent pursuant to clause 23.1 must be made in writing and the Tenant must provide the Landlord with such information as the Landlord may reasonably require concerning the financial standing of the proposed transferee.
- 23.4 The Tenant must procure from the proposed transferee:
- (a) the consent of and execution of any document required by Seqwater and/or the Landlord at the expense of the Tenant; and
 - (b) the execution of a deed of covenant to be prepared by the Landlord's solicitors at the expense of the Tenant, which deed of covenant will set out that the transferee must comply with all of the Tenant's obligations under this Sublease. If the proposed transferee is a corporation (other than a corporation whose shares are listed on any stock exchange in Australia) then the Tenant must procure the execution by the directors and principal shareholders of the transferee of a guarantee of the obligations of the proposed transferee such guarantee to be prepared by the Landlord's solicitors at the expense of the Tenant.
- 23.5 The Landlord in granting its consent pursuant to clause 23.1 shall require the Tenant to pay the following amounts:
- (a) a reasonable sum to the Landlord in connection with considering and granting the consent, such sum to be fixed by the Landlord from time to time; and
 - (b) a reasonable sum in respect of any legal expenses incurred by the Landlord in connection with considering and granting the consent including the deed of covenant referred to in clause 23.4(b).

24 Use of facilities

- 24.1 The Landlord shall permit the Tenant and all persons lawfully authorised by the Tenant in common with others having like rights to use the facilities from time to time provided by the Landlord for the tenants of the Airfield and their Agents.
- 24.2 The Landlord may set rules from time to time in relation to the use of facilities on or relating to the Airfield or any part of the Airfield. In the event any such rules are set the Tenant will comply and ensure its Agents comply with such rules at all times during the Term.

25 Giving up possession to the Landlord

- 25.1 On the expiration of the Term or upon termination of this Sublease for any other reason the Tenant must:
- (a) remove the construction (including foundations) comprising the Demised Premises and make good any damage caused in doing so; and

Title Reference 15728041 and 15728042

- (b) remove from the Demised Premises the Tenant's fixtures, fittings, plant, machinery and other goods in the nature of tenant's fixtures brought upon the Demised Premises by the Tenant, and make good any damage caused in doing so; and
- (c) remediate any Contamination or Environmental Harm (as defined by relevant Queensland law) caused to the Demised Premises by the Tenant,

unless the Landlord otherwise agrees in writing.

- 25.2 If this Sublease is terminated because of the Tenant's breach of this Sublease or if the Tenant is in default under this Sublease, the right to remove given to the Tenant under clauses 25.1(a) and 25.1(b) is subject to the written consent of the Landlord.
- 25.3 Any construction, fixtures or other goods of the Tenant which are not removed by the Tenant on the termination of this Sublease (whether voluntarily or because of the operation of clause 25.2) become the property of the Landlord who may either keep them or dispose of them.
- 4 The Landlord may charge to the Tenant and recover from the Tenant as a liquidated debt all costs of removal and disposal of any construction, fixtures and other goods of the Tenant and all costs of making good any damage caused by such removal.
- 25.5 The Landlord shall not be required to pay any compensation of any nature to the Tenant in respect of any improvements upon the Demised Premises or the construction comprising the Demised Premises which may be carried out by the Tenant during the Term.

26 Default

- 26.1 The Landlord may terminate this Sublease by re-entering and taking possession of the Demised Premises or by demanding possession of the Demised Premises if:
 - (a) the Rent or other money payable under the Lease is 28 days overdue for payment; or
 - (b) the Tenant fails to meet an obligation of the Tenant under this Sublease; or
 - (c) the Tenant repudiates this Sublease; or
 - (d) if the Tenant becomes a bankrupt or executes a Deed of Arrangement or a Deed of Assignment for the benefit of the Tenant's creditors,and the Tenant fails to comply with a notice from the Landlord given under Section 124(1) *Property Law Act 1974*.
- 26.2 The Landlord may (but is not obliged to) remedy at any time without notice any default by the Tenant under this Sublease and whenever the Landlord so elects all reasonable costs incurred by the Landlord (including legal costs) in remedying a default will be a liquidated debt and must be paid by the Tenant to the Landlord on demand.
- 26.3 No consent or waiver expressed or implied by the Landlord to or of any breach of any obligation of the Tenant is to be taken as a consent or waiver to or of any other breach of the same or any other obligation. No waiver of any breach by the Tenant is to be implied from the Landlord's failure to exercise the Landlord's rights in respect of such breach.

27 Essential terms

- 27.1 Essential terms of this Sublease include the obligations of the Tenant:
 - (a) to pay Rent when due;

Title Reference 15728041 and 15728042

- (b) regarding maintenance and repairs;
 - (c) regarding the Tenant's use of the Demised Premises;
 - (d) regarding any roof runoff water and water tanks;
 - (e) regarding insurances;
 - (f) in relation to membership of the Club, including being a full financial voting member of the Club;
 - (g) to comply with the Constitution and By-Laws of the Club; and
 - (h) regarding sub-letting and parting with possession.
- 27.2 The acceptance by the Landlord of any late payment of Rent will not be taken to be a waiver of the essentiality of the Tenants obligation to pay Rent when due.
- 27.3 If there is a breach by the Tenant of an essential term of this Sublease the Landlord may recover damages from the Tenant for losses over the entire period of this Sublease but the Landlord must, except in the case of abandonment of the Demised Premises by the Tenant, take all reasonable steps to mitigate the losses including endeavouring to lease the Demised Premises to a new Tenant.
- 27.4 The Landlord's right to recover damages from the Tenant will not be affected if:
- (a) the Tenant abandons possession of the Demised Premises;
 - (b) there is a surrender of this Sublease;
 - (c) the Landlord accepts the repudiation of the Lease by the Tenant; or
 - (d) the Landlord terminates this Sublease by re-entering the Demised Premises or any part of the Demised Premises or by demanding possession of the Demised Premises.

28 Power of attorney

- 28.1 In consideration of the Landlord agreeing to grant this Sublease, the Tenant appoints the Landlord and its officers severally as the Tenant's attorney to act at any time if the Tenant is in breach of the Tenant's covenants under this Sublease and the Landlord's right of termination of this Sublease or right of re-entry has been exercised or is exercisable to:
- (a) execute and sign a transfer or surrender of this Sublease; and
 - (b) procure the transfer or surrender of this Sublease to be registered if this Sublease has been registered; and
 - (c) using the name of the Tenant for those purposes, and generally, do execute and perform any act, deed, matter or thing in respect of the Demised Premises as fully and effectually as the Tenant could do, execute or perform it.
- 28.2 A statutory declaration of the Landlord that the rights of the Tenant under clause 28.1 are exercisable will be deemed to be conclusive evidence of its contents in favour of any person who is not a party to this Sublease.
- 28.3 The Tenant must ratify and confirm anything lawfully done or caused to be done in and about the Demised Premises by the Tenant's attorney.

Title Reference 15728041 and 15728042

29 Dispute resolution

- 29.1 If a dispute arises between the Landlord and the Tenant under a provision of this Sublease and that provision states that the provision is to be dealt with under this clause 29, the dispute must be referred for written determination to a person (**Expert**) appointed under this clause 29. The Expert acts as an expert and not as an arbitrator and the Expert's determination is conclusive and binds both parties. The Expert must practice in the State of Queensland.
- 29.2 The Expert must have at least 10 years' current and continuous standing in the Expert's profession at the date of appointment and must be:
- (a) for a matter of law, a practising barrister or solicitor appointed by the president of the appropriate governing body of barristers or solicitors in the State of Queensland;
 - (b) for a financial or accountancy matter, a practising chartered accountant appointed by the President of the Division of the Institute of Chartered Accountants in Australia for the State of Queensland;
 - (c) for a matter connected with the construction of any part of the buildings on the Airfield, a practising architect appointed by the President of the Chapter of the Royal Australian Institute of Architects for the State of Queensland;
 - (d) for a matter connected with land or rental value, a qualified valuer appointed by the President of the Australian Property Institute (Queensland Division); and
 - (e) for any other matter, a qualified person appointed by the senior officer of an appropriate association, institute, society or board,
- or, if appropriate and the parties agree, the dispute may be referred to a panel of experts representing more than one of the appropriate skills.
- 29.3 If the parties cannot agree on an Expert within one month after a dispute arises, a party must sign an authority for the appointment of an Expert if the other party requests it to do so.
- 29.4 If a party does not sign the authority within 10 days after the other party requests it to do so, the other party may authorise the appointment of the Expert. Production of a copy of this clause and the request are conclusive of that authority.
- 29.5 Each party must pay one half of the Expert's fees and expenses, irrespective of the result of the determination.

30 Notices

- 30.1 Notices under this Sublease must be in writing and may be given by a party's solicitor.
- 30.2 Notices are effectively given if delivered or posted to the other party or sent to the facsimile number of the other party.
- 30.3 Posted notices will be treated as given two Business Days after posting.
- 30.4 Notices sent by facsimile will be treated as given when the sender obtains a clear transmission report.
- 30.5 Notices given after 5.00pm will be treated as given on the next Business Day.
- 30.6 Notices given by a party's solicitor will be treated as given with the party's authority.

Title Reference 15728041 and 15728042

31 Transfer of Sub Lease

The Landlord covenants and agrees that in the event that whilst this Sublease is not registered in the Department of Environment and Resource Management, pursuant to the *Land Title Act 1994* upon the Landlord assigning transferring or disposing of its interest in the Head Lease of which the Demised Premises forms part the Landlord must procure to be executed by the assignee transferee or disponent covenants (Purchaser's Covenant) in favour of the Tenant that the assignee transferee or disponent is bound by the provisions and the covenants contained in this Sublease to the same extent as if such assignee transferee or disponent were named as the Landlord in this Sublease and that such assignee or disponent will not assign, transfer or dispose of its interest in the Head Lease unless the Landlord procures a legally binding covenant from the assignee, transferee or disponent, in terms identical with the Purchaser's Covenant in favour of the Tenant.

32 Licensed Areas

Grant of licence

- 32.1 During the Term, and any extension of the Term, the Landlord grants to the Tenant and others authorised by the Tenant the non-exclusive right:
- (a) to use that part of the Licensed Areas comprising the Apron Area for the purpose of aircraft and pedestrian access to and from the Demised Premises and temporarily standing and loading and unloading aircraft;
 - (b) to use those parts of the Licensed Areas identified as Water Tank/Maintenance Area for the purpose of erecting and maintaining a water tank to collect water run off solely from the roof of the Demised Premises (**Tenant's Water Tank**). The Tenant must obtain the Landlord's prior written consent to erect any water tank or other improvement in the Water Tank/Maintenance Area. The Landlord may refuse its consent to the erection of any Tenant's Water Tank where it would interfere with or be in the same location required by the Landlord for a Shared Water Tank.
- 32.2 The Tenant must not use or occupy any Licensed Area so as to become a nuisance or annoyance to the Landlord or other tenants or users of the Airfield and must at all times comply with the reasonable directions of the Landlord and the Constitution and By-Laws of the Club in relation to the use and occupation of the Licensed Areas.
- 32.3 The Landlord may not determine the licence for the Licensed Areas granted by this clause whilst this Sublease remains in force.
- 32.4 The Tenant must:
- (a) keep and maintain those parts of the Licensed Areas referred to in clauses 32.1(a) and 32.1(b) in a clean and tidy condition and must cause all grassed areas within the Licensed Areas to be regularly mowed and maintained in a clean and tidy condition.;
 - (b) indemnify the Landlord in respect of all claims for loss or damage arising out of the use of those parts of the Licensed Areas by the Tenant or by any of the persons authorised by this clause; and
 - (c) occupy and use those parts of the Licensed Areas, as if they were part of the Demised Premises (but those parts of the Licensed Areas are not to be taken to be part of the Demised Premises).
- 32.5 All of the provisions of this Sublease relating to the Demised Premises apply to those parts of the Licensed Areas referred to in clause 32.1 as if those parts were part of the Demised Premises (but those parts are not to be taken to be part of the Demised Premises).

Title Reference 15728041 and 15728042

33 Guarantee and indemnity

- 33.1 This clause 33 applies if Guarantors are named at Item 9 of the Reference Schedule.
- 33.2 The Guarantor guarantees to the Landlord the payment by the Tenant of the Rent and all other monies payable by the Tenant under this Sublease and the performance by the Tenant of all other obligations of the Tenant under this Sublease.
- 33.3 If the Tenant fails to pay any Rent or other money due under this Sublease the Guarantor must pay such Rent or other money to the Landlord on demand.
- 33.4 The Guarantor will indemnify the Landlord against all loss and damage suffered by the Landlord in any of the following events:
- (a) if the Tenant fails to perform any obligation of the Tenant under this Sublease; or
 - (b) if this Sublease is disclaimed following the insolvency of the Tenant.
- 33.5 The obligations of the Guarantor to the Landlord will not be affected notwithstanding that:
- (a) the Landlord allows time or other indulgence to the Tenant or does not seek to recover any monies from the Tenant;
 - (b) this Sublease is not registered;
 - (c) this Sublease is assigned or transferred;
 - (d) any security taken by the Landlord in respect of the obligations of the Tenant under this Sublease is void or defective; or
 - (e) the Lease is varied or amended.
- 33.6 The Landlord may recover damages from the Guarantor for losses over the entire period of this Sublease but must take all reasonable steps to mitigate the losses including endeavouring to lease (with the consent of Seqwater) the Demised Premises to a new Tenant.
- 33.7 The guarantee and indemnity by the Guarantor to the Landlord applies not only to the obligations of the Tenant under this Sublease but also to the obligations of the Tenant under any renewal or extension of this Sublease or under any tenancy of the Tenant in respect of the Demised Premises. The Guarantor will sign or execute a guarantee and indemnity in similar terms to this clause 33 in respect of any such further sublease or tenancy if requested to do so by the Landlord.
- 33.8 If the Guarantor consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- 33.9 The obligations of the Guarantor to the Landlord will endure for the benefit of the successors and assigns of the Landlord.

34 Miscellaneous

- 34.1 The Landlord may appoint one or more persons to act as caretaker of the Airfield. The Landlord must notify the Tenant from time to time of the appointment or termination of the appointment of any caretaker. The Tenant must comply with any direction or requirement of the caretaker which is neither contrary to any right, entitlement or privilege granted to the Tenant under this Sublease nor the Constitution or By-Laws of the Club.

Title Reference 15728041 and 15728042

35 Sequential Leases

Application

35.1 This clause 35 applies:

- (a) despite any other provision of this Sublease; and
- (b) where one or more Sequential Leases are entered into in respect of the Demised Premises.

Sequential Lease

35.2 Where a Sequential Lease commences on the day after the Termination Date, any provisions of this Sublease in relation to:

- (a) the Tenant's right to hold over after the expiration of the Sublease;
- (b) the Tenant's obligation to remove any items from the Demised Premises;
- (c) the Tenant's obligation to make good the Demised Premises,

which would normally apply on the expiration of this Sublease, do not apply until the expiration of the final Sequential Lease.

35.3 If this Sublease is transferred, then (despite any other provision of any Sequential Lease) the Sequential Leases which are expressed to commence after the date of the transfer are deemed to be assigned to the same transferee and with effect on and from the same date.

35.4 If a Sequential Lease, which commenced prior to the Commencement Date is or has been transferred, then this Sublease is deemed to be transferred to the same transferee with effect on and from the same date.

35.5 If a Sequential Lease, which commenced prior to the Commencement Date terminates other than by expiration, then this Sublease is terminated with effect from the same date.

35.6 If the Tenant gives written notice to the Landlord no later than six months prior to the Commencement Date that the Tenant no longer requires to occupy the Demised Premises, then this Sublease terminates with effect on and from the date of service of the notice.

Title Reference 15728041 and 15728042

Reference Schedule

Item 1 Landlord	South East Queensland Sports Aircraft Club Incorporated
Item 2 Tenant	John Terrence Adams
Item 3 Term (clause 7.1)	3 years
Item 4 Commencement Date (clause 7.1)	1 January 2040
Item 5 Termination Date (clause 7.1)	31 December 2042
Item 6 Type of Construction (clause 5.1)	Aircraft Hangar building
Item 7 Permitted Use (clause 6.1)	Aircraft storage and ancillary storage
Item 8 Rent (clause 10.2)	<i>The rent at the commencement of the Sub-Lease shall be calculated as follows:</i>

$$R = \frac{A \times B}{C}$$

where:

R = The Annual Rent at the commencement of this Sub-Lease

A = The Annual Rent payable for the last year of the immediately preceding Sub-Lease

B = Index Number for the December quarter for 2039

C = Index Number for the December quarter for 2036

"Index Number" means the Consumer Price Index (All Groups) for the city of Brisbane as published by the Australian Bureau of Statistics. If that index is discontinued, the expression will mean an index or method of measuring increases in the cost of living agreed in writing by the Parties. If there is no agreement within a period of 14 days, it will be an index or method determined at the request of either Party by the President or Acting President of the Valuers' Institute or their nominee.

Item 9
Guarantor/s (clause 33)

N/A

Title Reference 15728041 and 15728042

Annexure A

Plan of Demised Premises and Licensed Areas

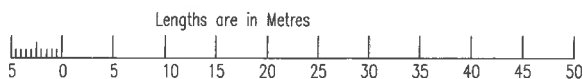
DIAGRAM

Scale @ A3 1:500

ALL MEASUREMENTS ARE APPROXIMATE

LEGEND

-  Lease Area
-  Apron Area
-  Water Tank/ Maintenance Area
-  Outside face of Building
-  Centreline of Wall



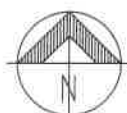
LEASE A3
165m²

362
CG4017

BUILDING A

Lease
No. 602170874

Sub-Lease A3 does affect Lease 602170874 and does not affect Lease 602170873 or Emts. A-C on RP 854245. Dated 30/10/2017



303
CG3813

LEASE A3
VIDE DIAG.

362
CG4017

KENNEDY'S

Emt. A
RP854246

Emt. C
RP854245

Locality of Glenfern

371
CG363

Emt. B
RP854245

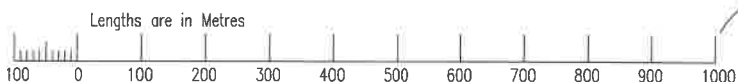
Emt. A
RP 854245

361
CG4017

STANLEY RIVER

LEASE CONNECTION

LINE	BEARING	DISTANCE
A-B	Abt 57°15'	Abt 68.6



Meridian: CG4017

Map Ref: 9444-33234

NOTE
Lease dimensions & areas taken to outside face of building and centreline of internal walls.

R. KEATING
QBCC Lic. No. 065458



20 Bushlark Court
Upper Caboolture 4510
Ph.: (07) 5497 0334

BOB KEATING DESIGN & DRAFTING

Parish: KILCOY
Locality: WINYA

County: CANNING
Local Gov.: SOMERSET R.C.

PLAN FOR LEASE PURPOSES

Being part of Lease No. 602170874 in
Lots 361 & 362 on CG4017
(TR15728041 and 15728042)

CLIENT
South East Qld Sports Aircraft Club

SCALE (A3)
1:8000

PLAN NO.
Lease-A3



OFFICE USE ONLY

Privacy Statement

Collection of information from this form is authorised by legislation and is used to maintain publicly searchable records. For more information see the Department's website.

1. Sublessor	Lodger (Name, address, E-mail & phone number)	Lodger Code
South East Queensland Sports Aircraft Club Incorporated		

2. Lot on Plan Description	Title Reference
Lot 361 on CP CG4017	15728041
Lot 362 on CP CG4017	15728042

3. Sublessee Given names	Surname/Company name and number	(include tenancy if more than one)
John Terrence	Adams	

4. Interest being subleased
Lease 602170874 (K935953B)

5. Description of premises being subleased
That part of the building erected on the land, indicated as area "A3" on the plan in Annexure A

6. Term of lease	7. Rental/Consideration
Commencement date/event: 1 January 2043	See attached schedule
Expiry date: 31 December 2045	
Options: Nil	

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule

Witnessing officer must be aware of his/her obligations under section 162 of the Land Title Act 1994

..... signature	
..... full name	See Enlarged Panel
..... qualification	/ /

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

Sublessor's Signature

9. Acceptance

The Lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

..... signature	
..... full name	See Enlarged Panel
..... qualification	/ /

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

Sublessee's Signature

Title Reference 15728041 and 15728042

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule



Given under the common seal of the South East Queensland Sports Aircraft Club Incorporated in accordance with its Rules of Club in the presence of

a member of the Management Committee and the

Secretary/member of the Management Committee who certify that they are the proper officers to affix such seal:

..... signature

..... full name

..... qualification 2 / 12 / 2018

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

.....
.....
.....

Sublessor's Signature

9. Acceptance

The Sublessee accepts the sublease and acknowledges the amount payable or other considerations for the sublease.

..... signature

..... full name

..... qualification

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

2 / 12 / 18
Execution Date

.....
.....
.....

Sublessee's Signature

MARK RODERICK FOY
SOLICITOR, QLD

Title Reference 15728041 and 15728042

1 Definitions and interpretations

Definitions

1.1 In this document:

Term	Definition
Accounting Period	means each of the following periods: the period from the Commencement Date to the immediately following 30 June; each full period of 12 months from 1 July to 30 June during the Term; and the period from 1 July immediately preceding the Termination Date.
Agents	means agents, servants, employees, licensees and invitees.
Airfield	means the land known as Kilcoy Airfield situated at Kennedy's Road, Kilcoy and more particularly described as Lease A (No. 602170874 (K935953B)) in Lots 361 and 362 on Plan CP CG4017, Title Reference 15728041 and 15728042, such land being nominally divided into precincts for specific uses as specified in the Master Plan.
Approval to Operate	means a written approval issued by the Landlord for the carrying out of specified activities (nominated in that written approval) on specific areas of the Airfield as designated on the Master Plan.
Apron Area	means the area shown on the plan in Annexure A.
Business Day	means a day on which trading banks are open for business in Brisbane, Queensland.
Club	means the Landlord and its successors.
Commencement Date	means the commencement date of this Sublease stated at Item 4 of the Reference Schedule.
Cover Page	means page 1 of this Sublease.
Default Interest Rate	means that rate which is 2% above the rate charged by National Australia Bank on overdraft amounts in excess of Fifty Thousand Dollars (\$50,000).
Demised Premises	means the premises described at Item 5 on the Cover Page of this Sublease.
Development Control Plan	means the development control plan for the Airfield dated February 2008.
Environmental Management System	means the document titled the environmental management system and which is applicable to the Airfield dated February 2005.
Guarantor	means the guarantors named in Item 9 of the Reference Schedule (if any).
Head Lease	means lease number 602170874 (K935953B) dated 16 January 1992 between Seqwater and South East Queensland Sports Aircraft Club Incorporated in relation to the Airfield.
Item	means an item in the Reference Schedule of this Sublease unless it is specified to be an item on the Cover Page of this Sublease.
Landlord	means South East Queensland Sports Aircraft Club Incorporated, being the sublessor identified in Item 1 of the Cover Page of this Sublease and the tenant named in the Head Lease.
Licensed Areas	means those parts marked and shown as 'Apron Area' and 'Water

Title Reference 15728041 and 15728042

Term	Definition
	Tank/Maintenance Area' on the plan in Annexure A.
Master Plan	means the plan designating the uses authorised by Seqwater and Somerset Regional Council, for specified precincts of the Airfield dated June 2007 and other plan in force from time to time together with conditions of approval of the Somerset Regional Council or other relevant authority (where the context requires) in force from time to time.
Operating Expenses	means all net amounts paid or payable by the Landlord in any one Accounting Period (after taking into account the benefit of any discount, rebate, allowance or concession): (a) for municipal rates and charges of a periodic nature assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period; (b) for other fees, levies, taxes or charges assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period by any statutory or other authority.
Permitted Use	means the permitted use stated at Item 7 of the Reference Schedule.
Reference Schedule	means the reference schedule attached to this Sublease.
Rent	means the rent stated at Item 8 of the Reference Schedule.
Sequential Lease	means a sublease to the Sublessee of the Demised Premises (other than this Sublease) which is entered into at the same time as this Sublease but which is for a period either before or after the Term.
Seqwater	means the Queensland Bulk Water Supply Authority trading as Seqwater, being the registered proprietor of the Airfield and the landlord under the Head Lease.
Shared Water Tank	has the meaning given in clause 6.10.
Sublease	means this schedule, the Cover Page and the Reference Schedule attached to this Sublease.
Tenant	means the sublessee identified in Item 3 on the Cover Page of this Sublease.
Tenant's Proportion	is calculated in accordance with the formula: $TP = \frac{1}{TH}$ where: TP = the Tenant's Proportion TH = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a sublease granted by the Landlord.
Tenant's Water Tank	has the meaning given in clause 32.
Term	means the term of this Sublease stated at Item 3 of the Reference Schedule.
Termination Date	means the termination date stated at Item 5 of the Reference Schedule.

Interpretation

1.2 In this Sublease, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa;

Title Reference 15728041 and 15728042

- (b) 'person' includes a firm, a company, a body corporate, an unincorporated Club or an authority in so far as it relates to the Lessor, its agents or others associated with the Sublease with the exception of the Lessee who will at all times remain a natural person.
- (c) an agreement, representation or warranty:
 - (i) in favour of two or more persons is for the benefit of them jointly and severally; and
 - (ii) on the part of two or more persons binds or is given by them jointly and severally;
- (d) a reference to:
 - (i) a person includes a person's legal personal representatives, successors, substitutes (including persons taking by novation) and assigns;
 - (ii) a document includes any variation or replacement of it;
 - (iii) a law includes regulations and other instruments under it and amendments or replacements of any of them;
 - (iv) a thing includes the whole and each part of it;
 - (v) a group of persons includes all of them collectively, any two or more of them collectively and each of them individually; and
 - (vi) the president of a body or authority includes any person acting in that capacity;
- (e) 'including' when introducing a list of items does not limit the meaning of the words to which the list relates to those items or to items of a similar kind;
- (f) a reference to time is the time at Brisbane;
- (g) a reference to a clause is a reference to a clause of this Sublease; and
- (h) where any word or phrase is given a defined meaning any grammatical form or other part of speech in respect of such word or phrase shall have a corresponding meaning.
- (i) Headings have been inserted for convenience and do not affect the interpretation of this Sublease.
- (j) A gender includes all genders, the singular includes the plural and conversely, and persons include corporations and conversely.
- (k) If a party to the lease consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- (l) No covenant is implied in the lease by Section 107(4) *Property Law Act 1974*.
- (m) This Sublease comprises the whole of the agreement between the Landlord and the Tenant and no further or other terms or agreements shall be deemed to be implied or to arise by way of collateral or other agreement by reason of any promise, representation, warranty or undertaking by or on behalf of the Landlord or the Tenant on or prior to the execution of the Sublease.
- (n) Any notice, notification or consent under the Sublease and any variation of the Sublease must be in writing.
- (o) The Sublease is a deed even if it is not registered.

Title Reference 15728041 and 15728042

- (p) The Sublease must be interpreted so that it complies with the laws of Queensland and of the Commonwealth of Australia. If any provision of the Sublease does not comply the provision must be read down so as to give it as much effect as possible. If the provision cannot be given any effect it must be severed from the Sublease.

2 Head Lease

- 2.1 This Sublease and the rights of the Landlord and the Tenant under this Sublease are subject to all the covenants and conditions of the Head Lease. The Landlord and the Tenant agree that so far as relates to the Demised Premises and this Sublease, the Tenant covenants with the Landlord that it will not do any act or permit any act to be done which if done or permitted to be done would constitute a breach of any of the covenants and conditions in the Head Lease. If the Head Lease requires a consent or approval (from Seqwater) for the doing of any act or thing, by a tenant, then the Tenant shall procure such consent or approval before doing the act or thing (and provide a copy of it to the Landlord).
- 2.2 The Tenant acknowledges having received a copy of the Head Lease before the Tenant entered into this Sublease.
- 2.3 If the Head Lease is terminated or otherwise determined, this Sublease shall simultaneously terminate without notice or further act of the parties and without any liability on the part of each party to the other party but without prejudice to the rights of each party in respect of any antecedent breach of the covenants and conditions of this Sublease by the other party.
- 2.4 If the provisions of this Sublease (other than this clause 2) conflict with any of the provisions of the Head Lease, then the provisions of the Head Lease shall prevail.

3 Landlord's Covenants

- 3.1 If the Tenant does everything which the Tenant is required to do under this Sublease the Landlord must permit the Tenant to have possession of the Demised Premises and to use the Demised Premises for the Permitted Use without interruption or disturbance by the Landlord or by any other person lawfully claiming under the Landlord.
- 3.2 The Tenant's right to be free of interruption or disturbance is subject to the rights of the Landlord under this Sublease.
- 3.3 The Landlord covenants with the Tenant that the Landlord will pay the rent payable under the Head Lease and will do everything which the Landlord is required to do under the Head Lease.

4 Landlord's rights of access to the Demised Premises

- 4.1 The Tenant must allow the Landlord or any person authorised by the Landlord to enter the Demised Premises at any reasonable time for any of the following purposes:
- (a) inspect the condition of the Demised Premises or any construction built by the Tenant on the Demised Premises;
 - (b) to check the use of the Demised Premises;
 - (c) to do any work that the Landlord must or may do pursuant to this Sublease or the law;
 - (d) to value the Demised Premises;
 - (e) to inspect the Demised Premises or to affix a notice on the Demised Premises or on the outside of any construction on the Demised Premises within the last six months of the Term of this Sublease or at any time after the termination of that period in relation to a prospective letting of the Demised Premises;

Title Reference 15728041 and 15728042

- (f) to carry out any improvements or repairs to the Demised Premises or adjoining premises considered by the Landlord to be desirable so long as the work is done without undue interference with the occupation and use of the Demised Premises by the Tenant;
 - (g) to allow entry by Seqwater or the Landlord where entry is or may be required to allow exercise of a right or fulfilment of an obligation under the Head Lease; or
 - (h) to carry out any work on any structure or thing on the Demised Premises because the Tenant is in breach of this Sub-lease and has failed to remedy the breach.
- 4.2 The Landlord must give the Tenant at least five days' notice of access or entry to the Demised Premises except in an emergency where no notice is needed.

5 Alterations to the Demised Premises

- 5.1 The Tenant must not make or allow to be made any alterations or additions to any construction on the Demised Premises (including without limitation erecting any sign or notice or painting any improvements) unless:
- (a) the Tenant first obtains the consent of Seqwater, and the Landlord, and the approval or consent of any relevant authority; and
 - (b) the alterations or additions comply with the Master Plan and the consents and approvals referred to in clause 5.1(a).
- 5.2 Any construction, alteration or addition must be carried out in a proper and workmanlike manner at the expense of the Tenant and (if so required by the Landlord) subject to the supervision of the Landlord's architect whose fees must be paid by the Tenant.
- 5.3 If any construction, alteration or addition is made by the consent of the Landlord upon the condition that the Demised Premises are to be restored to their former condition at the expiry or on earlier termination of this Sublease then upon the expiry or on earlier termination of this Sublease the Tenant must restore the Demised Premises accordingly.

6 Use of Demised Premises

- 6.1 The Tenant must use the Demised Premises only for the Permitted Use. The Tenant must obtain the prior written consent of the Landlord which the Landlord must not unreasonably withhold before any aircraft not owned by the Tenant is stored in the Demised Premises. It will not be unreasonable for the Landlord to refuse its consent if the storage of the aircraft would cause the Landlord to be in breach of any applicable Law. The Landlord may impose conditions when granting its consent including that the Tenant pays a fee determined by the Landlord as a contribution to the maintenance of the Airfield.
- 6.2 The Tenant acknowledges that the Permitted Use must be carried on in compliance with:
- (a) the Master Plan;
 - (b) the Development Control Plan;
 - (c) the Environmental Management System; and
 - (d) all applicable regulatory approvals licences or permits the Landlord has in place, holds or to which the Landlord is subject from time to time.
- 6.3 The Landlord does not represent or warrant that the Demised Premises are suitable or can be lawfully used for the Permitted Use or for any other purpose of the Tenant.

Title Reference 15728041 and 15728042

- 6.4 The Airfield may only be used for recreational flying. Flying operations for any commercial or profit making undertaking or business are not permitted. The Landlord does not represent or warrant that the runways, taxiways, parking areas and roads on the Airfield are of all-weather standard, or that after periods of wet weather these areas are suitable for aircraft or motor vehicle use. The Tenant shall repair any damage to these areas by the Tenant should the Tenant use these areas after periods of rain.
- 6.5 The Tenant must obtain any necessary consents or licences regarding the Permitted Use, keep them current and comply with any conditions attaching to them.
- 6.6 If an Approval to Operate issued by the Landlord is required in relation to the Demised Premises because of the Permitted Use or the Master Plan, the Tenant must keep such Approval current at all times throughout the Term and comply with all renewal requirements of the Landlord.
- 6.7 The Tenant must duly and punctually comply with and observe all statutes, ordinances, regulations and by-laws and all requirements and orders of any relevant authority or public body relating to the Demised Premises.
- 6.8 The Tenant must comply with all reasonable directions of the Landlord or the insurer of the Demised Premises as to prevention, detection and limitation of fire and fire protection.
- 6.9 The Tenant must comply with the requirements of the local Fire Brigade Board and the laws and regulations for the time being relating to fires.
- 6.10 The Tenant must direct all roof runoff water and water storage overflow by drainpipes to a water tank with a minimum capacity of 5,000 litres (**Shared Water Tank**) located in a position determined by the Landlord adjacent to the Demised Premises. The Tenant consents to the Landlord determining a position for and locating a Shared Water Tank within the area licensed to the Tenant as the Water Tank/Maintenance Area. The water contained in a Shared Water Tank or any Tenant's Water Tank placed in the Water Tank/Maintenance Area must if required be made available for use by the Landlord or at the Landlord's direction other tenants or occupiers of the Airfield.
- 6.11 The Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank maintain such water tank and keep it in good repair and condition. If any Shared Water Tank leaks, the Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank immediately repair it or have it removed and replaced with new tank. If the Tenant in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank does not repair any water leak within a reasonable time (determined solely by the Landlord), the Landlord may have such leak repaired at the cost of the Tenant. Such cost shall be a liquidated debt owing to the Landlord in equal shares by all tenants whose Demised Premises are connected to the Shared Water Tank.
- 6.12 The Tenant must not:
- (a) use the Demised Premises for any commercial or profit making undertaking or business (including, subject to clause 6.1 storage of aircraft not owned by the Tenant);
 - (b) use the Demised Premises for residential purposes or for other than casual (not permanent) occupation;
 - (c) despite clause 6.12(b) use the Demised Premises (or any part of the Demised Premises) as a sleeping place;
 - (d) use the Demised Premises for any noxious, noisome, offensive, dangerous or illegal activity or purpose;
 - (e) do anything in the Demised Premises which is or might become a nuisance, annoyance or disturbance to the Landlord, Seqwater, or to the owner or occupiers of neighbouring premises;
 - (f) hold any auction, bankrupt or fire sale in the Demised Premises;
 - (g) store upon the Demised Premises any fluid, gas (excluding domestic gas cylinders) or substance which is or might be dangerous because of its inflammable, explosive or corrosive nature;

Title Reference 15728041 and 15728042

- (h) do anything that might invalidate any insurance policy in respect of the Airfield or any adjoining site or sites or increase the premium payable for such insurances;
- (i) use any water, drainage, or other pipes or connections for any purpose other than that for which they were constructed or intended;
- (j) cause or permit any advertisement hoarding or sign (including any neon or similar sign) to be painted affixed put up or placed upon the Demised Premises or any part of the Demised Premises or paint any part of the improvements upon the Demised Premises without first obtaining the written approval of Seqwater and the Landlord.

7 Term

- 7.1 This Sublease is for the Term, commencing on the Commencement Date and ending at midnight on the Termination Date.

If the Tenant remains in the Demised Premises with the Landlord's consent after the Termination Date, then the Tenant will occupy the Demised Premises as a monthly tenant on the same terms and conditions as at the Termination Date except that the Landlord or the Tenant may end the tenancy on any day by giving a month's notice to the other party.

8 Club membership

The Tenant must:

- (a) maintain its full financial voting membership status of the Club for the duration of the Term; and
- (b) not be in breach of the Constitution or By-Laws of the Club for a period in excess of one calendar month.

9 Tenant payments

- 9.1 The Tenant must pay to the Landlord:

- (a) the Rent (varied in accordance with the Lease) within 28 days of receiving a Tax Invoice;
- (b) the professional costs and outlays of the Landlord of preparation and execution of this Sublease and each Sequential Lease;
- (c) the reasonable costs to the Landlord of dealing with any application by the Tenant for the Landlord's consent under this Sublease (whether or not consent is given);
- (d) the reasonable costs to the Landlord incurred in connection with a default by the Tenant;
- (e) survey fees associated with the plan attached as Annexure A;
- (f) the reasonable expenses incurred by the Landlord in obtaining the consent of Seqwater to this Sublease, any assignment of this Sublease, or any consent required under the Head Lease because of the Tenant's use of the Demised Premises;
- (g) any amount paid by the Landlord to Seqwater, pursuant to any deed of consent executed by Seqwater and the Landlord giving consent to this Sublease; and
- (h) the reasonable professional costs and outlays of the Landlord incurred in connection with the surrender of this Sublease.

Title Reference 15728041 and 15728042

- 9.2 If requested by the Landlord, the Tenant must establish a direct debit arrangement with a bank so that the amounts payable by the Tenant are paid directly to the Landlord by the Tenant's bank on each due date for payment.
- 9.3 If the Tenant is late in paying the Rent or other money to the Landlord, then the Tenant must pay interest on it at the Default Interest Rate. Interest will accrue and be compounded monthly and be calculated on a daily basis from the day the Rent or other money was due until the day it is paid in full.
- 9.4 The Tenant must pay for all services, if any, supplied to the Demised Premises.

10 Rent

- 10.1 The Rent for the first year of the Term must be paid on or before the Commencement Date.
- 10.2 The Tenant must pay the Rent (varied in accordance with this Sublease) in advance, and on or before the first day of each year of this Sublease.
- 10.3 If this Sublease is terminated by either party for any reason (whether under clause 26, or otherwise), the Landlord must within 30 days of receiving a written demand, reimburse the Tenant for Rent, the Tenant's Proportion of the Operating Expenses for the relevant Accounting Period and any other amounts payable under this Sublease.

11 Rent reviews

Rent shall be increased on the same date as any increase in the rent payable by the Landlord under the Head Lease. The Rent shall be increased to:

$$R = A + \frac{B}{C}$$

where:

R = the increased Rent;

A = the current Rent;

B = the amount of the increased rent payable under the Head Lease at the relevant review; and

C = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a lease granted by the Landlord.

12 Outgoings

- 12.1 The Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses for each Accounting Period billed to the Tenant in accordance with this clause 12.
- For the purpose of calculating the Tenant's Proportion the Operating Expenses are deemed to accrue equally day to day.
- 12.2 Any change in the Tenant's Proportion will not take effect until the first day of the month following the later of:
- (a) the date the Landlord gives written notice to the Tenant of the change; and
 - (b) the increase or decrease in the total number of aircraft hangars located on the Airfield which causes the change.

Title Reference 15728041 and 15728042

12.3 The Tenant's Proportion of Operating Expenses must not be greater as a result of:

- (a) any other occupant of an aircraft hangar on the Airfield not contributing to an item of Operating Expenses;
or
- (b) any aircraft hangar on the Airfield capable of being leased or licensed being vacant.

13 Landlord's estimates of Operating Expenses

13.1 At least one month prior to the commencement of each Accounting Period and upon request from the Tenant, the Landlord will, but only at the direction of the club management committee, prepare and provide to the Tenant an estimate of Operating Expenses for that Accounting Period.

13.2 The estimates should detail:

- (a) each item of Operating Expense;
- (b) how the estimates have been calculated; and
- (c) the Tenant's Proportion of the estimated Operating Expenses and the figures from which the Tenant's Proportion has been calculated.

14 Payment of Operating Expenses on account

14.1 At the same time as providing the estimates of Operating Expenses for the next Accounting Period, the Landlord may by written notice to the Tenant require the Tenant to pay the Tenant's Proportion of the estimated Operating Expenses.

14.2 On receipt of the request, the Tenant must pay the Landlord the Tenant's Proportion of the estimated Operating Expenses for the next Accounting Period by one annual payment on the first day of each Accounting Period throughout the Term. The first instalment for the first quarter need not be paid by the Tenant until the date 45 days after the date of this Sublease.

14.3 If the Tenant disputes whether the Tenant's Proportion of estimated Operating Expenses required by the Landlord to be paid:

- (a) has been calculated correctly; or
- (b) includes amounts that are not Operating Expenses,

and the dispute is not resolved between the Landlord and the Tenant within one month then:

- (c) the dispute will be dealt with under clause 29; and
- (d) until the dispute is resolved, the Tenant will not be required to pay the amount in dispute.

15 Landlord's Statement of Expenditure

15.1 Within three months after the end of each Accounting Period, and upon timely request from the Tenant in the first instance being received, the Landlord will prepare and provide to the Tenant a statement of expenditure (**Statement of Expenditure**) which specifies the Operating Expenses actually incurred in that Accounting Period.

15.2 The Statement of Expenditure should detail and is not limited to:

- (a) each item of Operating Expense;

Title Reference 15728041 and 15728042

- (b) how the Operating Expenses have been calculated; and
- (c) the Tenant's Proportion of Operating Expenses and the figures from which the Tenant's Proportion have been calculated.

15.3 The Landlord must:

- (a) keep accurate records of the Operating Expenses for each Accounting Period including copies of all relevant assessments, invoices or statements; and
- (b) allow the Tenant to inspect the records.

16 Adjustment of Operating Expenses at end of Accounting Period

- 16.1 Within three months of receipt by the Tenant of a Statement of Expenditure correctly specifying the total Operating Expenses the Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses less the total of any amount paid for that Accounting Period under clause 12.
- 16.2 If the amount paid for that Accounting Period under clause 12 is greater than the Tenant's Proportion of the Operating Expenses then the Landlord must repay the difference to the Tenant within three months of receipt by the Tenant of the Statement of Expenditure.
- 16.3 If the Tenant disputes whether the Tenant's Proportion of Operating Expenses set out in the Statement of Expenditure:
- (a) has been calculated correctly; or
 - (b) includes amounts that are not Operating Expenses,
- then until the dispute is resolved the Tenant may withhold the amount in dispute and if:
- (c) the Tenant still disputes the Tenant's Proportion of the Operating Expenses three months after receipt by the Tenant of the Statement of Expenditure,
- then the dispute will be dealt with under clause 29.
- 16.4 The Tenant's liability to pay the Tenant's Proportion of the Operating Expenses is not affected by the termination of this Sublease.

17 GST

- 17.1 In this clause words or terms have the meanings as they do in *A New Tax System (Goods and Services Tax) Act 1999*.
- 17.2 Unless otherwise set out, the parties confirm that any amount payable under this Sublease has been calculated without regard to GST.
- 17.3 If there is a Taxable Supply then the party paying for the Taxable Supply will also pay the GST.
- 17.4 Any reference to a cost or charge under this Sublease excludes GST where the party liable to pay it can claim an Input Tax Credit
- 17.5 Each party must do everything reasonably necessary to assist the other to claim an Input Tax Credit.
- 17.6 If a party wishes to make a claim on the other for GST, that claim must be made within six months of the date of the relevant notice.

Title Reference 15728041 and 15728042

- 17.7 Within 21 days of receiving a payment which includes GST, the party who receives the payment must give a Tax invoice to the party making the payment (unless one has already been provided).

18 Maintenance and repairs

- 18.1 The Tenant must maintain any construction built by or at the request of the Tenant comprising the Demised Premises pursuant to clause 5.1 in its condition at the time the construction was built and must carry out any repairs that are necessary to maintain the construction in that condition.
- 18.2 If the Tenant fails to do any work required of the Tenant under clause 18.1 and the Landlord gives the Tenant notice stating what the Tenant has failed to do so, then the Tenant must do such work immediately where there is an emergency and otherwise must do such work promptly and diligently.
- 18.3 If the Tenant fails to do any work following notice from the Landlord under clause 18.2, the Landlord may do the work and the Tenant must reimburse the Landlord for the cost of the work. The Landlord may recover the cost of the work from the Tenant as a liquidated debt.
- 18.4 The Tenant must keep the Demised Premises and the surroundings of the Demised Premises in a thorough state of cleanliness and must not allow any accumulation of rubbish on the Demised Premises whether outside or inside the Demised Premises.
- 18.5 The Tenant must comply with all environmental legislation and must ensure that neither the Demised Premises nor the Airfield or any other land is contaminated, polluted or degraded as a result of anything done or omitted to be done by the Tenant.
- 18.6 If there is any contamination, pollution or degradation of the Demised Premises, the Airfield or any other land as a result of anything done or omitted to be done by the Tenant then the Tenant must carry out all necessary remedial work to the satisfaction of the Landlord, Seqwater and all regulatory authorities.

19 Insurances

- 19.1 The Tenant must have and keep current:
- (a) a public liability insurance policy for an amount not less than \$10 million (or such higher amount as the Landlord may determine from time to time) for each event; and
 - (b) any other insurance policies reasonably required by the Landlord from time to time.
- 19.2 All insurance policies referred to in clause 19.1 shall note the interest of the Landlord and Seqwater.
- 19.3 Upon request by the Landlord the Tenant must give to the Landlord copies of any insurance policy required under clause 19.1 and of the receipt for the last premium.
- 19.4 If the Tenant does anything that might increase the premium payable by the Landlord for any insurance policy in respect of the Demised Premises, then the Tenant must pay to the Landlord the amount of the increased premium.

20 Indemnities by the Tenant

- 20.1 The Tenant will occupy and use the Demised Premises at the risk of the Tenant and releases to the fullest extent permitted by law the Landlord and its contractors and Agents from all claims and demands and from all liability which might arise in respect of any damage to property or death of or injury to any person in or near the Demised Premises (except where caused by the negligence of the Landlord, its contractors or Agents) and the Landlord will have no responsibility or liability for any loss of or damage to any property of the Tenant (except where caused by the negligence of the Landlord, its contractors or Agents).

Title Reference 15728041 and 15728042

- 20.2 To the extent that monies paid to the Landlord out of any insurance effected by the Tenant do not fully indemnify the Landlord, the Tenant will indemnify the Landlord, its contractors and Agents against all actions, claims, losses, damages, costs and expenses incurred by the Landlord or for which the Landlord or its contractors or Agents might become liable in respect of any damage to property or death of or injury to any person (except where caused by the negligence of the Landlord or its contractors or Agents) which may be suffered or sustained in, upon or near the Demised Premises.
- 20.3 The Landlord will not be liable for any loss or damage which the Tenant might suffer by reason of any damage to the Demised Premises or to anything of any nature whatsoever in or about the Demised Premises caused by or arising from the entry, flow or leakage of water or from any defect in the water, gas or electricity connections or any fittings or appliances used in connection with them or from any other defect in the Demised Premises.
- 20.4 Without limiting the generality of clauses 20.1, 20.2 and 20.3, the Tenant will indemnify the Landlord against all actions, claims, losses, damages, costs and expenses for which the Landlord might become liable in respect of or arising from:
- (a) the negligent or careless use by the Tenant or any contractor or Agent of the Tenant of the water, gas, electricity or other services and facilities of the Demised Premises or arising from any faulty fitting, fixture or other plant or equipment of the Tenant;
 - (b) overflow or leakage of water in or from the Demised Premises but having origin within the Demised Premises or caused or contributed to by any act or omission on the part of the Tenant or other persons referred to in clause 20.4(a);
 - (c) loss, damage or injury to property or person caused or contributed to by the use of the Demised Premises by the Tenant or other persons referred to in clause 20.4(a);
 - (d) loss, damage or injury to the Demised Premises or to any property or person within or without the Demised Premises occasioned or contributed to by any act or omission of the Tenant or other persons referred to in clause 20.4(a); and
 - (e) inundation of the Demised Premises or part thereof or any improvements by water (whether or not from Somerset Dam or its catchment areas).

21 Damage to building on Demised Premises

- 21.1 In the event that the Demised Premises is wholly or substantially damaged or destroyed so as not to be reasonably usable or repairable for the Permitted Use the Tenant shall within a period of 90 days at the Tenant's expense clear the Demised Premises of all damaged materials to the satisfaction of the Landlord.
- 21.2 If the Tenant does not clear the Demised Premises in accordance with clause 21.1, the Landlord shall have the right to clear the Demised Premises and recover the cost of such clearing from the Tenant as a liquidated debt.
- 21.3 The Landlord has the right to terminate this Sublease in the event the Landlord exercises its rights under clause 21.2.

22 Resumption

- 22.1 If the Demised Premises or the Airfield is resumed by any competent authority the Landlord will be entitled by giving not less than one month's notice to the Tenant to terminate this Sublease.
- 22.2 The Tenant will not be entitled to claim any compensation from the Landlord in respect of such resumption or termination but the termination will be without prejudice to the rights of either party with regard to any antecedent breach of this Sublease.

Title Reference 15728041 and 15728042

23 Transfer and SubLease

- 23.1 The Tenant must not assign transfer dispose of mortgage or charge the Demised Premises or any part of the Demised Premises or the Tenant's interest in this Sublease without the prior written consent of the Landlord. The Landlord must not unreasonably delay or refuse to grant such consent. It will be reasonable for the Landlord to refuse to grant its consent to a proposed assignee or transferee who is not a full financial voting member of the Club.
- 23.2 The Tenant must not sublet or part with use or possession of the whole or any part of the Demised Premises. Allowing others to store aircraft in the Demised Premises is not sub-letting or parting with possession.
- 23.3 A request for the Landlord's consent pursuant to clause 23.1 must be made in writing and the Tenant must provide the Landlord with such information as the Landlord may reasonably require concerning the financial standing of the proposed transferee.
- 23.4 The Tenant must procure from the proposed transferee:
- (a) the consent of and execution of any document required by Seqwater and/or the Landlord at the expense of the Tenant; and
 - (b) the execution of a deed of covenant to be prepared by the Landlord's solicitors at the expense of the Tenant, which deed of covenant will set out that the transferee must comply with all of the Tenant's obligations under this Sublease. If the proposed transferee is a corporation (other than a corporation whose shares are listed on any stock exchange in Australia) then the Tenant must procure the execution by the directors and principal shareholders of the transferee of a guarantee of the obligations of the proposed transferee such guarantee to be prepared by the Landlord's solicitors at the expense of the Tenant.
- 23.5 The Landlord in granting its consent pursuant to clause 23.1 shall require the Tenant to pay the following amounts:
- (a) a reasonable sum to the Landlord in connection with considering and granting the consent, such sum to be fixed by the Landlord from time to time; and
 - (b) a reasonable sum in respect of any legal expenses incurred by the Landlord in connection with considering and granting the consent including the deed of covenant referred to in clause 23.4(b).

24 Use of facilities

- 24.1 The Landlord shall permit the Tenant and all persons lawfully authorised by the Tenant in common with others having like rights to use the facilities from time to time provided by the Landlord for the tenants of the Airfield and their Agents.
- 24.2 The Landlord may set rules from time to time in relation to the use of facilities on or relating to the Airfield or any part of the Airfield. In the event any such rules are set the Tenant will comply and ensure its Agents comply with such rules at all times during the Term.

25 Giving up possession to the Landlord

- 25.1 On the expiration of the Term or upon termination of this Sublease for any other reason the Tenant must:
- (a) remove the construction (including foundations) comprising the Demised Premises and make good any damage caused in doing so; and

Title Reference 15728041 and 15728042

- (b) remove from the Demised Premises the Tenant's fixtures, fittings, plant, machinery and other goods in the nature of tenant's fixtures brought upon the Demised Premises by the Tenant, and make good any damage caused in doing so; and
- (c) remediate any Contamination or Environmental Harm (as defined by relevant Queensland law) caused to the Demised Premises by the Tenant,

unless the Landlord otherwise agrees in writing.

- 25.2 If this Sublease is terminated because of the Tenant's breach of this Sublease or if the Tenant is in default under this Sublease, the right to remove given to the Tenant under clauses 25.1(a) and 25.1(b) is subject to the written consent of the Landlord.
- 25.3 Any construction, fixtures or other goods of the Tenant which are not removed by the Tenant on the termination of this Sublease (whether voluntarily or because of the operation of clause 25.2) become the property of the Landlord who may either keep them or dispose of them.
- 4 The Landlord may charge to the Tenant and recover from the Tenant as a liquidated debt all costs of removal and disposal of any construction, fixtures and other goods of the Tenant and all costs of making good any damage caused by such removal.
- 25.5 The Landlord shall not be required to pay any compensation of any nature to the Tenant in respect of any improvements upon the Demised Premises or the construction comprising the Demised Premises which may be carried out by the Tenant during the Term.

26 Default

- 26.1 The Landlord may terminate this Sublease by re-entering and taking possession of the Demised Premises or by demanding possession of the Demised Premises if:
- (a) the Rent or other money payable under the Lease is 28 days overdue for payment; or
 - (b) the Tenant fails to meet an obligation of the Tenant under this Sublease; or
 - (c) the Tenant repudiates this Sublease; or
 - (d) if the Tenant becomes a bankrupt or executes a Deed of Arrangement or a Deed of Assignment for the benefit of the Tenant's creditors,
- and the Tenant fails to comply with a notice from the Landlord given under Section 124(1) *Property Law Act 1974*.
- 26.2 The Landlord may (but is not obliged to) remedy at any time without notice any default by the Tenant under this Sublease and whenever the Landlord so elects all reasonable costs incurred by the Landlord (including legal costs) in remedying a default will be a liquidated debt and must be paid by the Tenant to the Landlord on demand.
- 26.3 No consent or waiver expressed or implied by the Landlord to or of any breach of any obligation of the Tenant is to be taken as a consent or waiver to or of any other breach of the same or any other obligation. No waiver of any breach by the Tenant is to be implied from the Landlord's failure to exercise the Landlord's rights in respect of such breach.

27 Essential terms

- 27.1 Essential terms of this Sublease include the obligations of the Tenant:
- (a) to pay Rent when due;

Title Reference 15728041 and 15728042

- (b) regarding maintenance and repairs;
 - (c) regarding the Tenant's use of the Demised Premises;
 - (d) regarding any roof runoff water and water tanks;
 - (e) regarding insurances;
 - (f) in relation to membership of the Club, including being a full financial voting member of the Club;
 - (g) to comply with the Constitution and By-Laws of the Club; and
 - (h) regarding sub-letting and parting with possession.
- 27.2 The acceptance by the Landlord of any late payment of Rent will not be taken to be a waiver of the essentiality of the Tenants obligation to pay Rent when due.
- 27.3 If there is a breach by the Tenant of an essential term of this Sublease the Landlord may recover damages from the Tenant for losses over the entire period of this Sublease but the Landlord must, except in the case of abandonment of the Demised Premises by the Tenant, take all reasonable steps to mitigate the losses including endeavouring to lease the Demised Premises to a new Tenant.
- 27.4 The Landlord's right to recover damages from the Tenant will not be affected if:
- (a) the Tenant abandons possession of the Demised Premises;
 - (b) there is a surrender of this Sublease;
 - (c) the Landlord accepts the repudiation of the Lease by the Tenant; or
 - (d) the Landlord terminates this Sublease by re-entering the Demised Premises or any part of the Demised Premises or by demanding possession of the Demised Premises.

28 Power of attorney

- 28.1 In consideration of the Landlord agreeing to grant this Sublease, the Tenant appoints the Landlord and its officers severally as the Tenant's attorney to act at any time if the Tenant is in breach of the Tenant's covenants under this Sublease and the Landlord's right of termination of this Sublease or right of re-entry has been exercised or is exercisable to:
- (a) execute and sign a transfer or surrender of this Sublease; and
 - (b) procure the transfer or surrender of this Sublease to be registered if this Sublease has been registered; and
 - (c) using the name of the Tenant for those purposes, and generally, do execute and perform any act, deed, matter or thing in respect of the Demised Premises as fully and effectually as the Tenant could do, execute or perform it.
- 28.2 A statutory declaration of the Landlord that the rights of the Tenant under clause 28.1 are exercisable will be deemed to be conclusive evidence of its contents in favour of any person who is not a party to this Sublease.
- 28.3 The Tenant must ratify and confirm anything lawfully done or caused to be done in and about the Demised Premises by the Tenant's attorney.

Title Reference 15728041 and 15728042

29 Dispute resolution

- 29.1 If a dispute arises between the Landlord and the Tenant under a provision of this Sublease and that provision states that the provision is to be dealt with under this clause 29, the dispute must be referred for written determination to a person (**Expert**) appointed under this clause 29. The Expert acts as an expert and not as an arbitrator and the Expert's determination is conclusive and binds both parties. The Expert must practice in the State of Queensland.
- 29.2 The Expert must have at least 10 years' current and continuous standing in the Expert's profession at the date of appointment and must be:
- (a) for a matter of law, a practising barrister or solicitor appointed by the president of the appropriate governing body of barristers or solicitors in the State of Queensland;
 - (b) for a financial or accountancy matter, a practising chartered accountant appointed by the President of the Division of the Institute of Chartered Accountants in Australia for the State of Queensland;
 - (c) for a matter connected with the construction of any part of the buildings on the Airfield, a practising architect appointed by the President of the Chapter of the Royal Australian Institute of Architects for the State of Queensland;
 - (d) for a matter connected with land or rental value, a qualified valuer appointed by the President of the Australian Property Institute (Queensland Division); and
 - (e) for any other matter, a qualified person appointed by the senior officer of an appropriate association, institute, society or board,
- or, if appropriate and the parties agree, the dispute may be referred to a panel of experts representing more than one of the appropriate skills.
- 29.3 If the parties cannot agree on an Expert within one month after a dispute arises, a party must sign an authority for the appointment of an Expert if the other party requests it to do so.
- 29.4 If a party does not sign the authority within 10 days after the other party requests it to do so, the other party may authorise the appointment of the Expert. Production of a copy of this clause and the request are conclusive of that authority.
- 29.5 Each party must pay one half of the Expert's fees and expenses, irrespective of the result of the determination.

30 Notices

- 30.1 Notices under this Sublease must be in writing and may be given by a party's solicitor.
- 30.2 Notices are effectively given if delivered or posted to the other party or sent to the facsimile number of the other party.
- 30.3 Posted notices will be treated as given two Business Days after posting.
- 30.4 Notices sent by facsimile will be treated as given when the sender obtains a clear transmission report.
- 30.5 Notices given after 5.00pm will be treated as given on the next Business Day.
- 30.6 Notices given by a party's solicitor will be treated as given with the party's authority.

Title Reference 15728041 and 15728042

31 Transfer of Sub Lease

The Landlord covenants and agrees that in the event that whilst this Sublease is not registered in the Department of Environment and Resource Management, pursuant to the *Land Title Act 1994* upon the Landlord assigning transferring or disposing of its interest in the Head Lease of which the Demised Premises forms part the Landlord must procure to be executed by the assignee transferee or disponente covenants (Purchaser's Covenant) in favour of the Tenant that the assignee transferee or disponente is bound by the provisions and the covenants contained in this Sublease to the same extent as if such assignee transferee or disponente were named as the Landlord in this Sublease and that such assignee or disponente will not assign, transfer or dispose of its interest in the Head Lease unless the Landlord procures a legally binding covenant from the assignee, transferee or disponente, in terms identical with the Purchaser's Covenant in favour of the Tenant.

32 Licensed Areas

Grant of licence

- 32.1 During the Term, and any extension of the Term, the Landlord grants to the Tenant and others authorised by the Tenant the non-exclusive right:
- (a) to use that part of the Licensed Areas comprising the Apron Area for the purpose of aircraft and pedestrian access to and from the Demised Premises and temporarily standing and loading and unloading aircraft;
 - (b) to use those parts of the Licensed Areas identified as Water Tank/Maintenance Area for the purpose of erecting and maintaining a water tank to collect water run off solely from the roof of the Demised Premises (**Tenant's Water Tank**). The Tenant must obtain the Landlord's prior written consent to erect any water tank or other improvement in the Water Tank/Maintenance Area. The Landlord may refuse its consent to the erection of any Tenant's Water Tank where it would interfere with or be in the same location required by the Landlord for a Shared Water Tank.
- 32.2 The Tenant must not use or occupy any Licensed Area so as to become a nuisance or annoyance to the Landlord or other tenants or users of the Airfield and must at all times comply with the reasonable directions of the Landlord and the Constitution and By-Laws of the Club in relation to the use and occupation of the Licensed Areas.
- 32.3 The Landlord may not determine the licence for the Licensed Areas granted by this clause whilst this Sublease remains in force.
- 32.4 The Tenant must:
- (a) keep and maintain those parts of the Licensed Areas referred to in clauses 32.1(a) and 32.1(b) in a clean and tidy condition and must cause all grassed areas within the Licensed Areas to be regularly mowed and maintained in a clean and tidy condition;
 - (b) indemnify the Landlord in respect of all claims for loss or damage arising out of the use of those parts of the Licensed Areas by the Tenant or by any of the persons authorised by this clause; and
 - (c) occupy and use those parts of the Licensed Areas, as if they were part of the Demised Premises (but those parts of the Licensed Areas are not to be taken to be part of the Demised Premises).
- 32.5 All of the provisions of this Sublease relating to the Demised Premises apply to those parts of the Licensed Areas referred to in clause 32.1 as if those parts were part of the Demised Premises (but those parts are not to be taken to be part of the Demised Premises).

Title Reference 15728041 and 15728042

33 Guarantee and indemnity

- 33.1 This clause 33 applies if Guarantors are named at Item 9 of the Reference Schedule.
- 33.2 The Guarantor guarantees to the Landlord the payment by the Tenant of the Rent and all other monies payable by the Tenant under this Sublease and the performance by the Tenant of all other obligations of the Tenant under this Sublease.
- 33.3 If the Tenant fails to pay any Rent or other money due under this Sublease the Guarantor must pay such Rent or other money to the Landlord on demand.
- 33.4 The Guarantor will indemnify the Landlord against all loss and damage suffered by the Landlord in any of the following events:
- (a) if the Tenant fails to perform any obligation of the Tenant under this Sublease; or
 - (b) if this Sublease is disclaimed following the insolvency of the Tenant.
- 33.5 The obligations of the Guarantor to the Landlord will not be affected notwithstanding that:
- (a) the Landlord allows time or other indulgence to the Tenant or does not seek to recover any monies from the Tenant;
 - (b) this Sublease is not registered;
 - (c) this Sublease is assigned or transferred;
 - (d) any security taken by the Landlord in respect of the obligations of the Tenant under this Sublease is void or defective; or
 - (e) the Lease is varied or amended.
- 33.6 The Landlord may recover damages from the Guarantor for losses over the entire period of this Sublease but must take all reasonable steps to mitigate the losses including endeavouring to lease (with the consent of Seqwater) the Demised Premises to a new Tenant.
- 33.7 The guarantee and indemnity by the Guarantor to the Landlord applies not only to the obligations of the Tenant under this Sublease but also to the obligations of the Tenant under any renewal or extension of this Sublease or under any tenancy of the Tenant in respect of the Demised Premises. The Guarantor will sign or execute a guarantee and indemnity in similar terms to this clause 33 in respect of any such further sublease or tenancy if requested to do so by the Landlord.
- 33.8 If the Guarantor consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- 33.9 The obligations of the Guarantor to the Landlord will endure for the benefit of the successors and assigns of the Landlord.

34 Miscellaneous

- 34.1 The Landlord may appoint one or more persons to act as caretaker of the Airfield. The Landlord must notify the Tenant from time to time of the appointment or termination of the appointment of any caretaker. The Tenant must comply with any direction or requirement of the caretaker which is neither contrary to any right, entitlement or privilege granted to the Tenant under this Sublease nor the Constitution or By-Laws of the Club.

Title Reference 15728041 and 15728042

35 Sequential Leases

Application

35.1 This clause 35 applies:

- (a) despite any other provision of this Sublease; and
- (b) where one or more Sequential Leases are entered into in respect of the Demised Premises.

Sequential Lease

35.2 Where a Sequential Lease commences on the day after the Termination Date, any provisions of this Sublease in relation to:

- (a) the Tenant's right to hold over after the expiration of the Sublease;
- (b) the Tenant's obligation to remove any items from the Demised Premises;
- (c) the Tenant's obligation to make good the Demised Premises,

which would normally apply on the expiration of this Sublease, do not apply until the expiration of the final Sequential Lease.

35.3 If this Sublease is transferred, then (despite any other provision of any Sequential Lease) the Sequential Leases which are expressed to commence after the date of the transfer are deemed to be assigned to the same transferee and with effect on and from the same date.

35.4 If a Sequential Lease, which commenced prior to the Commencement Date is or has been transferred, then this Sublease is deemed to be transferred to the same transferee with effect on and from the same date.

35.5 If a Sequential Lease, which commenced prior to the Commencement Date terminates other than by expiration, then this Sublease is terminated with effect from the same date.

35.6 If the Tenant gives written notice to the Landlord no later than six months prior to the Commencement Date that the Tenant no longer requires to occupy the Demised Premises, then this Sublease terminates with effect on and from the date of service of the notice.

Title Reference 15728041 and 15728042

Reference Schedule

Item 1 Landlord	South East Queensland Sports Aircraft Club Incorporated
Item 2 Tenant	John Terrence Adams
Item 3 Term (clause 7.1)	3 years
Item 4 Commencement Date (clause 7.1)	1 January 2043
Item 5 Termination Date (clause 7.1)	31 December 2045
Item 6 Type of Construction (clause 5.1)	Aircraft Hangar building
Item 7 Permitted Use (clause 6.1)	Aircraft storage and ancillary storage
Item 8 Rent (clause 10.2)	<i>The rent at the commencement of the Sub-Lease shall be calculated as follows:</i> $R = \frac{A \times B}{C}$ <i>where:</i> <i>R = The Annual Rent at the commencement of this Sub-Lease</i> <i>A = The Annual Rent payable for the last year of the immediately preceding Sub-Lease</i> <i>B = Index Number for the December quarter for 2042</i> <i>C = Index Number for the December quarter for 2039</i> <i>“Index Number” means the Consumer Price Index (All Groups) for the city of Brisbane as published by the Australian Bureau of Statistics. If that index is discontinued, the expression will mean an index or method of measuring increases in the cost of living agreed in writing by the Parties. If there is no agreement within a period of 14 days, it will be an index or method determined at the request of either Party by the President or Acting President of the Valuers’ Institute or their nominee.</i>
Item 9 Guarantor/s (clause 33)	N/A

Title Reference 15728041 and 15728042

Annexure A

Plan of Demised Premises and Licensed Areas

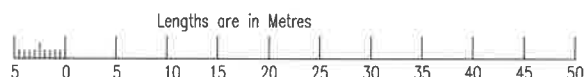
DIAGRAM

Scale @ A3 1:500

ALL MEASUREMENTS ARE APPROXIMATE

LEGEND

-  Lease Area
-  Apron Area
-  Water Tank/ Maintenance Area
-  Outside face of Building
-  Centreline of Wall



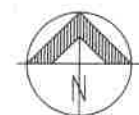
LEASE A3
165m²

362
CG4017

BUILDING A

Lease
No. 602170874

Sub-Lease A3 does affect Lease 602170874 and does not affect Lease 602170873 or Emts. A-C on RP 854245. Dated 30/10/2017



303
CG3813

LEASE A3
VIDE DIAG.

362
CG4017

Emt. A
RP854246

Emt. C
RP854245

Emt. B
RP854245

Locality of Glenfern

371
CG363

Emt. A
RP 854245

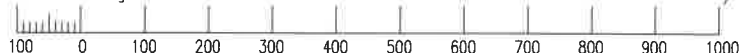
STANLEY RIVER

361
CG4017

LEASE CONNECTION

LINE	BEARING	DISTANCE
A-B	Abt 57°15'	Abt 68.6

Lengths are in Metres



Meridian: CG4017

Map Ref: 9444-33234

NOTE
Lease dimensions & areas taken to outside face of building and centreline of internal walls.

R. KEATING
QBCC Lic. No. 065458



20 Bushlark Court
Upper Caboolture 4510
Ph.: (07) 5497 0334

BOB KEATING DESIGN & DRAFTING

Parish: KILCOY
Locality: WINYA

County: CANNING
Local Gov.: SOMERSET R.C.

PLAN FOR LEASE PURPOSES

Being part of Lease No. 602170874 in
Lots 361 & 362 on CG4017
(TR15728041 and 15728042)

CLIENT

South East Qld Sports Aircraft Club

SCALE (A3)

1:8000

PLAN NO.

Lease-A3



OFFICE USE ONLY

Privacy Statement

Collection of information from this form is authorised by legislation and is used to maintain publicly searchable records. For more information see the Department's website.

1. Sublessor	Lodger (Name, address, E-mail & phone number)	Lodger Code
South East Queensland Sports Aircraft Club Incorporated		
2. Lot on Plan Description		Title Reference
Lot 361 on CP CG4017		15728041
Lot 362 on CP CG4017		15728042
3. Sublessee Given names	Surname/Company name and number	(include tenancy if more than one)
John Terrence	Adams	
4. Interest being subleased		
Lease 602170874 (K935953B)		
5. Description of premises being subleased		
That part of the building erected on the land, indicated as area "A3" on the plan in Annexure A		
6. Term of lease		7. Rental/Consideration
Commencement date/event: 1 January 2046		See attached schedule
Expiry date: 31 December 2048		
Options: Nil		
8. Grant/Execution		
The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule		

Witnessing officer must be aware of his/her obligations under section 162 of the Land Title Act 1994

..... signature
..... full name See Enlarged Panel
..... qualification / /

Witnessing Officer (Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)	Execution Date	Sublessor's Signature
---	-----------------------	------------------------------

9. Acceptance
The Lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

..... signature
..... full name See Enlarged Panel
..... qualification / /

Witnessing Officer (Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)	Execution Date	Sublessee's Signature
---	-----------------------	------------------------------

Title Reference 15728041 and 15728042

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule



Given under the common seal of the South East Queensland Sports Aircraft Club Incorporated in accordance with its Rules of Club in the presence of

a member of the Management Committee and the

Secretary/member of the Management Committee who certify that they are the proper officers to affix such seal:

.....signature

.....full name

.....qualification 2/12/2018

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

.....
.....
.....

Sublessor's Signature

9. Acceptance

The Sublessee accepts the sublease and acknowledges the amount payable or other considerations for the sublease.

.....signature

.....full name

MARK RODERICK FOY
SOLICITOR, QLD

.....qualification

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

2/12/18
Execution Date

.....
.....
.....

Sublessee's Signature

Title Reference 15728041 and 15728042

1 Definitions and interpretations

Definitions

1.1 In this document:

Term	Definition
Accounting Period	means each of the following periods: the period from the Commencement Date to the immediately following 30 June; each full period of 12 months from 1 July to 30 June during the Term; and the period from 1 July immediately preceding the Termination Date.
Agents	means agents, servants, employees, licensees and invitees.
Airfield	means the land known as Kilcoy Airfield situated at Kennedy's Road, Kilcoy and more particularly described as Lease A (No. 602170874 (K935953B)) in Lots 361 and 362 on Plan CP CG4017, Title Reference 15728041 and 15728042, such land being nominally divided into precincts for specific uses as specified in the Master Plan.
Approval to Operate	means a written approval issued by the Landlord for the carrying out of specified activities (nominated in that written approval) on specific areas of the Airfield as designated on the Master Plan.
Apron Area	means the area shown on the plan in Annexure A.
Business Day	means a day on which trading banks are open for business in Brisbane, Queensland.
Club	means the Landlord and its successors.
Commencement Date	means the commencement date of this Sublease stated at Item 4 of the Reference Schedule.
Cover Page	means page 1 of this Sublease.
Default Interest Rate	means that rate which is 2% above the rate charged by National Australia Bank on overdraft amounts in excess of Fifty Thousand Dollars (\$50,000).
Demised Premises	means the premises described at Item 5 on the Cover Page of this Sublease.
Development Control Plan	means the development control plan for the Airfield dated February 2008.
Environmental Management System	means the document titled the environmental management system and which is applicable to the Airfield dated February 2005.
Guarantor	means the guarantors named in Item 9 of the Reference Schedule (if any).
Head Lease	means lease number 602170874 (K935953B) dated 16 January 1992 between Seqwater and South East Queensland Sports Aircraft Club Incorporated in relation to the Airfield.
Item	means an item in the Reference Schedule of this Sublease unless it is specified to be an item on the Cover Page of this Sublease.
Landlord	means South East Queensland Sports Aircraft Club Incorporated, being the sublessor identified in Item 1 of the Cover Page of this Sublease and the tenant named in the Head Lease.
Licensed Areas	means those parts marked and shown as 'Apron Area' and 'Water

Title Reference 15728041 and 15728042

Term	Definition
	Tank/Maintenance Area' on the plan in Annexure A.
Master Plan	means the plan designating the uses authorised by Seqwater and Somerset Regional Council, for specified precincts of the Airfield dated June 2007 and other plan in force from time to time together with conditions of approval of the Somerset Regional Council or other relevant authority (where the context requires) in force from time to time.
Operating Expenses	means all net amounts paid or payable by the Landlord in any one Accounting Period (after taking into account the benefit of any discount, rebate, allowance or concession): (a) for municipal rates and charges of a periodic nature assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period; (b) for other fees, levies, taxes or charges assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period by any statutory or other authority.
Permitted Use	means the permitted use stated at Item 7 of the Reference Schedule.
Reference Schedule	means the reference schedule attached to this Sublease.
Rent	means the rent stated at Item 8 of the Reference Schedule.
Sequential Lease	means a sublease to the Sublessee of the Demised Premises (other than this Sublease) which is entered into at the same time as this Sublease but which is for a period either before or after the Term.
Seqwater	means the Queensland Bulk Water Supply Authority trading as Seqwater, being the registered proprietor of the Airfield and the landlord under the Head Lease.
Shared Water Tank	has the meaning given in clause 6.10.
Sublease	means this schedule, the Cover Page and the Reference Schedule attached to this Sublease.
Tenant	means the sublessee identified in Item 3 on the Cover Page of this Sublease.
Tenant's Proportion	is calculated in accordance with the formula: $TP = \frac{1}{TH}$ where: TP = the Tenant's Proportion TH = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a sublease granted by the Landlord.
Tenant's Water Tank	has the meaning given in clause 32.
Term	means the term of this Sublease stated at Item 3 of the Reference Schedule.
Termination Date	means the termination date stated at Item 5 of the Reference Schedule.

Interpretation

1.2 In this Sublease, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa;

Title Reference 15728041 and 15728042

- (b) 'person' includes a firm, a company, a body corporate, an unincorporated Club or an authority in so far as it relates to the Lessor, its agents or others associated with the Sublease with the exception of the Lessee who will at all times remain a natural person.
- (c) an agreement, representation or warranty:
 - (i) in favour of two or more persons is for the benefit of them jointly and severally; and
 - (ii) on the part of two or more persons binds or is given by them jointly and severally;
- (d) a reference to:
 - (i) a person includes a person's legal personal representatives, successors, substitutes (including persons taking by novation) and assigns;
 - (ii) a document includes any variation or replacement of it;
 - (iii) a law includes regulations and other instruments under it and amendments or replacements of any of them;
 - (iv) a thing includes the whole and each part of it;
 - (v) a group of persons includes all of them collectively, any two or more of them collectively and each of them individually; and
 - (vi) the president of a body or authority includes any person acting in that capacity;
- (e) 'including' when introducing a list of items does not limit the meaning of the words to which the list relates to those items or to items of a similar kind;
- (f) a reference to time is the time at Brisbane;
- (g) a reference to a clause is a reference to a clause of this Sublease; and
- (h) where any word or phrase is given a defined meaning any grammatical form or other part of speech in respect of such word or phrase shall have a corresponding meaning.
- (i) Headings have been inserted for convenience and do not affect the interpretation of this Sublease.
- (j) A gender includes all genders, the singular includes the plural and conversely, and persons include corporations and conversely.
- (k) If a party to the lease consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- (l) No covenant is implied in the lease by Section 107(4) *Property Law Act 1974*.
- (m) This Sublease comprises the whole of the agreement between the Landlord and the Tenant and no further or other terms or agreements shall be deemed to be implied or to arise by way of collateral or other agreement by reason of any promise, representation, warranty or undertaking by or on behalf of the Landlord or the Tenant on or prior to the execution of the Sublease.
- (n) Any notice, notification or consent under the Sublease and any variation of the Sublease must be in writing.
- (o) The Sublease is a deed even if it is not registered.

Title Reference 15728041 and 15728042

- (p) The Sublease must be interpreted so that it complies with the laws of Queensland and of the Commonwealth of Australia. If any provision of the Sublease does not comply the provision must be read down so as to give it as much effect as possible. If the provision cannot be given any effect it must be severed from the Sublease.

2 Head Lease

- 2.1 This Sublease and the rights of the Landlord and the Tenant under this Sublease are subject to all the covenants and conditions of the Head Lease. The Landlord and the Tenant agree that so far as relates to the Demised Premises and this Sublease, the Tenant covenants with the Landlord that it will not do any act or permit any act to be done which if done or permitted to be done would constitute a breach of any of the covenants and conditions in the Head Lease. If the Head Lease requires a consent or approval (from Seqwater) for the doing of any act or thing, by a tenant, then the Tenant shall procure such consent or approval before doing the act or thing (and provide a copy of it to the Landlord).
- 2.2 The Tenant acknowledges having received a copy of the Head Lease before the Tenant entered into this Sublease.
- 2.3 If the Head Lease is terminated or otherwise determined, this Sublease shall simultaneously terminate without notice or further act of the parties and without any liability on the part of each party to the other party but without prejudice to the rights of each party in respect of any antecedent breach of the covenants and conditions of this Sublease by the other party.
- 2.4 If the provisions of this Sublease (other than this clause 2) conflict with any of the provisions of the Head Lease, then the provisions of the Head Lease shall prevail.

3 Landlord's Covenants

- 3.1 If the Tenant does everything which the Tenant is required to do under this Sublease the Landlord must permit the Tenant to have possession of the Demised Premises and to use the Demised Premises for the Permitted Use without interruption or disturbance by the Landlord or by any other person lawfully claiming under the Landlord.
- 3.2 The Tenant's right to be free of interruption or disturbance is subject to the rights of the Landlord under this Sublease.
- 3.3 The Landlord covenants with the Tenant that the Landlord will pay the rent payable under the Head Lease and will do everything which the Landlord is required to do under the Head Lease.

4 Landlord's rights of access to the Demised Premises

- 4.1 The Tenant must allow the Landlord or any person authorised by the Landlord to enter the Demised Premises at any reasonable time for any of the following purposes:
- (a) inspect the condition of the Demised Premises or any construction built by the Tenant on the Demised Premises;
 - (b) to check the use of the Demised Premises;
 - (c) to do any work that the Landlord must or may do pursuant to this Sublease or the law;
 - (d) to value the Demised Premises;
 - (e) to inspect the Demised Premises or to affix a notice on the Demised Premises or on the outside of any construction on the Demised Premises within the last six months of the Term of this Sublease or at any time after the termination of that period in relation to a prospective letting of the Demised Premises;

Title Reference 15728041 and 15728042

- (f) to carry out any improvements or repairs to the Demised Premises or adjoining premises considered by the Landlord to be desirable so long as the work is done without undue interference with the occupation and use of the Demised Premises by the Tenant;
- (g) to allow entry by Seqwater or the Landlord where entry is or may be required to allow exercise of a right or fulfilment of an obligation under the Head Lease; or
- (h) to carry out any work on any structure or thing on the Demised Premises because the Tenant is in breach of this Sub-lease and has failed to remedy the breach.

4.2 The Landlord must give the Tenant at least five days' notice of access or entry to the Demised Premises except in an emergency where no notice is needed.

5 Alterations to the Demised Premises

- 5.1 The Tenant must not make or allow to be made any alterations or additions to any construction on the Demised Premises (including without limitation erecting any sign or notice or painting any improvements) unless:
- (a) the Tenant first obtains the consent of Seqwater, and the Landlord, and the approval or consent of any relevant authority; and
 - (b) the alterations or additions comply with the Master Plan and the consents and approvals referred to in clause 5.1(a).
- 5.2 Any construction, alteration or addition must be carried out in a proper and workmanlike manner at the expense of the Tenant and (if so required by the Landlord) subject to the supervision of the Landlord's architect whose fees must be paid by the Tenant.
- 5.3 If any construction, alteration or addition is made by the consent of the Landlord upon the condition that the Demised Premises are to be restored to their former condition at the expiry or on earlier termination of this Sublease then upon the expiry or on earlier termination of this Sublease the Tenant must restore the Demised Premises accordingly.

6 Use of Demised Premises

- 6.1 The Tenant must use the Demised Premises only for the Permitted Use. The Tenant must obtain the prior written consent of the Landlord which the Landlord must not unreasonably withhold before any aircraft not owned by the Tenant is stored in the Demised Premises. It will not be unreasonable for the Landlord to refuse its consent if the storage of the aircraft would cause the Landlord to be in breach of any applicable Law. The Landlord may impose conditions when granting its consent including that the Tenant pays a fee determined by the Landlord as a contribution to the maintenance of the Airfield.
- 6.2 The Tenant acknowledges that the Permitted Use must be carried on in compliance with:
- (a) the Master Plan;
 - (b) the Development Control Plan;
 - (c) the Environmental Management System; and
 - (d) all applicable regulatory approvals licences or permits the Landlord has in place, holds or to which the Landlord is subject from time to time.
- 6.3 The Landlord does not represent or warrant that the Demised Premises are suitable or can be lawfully used for the Permitted Use or for any other purpose of the Tenant.

Title Reference 15728041 and 15728042

- 6.4 The Airfield may only be used for recreational flying. Flying operations for any commercial or profit making undertaking or business are not permitted. The Landlord does not represent or warrant that the runways, taxiways, parking areas and roads on the Airfield are of all-weather standard, or that after periods of wet weather these areas are suitable for aircraft or motor vehicle use. The Tenant shall repair any damage to these areas by the Tenant should the Tenant use these areas after periods of rain.
- 6.5 The Tenant must obtain any necessary consents or licences regarding the Permitted Use, keep them current and comply with any conditions attaching to them.
- 6.6 If an Approval to Operate issued by the Landlord is required in relation to the Demised Premises because of the Permitted Use or the Master Plan, the Tenant must keep such Approval current at all times throughout the Term and comply with all renewal requirements of the Landlord.
- 6.7 The Tenant must duly and punctually comply with and observe all statutes, ordinances, regulations and by-laws and all requirements and orders of any relevant authority or public body relating to the Demised Premises.
- 6.8 The Tenant must comply with all reasonable directions of the Landlord or the insurer of the Demised Premises as to prevention, detection and limitation of fire and fire protection.
- 6.9 The Tenant must comply with the requirements of the local Fire Brigade Board and the laws and regulations for the time being relating to fires.
- 6.10 The Tenant must direct all roof runoff water and water storage overflow by drainpipes to a water tank with a minimum capacity of 5,000 litres (**Shared Water Tank**) located in a position determined by the Landlord adjacent to the Demised Premises. The Tenant consents to the Landlord determining a position for and locating a Shared Water Tank within the area licensed to the Tenant as the Water Tank/Maintenance Area. The water contained in a Shared Water Tank or any Tenant's Water Tank placed in the Water Tank/Maintenance Area must if required be made available for use by the Landlord or at the Landlord's direction other tenants or occupiers of the Airfield.
- 6.11 The Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank maintain such water tank and keep it in good repair and condition. If any Shared Water Tank leaks, the Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank immediately repair it or have it removed and replaced with new tank. If the Tenant in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank does not repair any water leak within a reasonable time (determined solely by the Landlord), the Landlord may have such leak repaired at the cost of the Tenant. Such cost shall be a liquidated debt owing to the Landlord in equal shares by all tenants whose Demised Premises are connected to the Shared Water Tank.
- 6.12 The Tenant must not:
- (a) use the Demised Premises for any commercial or profit making undertaking or business (including, subject to clause 6.1 storage of aircraft not owned by the Tenant);
 - (b) use the Demised Premises for residential purposes or for other than casual (not permanent) occupation;
 - (c) despite clause 6.12(b) use the Demised Premises (or any part of the Demised Premises) as a sleeping place;
 - (d) use the Demised Premises for any noxious, noisome, offensive, dangerous or illegal activity or purpose;
 - (e) do anything in the Demised Premises which is or might become a nuisance, annoyance or disturbance to the Landlord, Seqwater, or to the owner or occupiers of neighbouring premises;
 - (f) hold any auction, bankrupt or fire sale in the Demised Premises;
 - (g) store upon the Demised Premises any fluid, gas (excluding domestic gas cylinders) or substance which is or might be dangerous because of its inflammable, explosive or corrosive nature;

Title Reference 15728041 and 15728042

- (h) do anything that might invalidate any insurance policy in respect of the Airfield or any adjoining site or sites or increase the premium payable for such insurances;
- (i) use any water, drainage, or other pipes or connections for any purpose other than that for which they were constructed or intended;
- (j) cause or permit any advertisement hoarding or sign (including any neon or similar sign) to be painted affixed put up or placed upon the Demised Premises or any part of the Demised Premises or paint any part of the improvements upon the Demised Premises without first obtaining the written approval of Seqwater and the Landlord.

7 Term

- 7.1 This Sublease is for the Term, commencing on the Commencement Date and ending at midnight on the Termination Date.

If the Tenant remains in the Demised Premises with the Landlord's consent after the Termination Date, then the Tenant will occupy the Demised Premises as a monthly tenant on the same terms and conditions as at the Termination Date except that the Landlord or the Tenant may end the tenancy on any day by giving a month's notice to the other party.

8 Club membership

The Tenant must:

- (a) maintain its full financial voting membership status of the Club for the duration of the Term; and
- (b) not be in breach of the Constitution or By-Laws of the Club for a period in excess of one calendar month.

9 Tenant payments

- 9.1 The Tenant must pay to the Landlord:

- (a) the Rent (varied in accordance with the Lease) within 28 days of receiving a Tax Invoice;
- (b) the professional costs and outlays of the Landlord of preparation and execution of this Sublease and each Sequential Lease;
- (c) the reasonable costs to the Landlord of dealing with any application by the Tenant for the Landlord's consent under this Sublease (whether or not consent is given);
- (d) the reasonable costs to the Landlord incurred in connection with a default by the Tenant;
- (e) survey fees associated with the plan attached as Annexure A;
- (f) the reasonable expenses incurred by the Landlord in obtaining the consent of Seqwater to this Sublease, any assignment of this Sublease, or any consent required under the Head Lease because of the Tenant's use of the Demised Premises;
- (g) any amount paid by the Landlord to Seqwater, pursuant to any deed of consent executed by Seqwater and the Landlord giving consent to this Sublease; and
- (h) the reasonable professional costs and outlays of the Landlord incurred in connection with the surrender of this Sublease.

Title Reference 15728041 and 15728042

- 9.2 If requested by the Landlord, the Tenant must establish a direct debit arrangement with a bank so that the amounts payable by the Tenant are paid directly to the Landlord by the Tenant's bank on each due date for payment.
- 9.3 If the Tenant is late in paying the Rent or other money to the Landlord, then the Tenant must pay interest on it at the Default Interest Rate. Interest will accrue and be compounded monthly and be calculated on a daily basis from the day the Rent or other money was due until the day it is paid in full.
- 9.4 The Tenant must pay for all services, if any, supplied to the Demised Premises.

10 Rent

- 10.1 The Rent for the first year of the Term must be paid on or before the Commencement Date.
- 10.2 The Tenant must pay the Rent (varied in accordance with this Sublease) in advance, and on or before the first day of each year of this Sublease.
- 10.3 If this Sublease is terminated by either party for any reason (whether under clause 26, or otherwise), the Landlord must within 30 days of receiving a written demand, reimburse the Tenant for Rent, the Tenant's Proportion of the Operating Expenses for the relevant Accounting Period and any other amounts payable under this Sublease.

11 Rent reviews

Rent shall be increased on the same date as any increase in the rent payable by the Landlord under the Head Lease. The Rent shall be increased to:

$$R = A + \frac{B}{C}$$

where:

R = the increased Rent;

A = the current Rent;

B = the amount of the increased rent payable under the Head Lease at the relevant review; and

C = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a lease granted by the Landlord.

12 Outgoings

- 12.1 The Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses for each Accounting Period billed to the Tenant in accordance with this clause 12.
- For the purpose of calculating the Tenant's Proportion the Operating Expenses are deemed to accrue equally day to day.
- 12.2 Any change in the Tenant's Proportion will not take effect until the first day of the month following the later of:
- (a) the date the Landlord gives written notice to the Tenant of the change; and
 - (b) the increase or decrease in the total number of aircraft hangars located on the Airfield which causes the change.

Title Reference 15728041 and 15728042

12.3 The Tenant's Proportion of Operating Expenses must not be greater as a result of:

- (a) any other occupant of an aircraft hangar on the Airfield not contributing to an item of Operating Expenses;
or
- (b) any aircraft hangar on the Airfield capable of being leased or licensed being vacant.

13 Landlord's estimates of Operating Expenses

13.1 At least one month prior to the commencement of each Accounting Period and upon request from the Tenant, the Landlord will, but only at the direction of the club management committee, prepare and provide to the Tenant an estimate of Operating Expenses for that Accounting Period.

13.2 The estimates should detail:

- (a) each item of Operating Expense;
- (b) how the estimates have been calculated; and
- (c) the Tenant's Proportion of the estimated Operating Expenses and the figures from which the Tenant's Proportion has been calculated.

14 Payment of Operating Expenses on account

14.1 At the same time as providing the estimates of Operating Expenses for the next Accounting Period, the Landlord may by written notice to the Tenant require the Tenant to pay the Tenant's Proportion of the estimated Operating Expenses.

14.2 On receipt of the request, the Tenant must pay the Landlord the Tenant's Proportion of the estimated Operating Expenses for the next Accounting Period by one annual payment on the first day of each Accounting Period throughout the Term. The first instalment for the first quarter need not be paid by the Tenant until the date 45 days after the date of this Sublease.

14.3 If the Tenant disputes whether the Tenant's Proportion of estimated Operating Expenses required by the Landlord to be paid:

- (a) has been calculated correctly; or
- (b) includes amounts that are not Operating Expenses,

and the dispute is not resolved between the Landlord and the Tenant within one month then:

- (c) the dispute will be dealt with under clause 29; and
- (d) until the dispute is resolved, the Tenant will not be required to pay the amount in dispute.

15 Landlord's Statement of Expenditure

15.1 Within three months after the end of each Accounting Period, and upon timely request from the Tenant in the first instance being received, the Landlord will prepare and provide to the Tenant a statement of expenditure (**Statement of Expenditure**) which specifies the Operating Expenses actually incurred in that Accounting Period.

15.2 The Statement of Expenditure should detail and is not limited to:

- (a) each item of Operating Expense;

Title Reference 15728041 and 15728042

- (b) how the Operating Expenses have been calculated; and
- (c) the Tenant's Proportion of Operating Expenses and the figures from which the Tenant's Proportion have been calculated.

15.3 The Landlord must:

- (a) keep accurate records of the Operating Expenses for each Accounting Period including copies of all relevant assessments, invoices or statements; and
- (b) allow the Tenant to inspect the records.

16 Adjustment of Operating Expenses at end of Accounting Period

- 16.1 Within three months of receipt by the Tenant of a Statement of Expenditure correctly specifying the total Operating Expenses the Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses less the total of any amount paid for that Accounting Period under clause 12.
- 16.2 If the amount paid for that Accounting Period under clause 12 is greater than the Tenant's Proportion of the Operating Expenses then the Landlord must repay the difference to the Tenant within three months of receipt by the Tenant of the Statement of Expenditure.
- 16.3 If the Tenant disputes whether the Tenant's Proportion of Operating Expenses set out in the Statement of Expenditure:
- (a) has been calculated correctly; or
 - (b) includes amounts that are not Operating Expenses,
- then until the dispute is resolved the Tenant may withhold the amount in dispute and if:
- (c) the Tenant still disputes the Tenant's Proportion of the Operating Expenses three months after receipt by the Tenant of the Statement of Expenditure,
- then the dispute will be dealt with under clause 29.
- 16.4 The Tenant's liability to pay the Tenant's Proportion of the Operating Expenses is not affected by the termination of this Sublease.

17 GST

- 17.1 In this clause words or terms have the meanings as they do in *A New Tax System (Goods and Services Tax) Act 1999*.
- 17.2 Unless otherwise set out, the parties confirm that any amount payable under this Sublease has been calculated without regard to GST.
- 17.3 If there is a Taxable Supply then the party paying for the Taxable Supply will also pay the GST.
- 17.4 Any reference to a cost or charge under this Sublease excludes GST where the party liable to pay it can claim an Input Tax Credit
- 17.5 Each party must do everything reasonably necessary to assist the other to claim an Input Tax Credit.
- 17.6 If a party wishes to make a claim on the other for GST, that claim must be made within six months of the date of the relevant notice.

Title Reference 15728041 and 15728042

- 17.7 Within 21 days of receiving a payment which includes GST, the party who receives the payment must give a Tax invoice to the party making the payment (unless one has already been provided).

18 Maintenance and repairs

- 18.1 The Tenant must maintain any construction built by or at the request of the Tenant comprising the Demised Premises pursuant to clause 5.1 in its condition at the time the construction was built and must carry out any repairs that are necessary to maintain the construction in that condition.
- 18.2 If the Tenant fails to do any work required of the Tenant under clause 18.1 and the Landlord gives the Tenant notice stating what the Tenant has failed to do so, then the Tenant must do such work immediately where there is an emergency and otherwise must do such work promptly and diligently.
- 18.3 If the Tenant fails to do any work following notice from the Landlord under clause 18.2, the Landlord may do the work and the Tenant must reimburse the Landlord for the cost of the work. The Landlord may recover the cost of the work from the Tenant as a liquidated debt.
- 18.4 The Tenant must keep the Demised Premises and the surroundings of the Demised Premises in a thorough state of cleanliness and must not allow any accumulation of rubbish on the Demised Premises whether outside or inside the Demised Premises.
- 18.5 The Tenant must comply with all environmental legislation and must ensure that neither the Demised Premises nor the Airfield or any other land is contaminated, polluted or degraded as a result of anything done or omitted to be done by the Tenant.
- 18.6 If there is any contamination, pollution or degradation of the Demised Premises, the Airfield or any other land as a result of anything done or omitted to be done by the Tenant then the Tenant must carry out all necessary remedial work to the satisfaction of the Landlord, Seqwater and all regulatory authorities.

19 Insurances

- 19.1 The Tenant must have and keep current:
- (a) a public liability insurance policy for an amount not less than \$10 million (or such higher amount as the Landlord may determine from time to time) for each event; and
 - (b) any other insurance policies reasonably required by the Landlord from time to time.
- 19.2 All insurance policies referred to in clause 19.1 shall note the interest of the Landlord and Seqwater.
- 19.3 Upon request by the Landlord the Tenant must give to the Landlord copies of any insurance policy required under clause 19.1 and of the receipt for the last premium.
- 19.4 If the Tenant does anything that might increase the premium payable by the Landlord for any insurance policy in respect of the Demised Premises, then the Tenant must pay to the Landlord the amount of the increased premium.

20 Indemnities by the Tenant

- 20.1 The Tenant will occupy and use the Demised Premises at the risk of the Tenant and releases to the fullest extent permitted by law the Landlord and its contractors and Agents from all claims and demands and from all liability which might arise in respect of any damage to property or death of or injury to any person in or near the Demised Premises (except where caused by the negligence of the Landlord, its contractors or Agents) and the Landlord will have no responsibility or liability for any loss of or damage to any property of the Tenant (except where caused by the negligence of the Landlord, its contractors or Agents).

Title Reference 15728041 and 15728042

- 20.2 To the extent that monies paid to the Landlord out of any insurance effected by the Tenant do not fully indemnify the Landlord, the Tenant will indemnify the Landlord, its contractors and Agents against all actions, claims, losses, damages, costs and expenses incurred by the Landlord or for which the Landlord or its contractors or Agents might become liable in respect of any damage to property or death of or injury to any person (except where caused by the negligence of the Landlord or its contractors or Agents) which may be suffered or sustained in, upon or near the Demised Premises.
- 20.3 The Landlord will not be liable for any loss or damage which the Tenant might suffer by reason of any damage to the Demised Premises or to anything of any nature whatsoever in or about the Demised Premises caused by or arising from the entry, flow or leakage of water or from any defect in the water, gas or electricity connections or any fittings or appliances used in connection with them or from any other defect in the Demised Premises.
- 20.4 Without limiting the generality of clauses 20.1, 20.2 and 20.3, the Tenant will indemnify the Landlord against all actions, claims, losses, damages, costs and expenses for which the Landlord might become liable in respect of or arising from:
- (a) the negligent or careless use by the Tenant or any contractor or Agent of the Tenant of the water, gas, electricity or other services and facilities of the Demised Premises or arising from any faulty fitting, fixture or other plant or equipment of the Tenant;
 - (b) overflow or leakage of water in or from the Demised Premises but having origin within the Demised Premises or caused or contributed to by any act or omission on the part of the Tenant or other persons referred to in clause 20.4(a);
 - (c) loss, damage or injury to property or person caused or contributed to by the use of the Demised Premises by the Tenant or other persons referred to in clause 20.4(a);
 - (d) loss, damage or injury to the Demised Premises or to any property or person within or without the Demised Premises occasioned or contributed to by any act or omission of the Tenant or other persons referred to in clause 20.4(a); and
 - (e) inundation of the Demised Premises or part thereof or any improvements by water (whether or not from Somerset Dam or its catchment areas).

21 Damage to building on Demised Premises

- 21.1 In the event that the Demised Premises is wholly or substantially damaged or destroyed so as not to be reasonably usable or repairable for the Permitted Use the Tenant shall within a period of 90 days at the Tenant's expense clear the Demised Premises of all damaged materials to the satisfaction of the Landlord.
- 21.2 If the Tenant does not clear the Demised Premises in accordance with clause 21.1, the Landlord shall have the right to clear the Demised Premises and recover the cost of such clearing from the Tenant as a liquidated debt.
- 21.3 The Landlord has the right to terminate this Sublease in the event the Landlord exercises its rights under clause 21.2.

22 Resumption

- 22.1 If the Demised Premises or the Airfield is resumed by any competent authority the Landlord will be entitled by giving not less than one month's notice to the Tenant to terminate this Sublease.
- 22.2 The Tenant will not be entitled to claim any compensation from the Landlord in respect of such resumption or termination but the termination will be without prejudice to the rights of either party with regard to any antecedent breach of this Sublease.

Title Reference 15728041 and 15728042

23 Transfer and SubLease

- 23.1 The Tenant must not assign transfer dispose of mortgage or charge the Demised Premises or any part of the Demised Premises or the Tenant's interest in this Sublease without the prior written consent of the Landlord. The Landlord must not unreasonably delay or refuse to grant such consent. It will be reasonable for the Landlord to refuse to grant its consent to a proposed assignee or transferee who is not a full financial voting member of the Club.
- 23.2 The Tenant must not sublet or part with use or possession of the whole or any part of the Demised Premises. Allowing others to store aircraft in the Demised Premises is not sub-letting or parting with possession.
- 23.3 A request for the Landlord's consent pursuant to clause 23.1 must be made in writing and the Tenant must provide the Landlord with such information as the Landlord may reasonably require concerning the financial standing of the proposed transferee.
- 23.4 The Tenant must procure from the proposed transferee:
- (a) the consent of and execution of any document required by Seqwater and/or the Landlord at the expense of the Tenant; and
 - (b) the execution of a deed of covenant to be prepared by the Landlord's solicitors at the expense of the Tenant, which deed of covenant will set out that the transferee must comply with all of the Tenant's obligations under this Sublease. If the proposed transferee is a corporation (other than a corporation whose shares are listed on any stock exchange in Australia) then the Tenant must procure the execution by the directors and principal shareholders of the transferee of a guarantee of the obligations of the proposed transferee such guarantee to be prepared by the Landlord's solicitors at the expense of the Tenant.
- 23.5 The Landlord in granting its consent pursuant to clause 23.1 shall require the Tenant to pay the following amounts:
- (a) a reasonable sum to the Landlord in connection with considering and granting the consent, such sum to be fixed by the Landlord from time to time; and
 - (b) a reasonable sum in respect of any legal expenses incurred by the Landlord in connection with considering and granting the consent including the deed of covenant referred to in clause 23.4(b).

24 Use of facilities

- 24.1 The Landlord shall permit the Tenant and all persons lawfully authorised by the Tenant in common with others having like rights to use the facilities from time to time provided by the Landlord for the tenants of the Airfield and their Agents.
- 24.2 The Landlord may set rules from time to time in relation to the use of facilities on or relating to the Airfield or any part of the Airfield. In the event any such rules are set the Tenant will comply and ensure its Agents comply with such rules at all times during the Term.

25 Giving up possession to the Landlord

- 25.1 On the expiration of the Term or upon termination of this Sublease for any other reason the Tenant must:
- (a) remove the construction (including foundations) comprising the Demised Premises and make good any damage caused in doing so; and

Title Reference 15728041 and 15728042

- (b) remove from the Demised Premises the Tenant's fixtures, fittings, plant, machinery and other goods in the nature of tenant's fixtures brought upon the Demised Premises by the Tenant, and make good any damage caused in doing so; and
- (c) remediate any Contamination or Environmental Harm (as defined by relevant Queensland law) caused to the Demised Premises by the Tenant,

unless the Landlord otherwise agrees in writing.

- 25.2 If this Sublease is terminated because of the Tenant's breach of this Sublease or if the Tenant is in default under this Sublease, the right to remove given to the Tenant under clauses 25.1(a) and 25.1(b) is subject to the written consent of the Landlord.
- 25.3 Any construction, fixtures or other goods of the Tenant which are not removed by the Tenant on the termination of this Sublease (whether voluntarily or because of the operation of clause 25.2) become the property of the Landlord who may either keep them or dispose of them.
- 25.4 The Landlord may charge to the Tenant and recover from the Tenant as a liquidated debt all costs of removal and disposal of any construction, fixtures and other goods of the Tenant and all costs of making good any damage caused by such removal.
- 25.5 The Landlord shall not be required to pay any compensation of any nature to the Tenant in respect of any improvements upon the Demised Premises or the construction comprising the Demised Premises which may be carried out by the Tenant during the Term.

26 Default

- 26.1 The Landlord may terminate this Sublease by re-entering and taking possession of the Demised Premises or by demanding possession of the Demised Premises if:
- (a) the Rent or other money payable under the Lease is 28 days overdue for payment; or
 - (b) the Tenant fails to meet an obligation of the Tenant under this Sublease; or
 - (c) the Tenant repudiates this Sublease; or
 - (d) if the Tenant becomes a bankrupt or executes a Deed of Arrangement or a Deed of Assignment for the benefit of the Tenant's creditors,
- and the Tenant fails to comply with a notice from the Landlord given under Section 124(1) *Property Law Act 1974*.
- 26.2 The Landlord may (but is not obliged to) remedy at any time without notice any default by the Tenant under this Sublease and whenever the Landlord so elects all reasonable costs incurred by the Landlord (including legal costs) in remedying a default will be a liquidated debt and must be paid by the Tenant to the Landlord on demand.
- 26.3 No consent or waiver expressed or implied by the Landlord to or of any breach of any obligation of the Tenant is to be taken as a consent or waiver to or of any other breach of the same or any other obligation. No waiver of any breach by the Tenant is to be implied from the Landlord's failure to exercise the Landlord's rights in respect of such breach.

27 Essential terms

- 27.1 Essential terms of this Sublease include the obligations of the Tenant:
- (a) to pay Rent when due;

Title Reference 15728041 and 15728042

- (b) regarding maintenance and repairs;
 - (c) regarding the Tenant's use of the Demised Premises;
 - (d) regarding any roof runoff water and water tanks;
 - (e) regarding insurances;
 - (f) in relation to membership of the Club, including being a full financial voting member of the Club;
 - (g) to comply with the Constitution and By-Laws of the Club; and
 - (h) regarding sub-letting and parting with possession.
- 27.2 The acceptance by the Landlord of any late payment of Rent will not be taken to be a waiver of the essentiality of the Tenants obligation to pay Rent when due.
- 27.3 If there is a breach by the Tenant of an essential term of this Sublease the Landlord may recover damages from the Tenant for losses over the entire period of this Sublease but the Landlord must, except in the case of abandonment of the Demised Premises by the Tenant, take all reasonable steps to mitigate the losses including endeavouring to lease the Demised Premises to a new Tenant.
- 27.4 The Landlord's right to recover damages from the Tenant will not be affected if:
- (a) the Tenant abandons possession of the Demised Premises;
 - (b) there is a surrender of this Sublease;
 - (c) the Landlord accepts the repudiation of the Lease by the Tenant; or
 - (d) the Landlord terminates this Sublease by re-entering the Demised Premises or any part of the Demised Premises or by demanding possession of the Demised Premises.

28 Power of attorney

- 28.1 In consideration of the Landlord agreeing to grant this Sublease, the Tenant appoints the Landlord and its officers severally as the Tenant's attorney to act at any time if the Tenant is in breach of the Tenant's covenants under this Sublease and the Landlord's right of termination of this Sublease or right of re-entry has been exercised or is exercisable to:
- (a) execute and sign a transfer or surrender of this Sublease; and
 - (b) procure the transfer or surrender of this Sublease to be registered if this Sublease has been registered; and
 - (c) using the name of the Tenant for those purposes, and generally, do execute and perform any act, deed, matter or thing in respect of the Demised Premises as fully and effectually as the Tenant could do, execute or perform it.
- 28.2 A statutory declaration of the Landlord that the rights of the Tenant under clause 28.1 are exercisable will be deemed to be conclusive evidence of its contents in favour of any person who is not a party to this Sublease.
- 28.3 The Tenant must ratify and confirm anything lawfully done or caused to be done in and about the Demised Premises by the Tenant's attorney.

Title Reference 15728041 and 15728042

29 Dispute resolution

- 29.1 If a dispute arises between the Landlord and the Tenant under a provision of this Sublease and that provision states that the provision is to be dealt with under this clause 29, the dispute must be referred for written determination to a person (**Expert**) appointed under this clause 29. The Expert acts as an expert and not as an arbitrator and the Expert's determination is conclusive and binds both parties. The Expert must practice in the State of Queensland.
- 29.2 The Expert must have at least 10 years' current and continuous standing in the Expert's profession at the date of appointment and must be:
- (a) for a matter of law, a practising barrister or solicitor appointed by the president of the appropriate governing body of barristers or solicitors in the State of Queensland;
 - (b) for a financial or accountancy matter, a practising chartered accountant appointed by the President of the Division of the Institute of Chartered Accountants in Australia for the State of Queensland;
 - (c) for a matter connected with the construction of any part of the buildings on the Airfield, a practising architect appointed by the President of the Chapter of the Royal Australian Institute of Architects for the State of Queensland;
 - (d) for a matter connected with land or rental value, a qualified valuer appointed by the President of the Australian Property Institute (Queensland Division); and
 - (e) for any other matter, a qualified person appointed by the senior officer of an appropriate association, institute, society or board,
- or, if appropriate and the parties agree, the dispute may be referred to a panel of experts representing more than one of the appropriate skills.
- 29.3 If the parties cannot agree on an Expert within one month after a dispute arises, a party must sign an authority for the appointment of an Expert if the other party requests it to do so.
- 29.4 If a party does not sign the authority within 10 days after the other party requests it to do so, the other party may authorise the appointment of the Expert. Production of a copy of this clause and the request are conclusive of that authority.
- 29.5 Each party must pay one half of the Expert's fees and expenses, irrespective of the result of the determination.

30 Notices

- 30.1 Notices under this Sublease must be in writing and may be given by a party's solicitor.
- 30.2 Notices are effectively given if delivered or posted to the other party or sent to the facsimile number of the other party.
- 30.3 Posted notices will be treated as given two Business Days after posting.
- 30.4 Notices sent by facsimile will be treated as given when the sender obtains a clear transmission report.
- 30.5 Notices given after 5.00pm will be treated as given on the next Business Day.
- 30.6 Notices given by a party's solicitor will be treated as given with the party's authority.

Title Reference 15728041 and 15728042

31 Transfer of Sub Lease

The Landlord covenants and agrees that in the event that whilst this Sublease is not registered in the Department of Environment and Resource Management, pursuant to the *Land Title Act 1994* upon the Landlord assigning transferring or disposing of its interest in the Head Lease of which the Demised Premises forms part the Landlord must procure to be executed by the assignee transferee or disponente covenants (Purchaser's Covenant) in favour of the Tenant that the assignee transferee or disponente is bound by the provisions and the covenants contained in this Sublease to the same extent as if such assignee transferee or disponente were named as the Landlord in this Sublease and that such assignee or disponente will not assign, transfer or dispose of its interest in the Head Lease unless the Landlord procures a legally binding covenant from the assignee, transferee or disponente, in terms identical with the Purchaser's Covenant in favour of the Tenant.

32 Licensed Areas

Grant of licence

- 32.1 During the Term, and any extension of the Term, the Landlord grants to the Tenant and others authorised by the Tenant the non-exclusive right:
- (a) to use that part of the Licensed Areas comprising the Apron Area for the purpose of aircraft and pedestrian access to and from the Demised Premises and temporarily standing and loading and unloading aircraft;
 - (b) to use those parts of the Licensed Areas identified as Water Tank/Maintenance Area for the purpose of erecting and maintaining a water tank to collect water run off solely from the roof of the Demised Premises (**Tenant's Water Tank**). The Tenant must obtain the Landlord's prior written consent to erect any water tank or other improvement in the Water Tank/Maintenance Area. The Landlord may refuse its consent to the erection of any Tenant's Water Tank where it would interfere with or be in the same location required by the Landlord for a Shared Water Tank.
- 32.2 The Tenant must not use or occupy any Licensed Area so as to become a nuisance or annoyance to the Landlord or other tenants or users of the Airfield and must at all times comply with the reasonable directions of the Landlord and the Constitution and By-Laws of the Club in relation to the use and occupation of the Licensed Areas.
- 32.3 The Landlord may not determine the licence for the Licensed Areas granted by this clause whilst this Sublease remains in force.
- 32.4 The Tenant must:
- (a) keep and maintain those parts of the Licensed Areas referred to in clauses 32.1(a) and 32.1(b) in a clean and tidy condition and must cause all grassed areas within the Licensed Areas to be regularly mowed and maintained in a clean and tidy condition.;
 - (b) indemnify the Landlord in respect of all claims for loss or damage arising out of the use of those parts of the Licensed Areas by the Tenant or by any of the persons authorised by this clause; and
 - (c) occupy and use those parts of the Licensed Areas, as if they were part of the Demised Premises (but those parts of the Licensed Areas are not to be taken to be part of the Demised Premises).
- 32.5 All of the provisions of this Sublease relating to the Demised Premises apply to those parts of the Licensed Areas referred to in clause 32.1 as if those parts were part of the Demised Premises (but those parts are not to be taken to be part of the Demised Premises).

Title Reference 15728041 and 15728042

33 Guarantee and indemnity

- 33.1 This clause 33 applies if Guarantors are named at Item 9 of the Reference Schedule.
- 33.2 The Guarantor guarantees to the Landlord the payment by the Tenant of the Rent and all other monies payable by the Tenant under this Sublease and the performance by the Tenant of all other obligations of the Tenant under this Sublease.
- 33.3 If the Tenant fails to pay any Rent or other money due under this Sublease the Guarantor must pay such Rent or other money to the Landlord on demand.
- 33.4 The Guarantor will indemnify the Landlord against all loss and damage suffered by the Landlord in any of the following events:
- (a) if the Tenant fails to perform any obligation of the Tenant under this Sublease; or
 - (b) if this Sublease is disclaimed following the insolvency of the Tenant.
- 33.5 The obligations of the Guarantor to the Landlord will not be affected notwithstanding that:
- (a) the Landlord allows time or other indulgence to the Tenant or does not seek to recover any monies from the Tenant;
 - (b) this Sublease is not registered;
 - (c) this Sublease is assigned or transferred;
 - (d) any security taken by the Landlord in respect of the obligations of the Tenant under this Sublease is void or defective; or
 - (e) the Lease is varied or amended.
- 33.6 The Landlord may recover damages from the Guarantor for losses over the entire period of this Sublease but must take all reasonable steps to mitigate the losses including endeavouring to lease (with the consent of Seqwater) the Demised Premises to a new Tenant.
- 33.7 The guarantee and indemnity by the Guarantor to the Landlord applies not only to the obligations of the Tenant under this Sublease but also to the obligations of the Tenant under any renewal or extension of this Sublease or under any tenancy of the Tenant in respect of the Demised Premises. The Guarantor will sign or execute a guarantee and indemnity in similar terms to this clause 33 in respect of any such further sublease or tenancy if requested to do so by the Landlord.
- 33.8 If the Guarantor consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- 33.9 The obligations of the Guarantor to the Landlord will endure for the benefit of the successors and assigns of the Landlord.

34 Miscellaneous

- 34.1 The Landlord may appoint one or more persons to act as caretaker of the Airfield. The Landlord must notify the Tenant from time to time of the appointment or termination of the appointment of any caretaker. The Tenant must comply with any direction or requirement of the caretaker which is neither contrary to any right, entitlement or privilege granted to the Tenant under this Sublease nor the Constitution or By-Laws of the Club.

Title Reference 15728041 and 15728042

35 Sequential Leases

Application

35.1 This clause 35 applies:

- (a) despite any other provision of this Sublease; and
- (b) where one or more Sequential Leases are entered into in respect of the Demised Premises.

Sequential Lease

35.2 Where a Sequential Lease commences on the day after the Termination Date, any provisions of this Sublease in relation to:

- (a) the Tenant's right to hold over after the expiration of the Sublease;
- (b) the Tenant's obligation to remove any items from the Demised Premises;
- (c) the Tenant's obligation to make good the Demised Premises,

which would normally apply on the expiration of this Sublease, do not apply until the expiration of the final Sequential Lease.

35.3 If this Sublease is transferred, then (despite any other provision of any Sequential Lease) the Sequential Leases which are expressed to commence after the date of the transfer are deemed to be assigned to the same transferee and with effect on and from the same date.

35.4 If a Sequential Lease, which commenced prior to the Commencement Date is or has been transferred, then this Sublease is deemed to be transferred to the same transferee with effect on and from the same date.

35.5 If a Sequential Lease, which commenced prior to the Commencement Date terminates other than by expiration, then this Sublease is terminated with effect from the same date.

35.6 If the Tenant gives written notice to the Landlord no later than six months prior to the Commencement Date that the Tenant no longer requires to occupy the Demised Premises, then this Sublease terminates with effect on and from the date of service of the notice.

Title Reference 15728041 and 15728042

Reference Schedule

Item 1 Landlord	South East Queensland Sports Aircraft Club Incorporated
Item 2 Tenant	John Terrence Adams
Item 3 Term (clause 7.1)	3 years
Item 4 Commencement Date (clause 7.1)	1 January 2046
Item 5 Termination Date (clause 7.1)	31 December 2048
Item 6 Type of Construction (clause 5.1)	Aircraft Hangar building
Item 7 Permitted Use (clause 6.1)	Aircraft storage and ancillary storage
Item 8 Rent (clause 10.2)	<i>The rent at the commencement of the Sub-Lease shall be calculated as follows:</i> $R = \frac{A \times B}{C}$ <i>where:</i> <i>R = The Annual Rent at the commencement of this Sub-Lease</i> <i>A = The Annual Rent payable for the last year of the immediately preceding Sub-Lease</i> <i>B = Index Number for the December quarter for 2045</i> <i>C = Index Number for the December quarter for 2042</i> <i>“Index Number” means the Consumer Price Index (All Groups) for the city of Brisbane as published by the Australian Bureau of Statistics. If that index is discontinued, the expression will mean an index or method of measuring increases in the cost of living agreed in writing by the Parties. If there is no agreement within a period of 14 days, it will be an index or method determined at the request of either Party by the President or Acting President of the Valuers’ Institute or their nominee.</i>
Item 9 Guarantor/s (clause 33)	N/A

Title Reference 15728041 and 15728042

Annexure A

Plan of Demised Premises and Licensed Areas

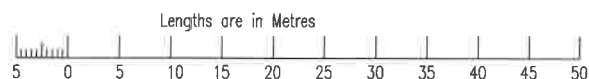
DIAGRAM

Scale @ A3 1:500

ALL MEASUREMENTS ARE APPROXIMATE

LEGEND

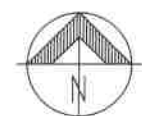
-  Lease Area
-  Apron Area
-  Water Tank/
Maintenance Area
-  Outside face of Building
-  Centreline of Wall

LEASE A3
165m²362
CG4017

BUILDING A

Lease
No. 602170874

Sub-Lease A3 does affect Lease 602170874 and does not
affect Lease 602170873 or Emts. A-C on RP 854245.
Dated 30/10/2017

303
CG3813362
CG4017LEASE A3
VIDE DIAG.

KENNEDY'S

ROAD

#8248

Lease
No. 602170874361
CG4017**LEASE CONNECTION**

LINE	BEARING	DISTANCE
A-B	Abt 57°15'	Abt 68.6

Lengths are in Metres



Meridian: CG4017

Map Ref: 9444-33234

NOTE
Lease dimensions & areas taken to
outside face of building and
centreline of internal walls.

R. KEATING
QBCC Lic. No. 065458



20 Bushlark Court
Upper Caboolture 4510
Ph.: (07) 5497 0334

BOB KEATING DESIGN & DRAFTING

Parish: KILCOY
Locality: WINYA

County: CANNING
Local Gov.: SOMERSET R.C.

PLAN FOR LEASE PURPOSES

Being part of Lease No. 602170874 in
Lots 361 & 362 on CG4017
(TR15728041 and 15728042)

CLIENT

South East Qld Sports Aircraft Club

SCALE (A3)

1:8000

PLAN NO.

Lease-A3



OFFICE USE ONLY

Privacy Statement

Collection of information from this form is authorised by legislation and is used to maintain publicly searchable records. For more information see the Department's website.

1. Sublessor	Lodger (Name, address, E-mail & phone number)	Lodger Code
South East Queensland Sports Aircraft Club Incorporated		

2. Lot on Plan Description	Title Reference
Lot 361 on CP CG4017	15728041
Lot 362 on CP CG4017	15728042

3. Sublessee	Given names	Surname/Company name and number	(include tenancy if more than one)
John Terrence		Adams	

4. Interest being subleased
Lease 602170874 (K935953B)

5. Description of premises being subleased
That part of the building erected on the land, indicated as area "A3" on the plan in Annexure A

6. Term of lease	7. Rental/Consideration
Commencement date/event: 1 January 2049	See attached schedule
Expiry date: 31 December 2051	
Options: Nil	

8. Grant/Execution
The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule

Witnessing officer must be aware of his/her obligations under section 162 of the Land Title Act 1994

..... signature
..... full name See Enlarged Panel
..... qualification / /

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

Sublessor's Signature

9. Acceptance

The Lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

..... signature
..... full name See Enlarged Panel
..... qualification / /

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

Sublessee's Signature

Title Reference 15728041 and 15728042

8. Grant/Execution

The Sublessor subleases the premises described in item 5 to the Sublessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule



Given under the common seal of the South East Queensland Sports Aircraft Club Incorporated in accordance with its Rules of Club in the presence of

a member of the Management Committee and the

Secretary/member of the Management Committee who certify that they are the proper officers to affix such seal:

..... signature

..... full name

..... qualification 21/12/2018

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Execution Date

.....
.....
.....

Sublessor's Signature

9. Acceptance

The Sublessee accepts the sublease and acknowledges the amount payable or other considerations for the sublease.

..... signature

..... full name
MARK RODERICK FOY
SOLICITOR, QLD

..... qualification

Witnessing Officer

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

21/12/18
Execution Date

.....
.....
.....
Sublessee's Signature

Title Reference 15728041 and 15728042

1 Definitions and interpretations

Definitions

1.1 In this document:

Term	Definition
Accounting Period	means each of the following periods: the period from the Commencement Date to the immediately following 30 June; each full period of 12 months from 1 July to 30 June during the Term; and the period from 1 July immediately preceding the Termination Date.
Agents	means agents, servants, employees, licensees and invitees.
Airfield	means the land known as Kilcoy Airfield situated at Kennedy's Road, Kilcoy and more particularly described as Lease A (No. 602170874 (K935953B)) in Lots 361 and 362 on Plan CP CG4017, Title Reference 15728041 and 15728042, such land being nominally divided into precincts for specific uses as specified in the Master Plan.
Approval to Operate	means a written approval issued by the Landlord for the carrying out of specified activities (nominated in that written approval) on specific areas of the Airfield as designated on the Master Plan.
Apron Area	means the area shown on the plan in Annexure A.
Business Day	means a day on which trading banks are open for business in Brisbane, Queensland.
Club	means the Landlord and its successors.
Commencement Date	means the commencement date of this Sublease stated at Item 4 of the Reference Schedule.
Cover Page	means page 1 of this Sublease.
Default Interest Rate	means that rate which is 2% above the rate charged by National Australia Bank on overdraft amounts in excess of Fifty Thousand Dollars (\$50,000).
Demised Premises	means the premises described at Item 5 on the Cover Page of this Sublease.
Development Control Plan	means the development control plan for the Airfield dated February 2008.
Environmental Management System	means the document titled the environmental management system and which is applicable to the Airfield dated February 2005.
Guarantor	means the guarantors named in Item 9 of the Reference Schedule (if any).
Head Lease	means lease number 602170874 (K935953B) dated 16 January 1992 between Seqwater and South East Queensland Sports Aircraft Club Incorporated in relation to the Airfield.
Item	means an item in the Reference Schedule of this Sublease unless it is specified to be an item on the Cover Page of this Sublease.
Landlord	means South East Queensland Sports Aircraft Club Incorporated, being the sublessor identified in Item 1 of the Cover Page of this Sublease and the tenant named in the Head Lease.
Licensed Areas	means those parts marked and shown as 'Apron Area' and 'Water

Title Reference 15728041 and 15728042

Term	Definition
	Tank/Maintenance Area' on the plan in Annexure A.
Master Plan	means the plan designating the uses authorised by Seqwater and Somerset Regional Council, for specified precincts of the Airfield dated June 2007 and other plan in force from time to time together with conditions of approval of the Somerset Regional Council or other relevant authority (where the context requires) in force from time to time.
Operating Expenses	means all net amounts paid or payable by the Landlord in any one Accounting Period (after taking into account the benefit of any discount, rebate, allowance or concession): (a) for municipal rates and charges of a periodic nature assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period; (b) for other fees, levies, taxes or charges assessed or charged on the land leased to the Landlord in respect of the Demised Premises during that Accounting Period by any statutory or other authority.
Permitted Use	means the permitted use stated at Item 7 of the Reference Schedule.
Reference Schedule	means the reference schedule attached to this Sublease.
Rent	means the rent stated at Item 8 of the Reference Schedule.
Sequential Lease	means a sublease to the Sublessee of the Demised Premises (other than this Sublease) which is entered into at the same time as this Sublease but which is for a period either before or after the Term.
Seqwater	means the Queensland Bulk Water Supply Authority trading as Seqwater, being the registered proprietor of the Airfield and the landlord under the Head Lease.
Shared Water Tank	has the meaning given in clause 6.10.
Sublease	means this schedule, the Cover Page and the Reference Schedule attached to this Sublease.
Tenant	means the sublessee identified in Item 3 on the Cover Page of this Sublease.
Tenant's Proportion	is calculated in accordance with the formula: $TP = \frac{1}{TH}$ where: TP = the Tenant's Proportion TH = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a sublease granted by the Landlord.
Tenant's Water Tank	has the meaning given in clause 32.
Term	means the term of this Sublease stated at Item 3 of the Reference Schedule.
Termination Date	means the termination date stated at Item 5 of the Reference Schedule.

Interpretation

1.2 In this Sublease, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa;

Title Reference 15728041 and 15728042

- (b) 'person' includes a firm, a company, a body corporate, an unincorporated Club or an authority in so far as it relates to the Lessor, its agents or others associated with the Sublease with the exception of the Lessee who will at all times remain a natural person.
- (c) an agreement, representation or warranty:
 - (i) in favour of two or more persons is for the benefit of them jointly and severally; and
 - (ii) on the part of two or more persons binds or is given by them jointly and severally;
- (d) a reference to:
 - (i) a person includes a person's legal personal representatives, successors, substitutes (including persons taking by novation) and assigns;
 - (ii) a document includes any variation or replacement of it;
 - (iii) a law includes regulations and other instruments under it and amendments or replacements of any of them;
 - (iv) a thing includes the whole and each part of it;
 - (v) a group of persons includes all of them collectively, any two or more of them collectively and each of them individually; and
 - (vi) the president of a body or authority includes any person acting in that capacity;
- (e) 'including' when introducing a list of items does not limit the meaning of the words to which the list relates to those items or to items of a similar kind;
- (f) a reference to time is the time at Brisbane;
- (g) a reference to a clause is a reference to a clause of this Sublease; and
- (h) where any word or phrase is given a defined meaning any grammatical form or other part of speech in respect of such word or phrase shall have a corresponding meaning.
- (i) Headings have been inserted for convenience and do not affect the interpretation of this Sublease.
- (j) A gender includes all genders, the singular includes the plural and conversely, and persons include corporations and conversely.
- (k) If a party to the lease consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- (l) No covenant is implied in the lease by Section 107(4) *Property Law Act 1974*.
- (m) This Sublease comprises the whole of the agreement between the Landlord and the Tenant and no further or other terms or agreements shall be deemed to be implied or to arise by way of collateral or other agreement by reason of any promise, representation, warranty or undertaking by or on behalf of the Landlord or the Tenant on or prior to the execution of the Sublease.
- (n) Any notice, notification or consent under the Sublease and any variation of the Sublease must be in writing.
- (o) The Sublease is a deed even if it is not registered.

Title Reference 15728041 and 15728042

- (p) The Sublease must be interpreted so that it complies with the laws of Queensland and of the Commonwealth of Australia. If any provision of the Sublease does not comply the provision must be read down so as to give it as much effect as possible. If the provision cannot be given any effect it must be severed from the Sublease.

2 Head Lease

- 2.1 This Sublease and the rights of the Landlord and the Tenant under this Sublease are subject to all the covenants and conditions of the Head Lease. The Landlord and the Tenant agree that so far as relates to the Demised Premises and this Sublease, the Tenant covenants with the Landlord that it will not do any act or permit any act to be done which if done or permitted to be done would constitute a breach of any of the covenants and conditions in the Head Lease. If the Head Lease requires a consent or approval (from Seqwater) for the doing of any act or thing, by a tenant, then the Tenant shall procure such consent or approval before doing the act or thing (and provide a copy of it to the Landlord).
- 2.2 The Tenant acknowledges having received a copy of the Head Lease before the Tenant entered into this Sublease.
- 2.3 If the Head Lease is terminated or otherwise determined, this Sublease shall simultaneously terminate without notice or further act of the parties and without any liability on the part of each party to the other party but without prejudice to the rights of each party in respect of any antecedent breach of the covenants and conditions of this Sublease by the other party.
- 2.4 If the provisions of this Sublease (other than this clause 2) conflict with any of the provisions of the Head Lease, then the provisions of the Head Lease shall prevail.

3 Landlord's Covenants

- 3.1 If the Tenant does everything which the Tenant is required to do under this Sublease the Landlord must permit the Tenant to have possession of the Demised Premises and to use the Demised Premises for the Permitted Use without interruption or disturbance by the Landlord or by any other person lawfully claiming under the Landlord.
- 3.2 The Tenant's right to be free of interruption or disturbance is subject to the rights of the Landlord under this Sublease.
- 3.3 The Landlord covenants with the Tenant that the Landlord will pay the rent payable under the Head Lease and will do everything which the Landlord is required to do under the Head Lease.

4 Landlord's rights of access to the Demised Premises

- 4.1 The Tenant must allow the Landlord or any person authorised by the Landlord to enter the Demised Premises at any reasonable time for any of the following purposes:
- (a) inspect the condition of the Demised Premises or any construction built by the Tenant on the Demised Premises;
 - (b) to check the use of the Demised Premises;
 - (c) to do any work that the Landlord must or may do pursuant to this Sublease or the law;
 - (d) to value the Demised Premises;
 - (e) to inspect the Demised Premises or to affix a notice on the Demised Premises or on the outside of any construction on the Demised Premises within the last six months of the Term of this Sublease or at any time after the termination of that period in relation to a prospective letting of the Demised Premises;

Title Reference 15728041 and 15728042

- (f) to carry out any improvements or repairs to the Demised Premises or adjoining premises considered by the Landlord to be desirable so long as the work is done without undue interference with the occupation and use of the Demised Premises by the Tenant;
- (g) to allow entry by Seqwater or the Landlord where entry is or may be required to allow exercise of a right or fulfilment of an obligation under the Head Lease; or
- (h) to carry out any work on any structure or thing on the Demised Premises because the Tenant is in breach of this Sub-lease and has failed to remedy the breach.

4.2 The Landlord must give the Tenant at least five days' notice of access or entry to the Demised Premises except in an emergency where no notice is needed.

5 Alterations to the Demised Premises

5.1 The Tenant must not make or allow to be made any alterations or additions to any construction on the Demised Premises (including without limitation erecting any sign or notice or painting any improvements) unless:

- (a) the Tenant first obtains the consent of Seqwater, and the Landlord, and the approval or consent of any relevant authority; and
- (b) the alterations or additions comply with the Master Plan and the consents and approvals referred to in clause 5.1(a).

5.2 Any construction, alteration or addition must be carried out in a proper and workmanlike manner at the expense of the Tenant and (if so required by the Landlord) subject to the supervision of the Landlord's architect whose fees must be paid by the Tenant.

5.3 If any construction, alteration or addition is made by the consent of the Landlord upon the condition that the Demised Premises are to be restored to their former condition at the expiry or on earlier termination of this Sublease then upon the expiry or on earlier termination of this Sublease the Tenant must restore the Demised Premises accordingly.

6 Use of Demised Premises

6.1 The Tenant must use the Demised Premises only for the Permitted Use. The Tenant must obtain the prior written consent of the Landlord which the Landlord must not unreasonably withhold before any aircraft not owned by the Tenant is stored in the Demised Premises. It will not be unreasonable for the Landlord to refuse its consent if the storage of the aircraft would cause the Landlord to be in breach of any applicable Law. The Landlord may impose conditions when granting its consent including that the Tenant pays a fee determined by the Landlord as a contribution to the maintenance of the Airfield.

6.2 The Tenant acknowledges that the Permitted Use must be carried on in compliance with:

- (a) the Master Plan;
- (b) the Development Control Plan;
- (c) the Environmental Management System; and
- (d) all applicable regulatory approvals licences or permits the Landlord has in place, holds or to which the Landlord is subject from time to time.

6.3 The Landlord does not represent or warrant that the Demised Premises are suitable or can be lawfully used for the Permitted Use or for any other purpose of the Tenant.

Title Reference 15728041 and 15728042

- 6.4 The Airfield may only be used for recreational flying. Flying operations for any commercial or profit making undertaking or business are not permitted. The Landlord does not represent or warrant that the runways, taxiways, parking areas and roads on the Airfield are of all-weather standard, or that after periods of wet weather these areas are suitable for aircraft or motor vehicle use. The Tenant shall repair any damage to these areas by the Tenant should the Tenant use these areas after periods of rain.
- 6.5 The Tenant must obtain any necessary consents or licences regarding the Permitted Use, keep them current and comply with any conditions attaching to them.
- 6.6 If an Approval to Operate issued by the Landlord is required in relation to the Demised Premises because of the Permitted Use or the Master Plan, the Tenant must keep such Approval current at all times throughout the Term and comply with all renewal requirements of the Landlord.
- 6.7 The Tenant must duly and punctually comply with and observe all statutes, ordinances, regulations and by-laws and all requirements and orders of any relevant authority or public body relating to the Demised Premises.
- 6.8 The Tenant must comply with all reasonable directions of the Landlord or the insurer of the Demised Premises as to prevention, detection and limitation of fire and fire protection.
- 6.9 The Tenant must comply with the requirements of the local Fire Brigade Board and the laws and regulations for the time being relating to fires.
- 6.10 The Tenant must direct all roof runoff water and water storage overflow by drainpipes to a water tank with a minimum capacity of 5,000 litres (**Shared Water Tank**) located in a position determined by the Landlord adjacent to the Demised Premises. The Tenant consents to the Landlord determining a position for and locating a Shared Water Tank within the area licensed to the Tenant as the Water Tank/Maintenance Area. The water contained in a Shared Water Tank or any Tenant's Water Tank placed in the Water Tank/Maintenance Area must if required be made available for use by the Landlord or at the Landlord's direction other tenants or occupiers of the Airfield.
- 6.11 The Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank maintain such water tank and keep it in good repair and condition. If any Shared Water Tank leaks, the Tenant must in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank immediately repair it or have it removed and replaced with new tank. If the Tenant in conjunction with the other tenants whose Demised Premises are connected to the Shared Water Tank does not repair any water leak within a reasonable time (determined solely by the Landlord), the Landlord may have such leak repaired at the cost of the Tenant. Such cost shall be a liquidated debt owing to the Landlord in equal shares by all tenants whose Demised Premises are connected to the Shared Water Tank.
- 6.12 The Tenant must not:
- (a) use the Demised Premises for any commercial or profit making undertaking or business (including, subject to clause 6.1 storage of aircraft not owned by the Tenant);
 - (b) use the Demised Premises for residential purposes or for other than casual (not permanent) occupation;
 - (c) despite clause 6.12(b) use the Demised Premises (or any part of the Demised Premises) as a sleeping place;
 - (d) use the Demised Premises for any noxious, noisome, offensive, dangerous or illegal activity or purpose;
 - (e) do anything in the Demised Premises which is or might become a nuisance, annoyance or disturbance to the Landlord, Seqwater, or to the owner or occupiers of neighbouring premises;
 - (f) hold any auction, bankrupt or fire sale in the Demised Premises;
 - (g) store upon the Demised Premises any fluid, gas (excluding domestic gas cylinders) or substance which is or might be dangerous because of its inflammable, explosive or corrosive nature;

Title Reference 15728041 and 15728042

- (h) do anything that might invalidate any insurance policy in respect of the Airfield or any adjoining site or sites or increase the premium payable for such insurances;
- (i) use any water, drainage, or other pipes or connections for any purpose other than that for which they were constructed or intended;
- (j) cause or permit any advertisement hoarding or sign (including any neon or similar sign) to be painted affixed put up or placed upon the Demised Premises or any part of the Demised Premises or paint any part of the improvements upon the Demised Premises without first obtaining the written approval of Seqwater and the Landlord.

7 Term

- 7.1 This Sublease is for the Term, commencing on the Commencement Date and ending at midnight on the Termination Date.

If the Tenant remains in the Demised Premises with the Landlord's consent after the Termination Date, then the Tenant will occupy the Demised Premises as a monthly tenant on the same terms and conditions as at the Termination Date except that the Landlord or the Tenant may end the tenancy on any day by giving a month's notice to the other party.

8 Club membership

The Tenant must:

- (a) maintain its full financial voting membership status of the Club for the duration of the Term; and
- (b) not be in breach of the Constitution or By-Laws of the Club for a period in excess of one calendar month.

9 Tenant payments

- 9.1 The Tenant must pay to the Landlord:

- (a) the Rent (varied in accordance with the Lease) within 28 days of receiving a Tax Invoice;
- (b) the professional costs and outlays of the Landlord of preparation and execution of this Sublease and each Sequential Lease;
- (c) the reasonable costs to the Landlord of dealing with any application by the Tenant for the Landlord's consent under this Sublease (whether or not consent is given);
- (d) the reasonable costs to the Landlord incurred in connection with a default by the Tenant;
- (e) survey fees associated with the plan attached as Annexure A;
- (f) the reasonable expenses incurred by the Landlord in obtaining the consent of Seqwater to this Sublease, any assignment of this Sublease, or any consent required under the Head Lease because of the Tenant's use of the Demised Premises;
- (g) any amount paid by the Landlord to Seqwater, pursuant to any deed of consent executed by Seqwater and the Landlord giving consent to this Sublease; and
- (h) the reasonable professional costs and outlays of the Landlord incurred in connection with the surrender of this Sublease.

Title Reference 15728041 and 15728042

- 9.2 If requested by the Landlord, the Tenant must establish a direct debit arrangement with a bank so that the amounts payable by the Tenant are paid directly to the Landlord by the Tenant's bank on each due date for payment.
- 9.3 If the Tenant is late in paying the Rent or other money to the Landlord, then the Tenant must pay interest on it at the Default Interest Rate. Interest will accrue and be compounded monthly and be calculated on a daily basis from the day the Rent or other money was due until the day it is paid in full.
- 9.4 The Tenant must pay for all services, if any, supplied to the Demised Premises.

10 Rent

- 10.1 The Rent for the first year of the Term must be paid on or before the Commencement Date.
- 10.2 The Tenant must pay the Rent (varied in accordance with this Sublease) in advance, and on or before the first day of each year of this Sublease.
- 10.3 If this Sublease is terminated by either party for any reason (whether under clause 26, or otherwise), the Landlord must within 30 days of receiving a written demand, reimburse the Tenant for Rent, the Tenant's Proportion of the Operating Expenses for the relevant Accounting Period and any other amounts payable under this Sublease.

11 Rent reviews

Rent shall be increased on the same date as any increase in the rent payable by the Landlord under the Head Lease. The Rent shall be increased to:

$$R = A + \frac{B}{C}$$

where:

R = the increased Rent;

A = the current Rent;

B = the amount of the increased rent payable under the Head Lease at the relevant review; and

C = the total number of aircraft hangars (excluding the clubhouse or any other building not used for the storage of aircraft) located on the Airfield which are the subject of a lease granted by the Landlord.

12 Outgoings

- 12.1 The Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses for each Accounting Period billed to the Tenant in accordance with this clause 12.
- For the purpose of calculating the Tenant's Proportion the Operating Expenses are deemed to accrue equally day to day.
- 12.2 Any change in the Tenant's Proportion will not take effect until the first day of the month following the later of:
- (a) the date the Landlord gives written notice to the Tenant of the change; and
 - (b) the increase or decrease in the total number of aircraft hangars located on the Airfield which causes the change.

Title Reference 15728041 and 15728042

12.3 The Tenant's Proportion of Operating Expenses must not be greater as a result of:

- (a) any other occupant of an aircraft hangar on the Airfield not contributing to an item of Operating Expenses;
or
- (b) any aircraft hangar on the Airfield capable of being leased or licensed being vacant.

13 Landlord's estimates of Operating Expenses

13.1 At least one month prior to the commencement of each Accounting Period and upon request from the Tenant, the Landlord will, but only at the direction of the club management committee, prepare and provide to the Tenant an estimate of Operating Expenses for that Accounting Period.

13.2 The estimates should detail:

- (a) each item of Operating Expense;
- (b) how the estimates have been calculated; and
- (c) the Tenant's Proportion of the estimated Operating Expenses and the figures from which the Tenant's Proportion has been calculated.

14 Payment of Operating Expenses on account

14.1 At the same time as providing the estimates of Operating Expenses for the next Accounting Period, the Landlord may by written notice to the Tenant require the Tenant to pay the Tenant's Proportion of the estimated Operating Expenses.

14.2 On receipt of the request, the Tenant must pay the Landlord the Tenant's Proportion of the estimated Operating Expenses for the next Accounting Period by one annual payment on the first day of each Accounting Period throughout the Term. The first instalment for the first quarter need not be paid by the Tenant until the date 45 days after the date of this Sublease.

14.3 If the Tenant disputes whether the Tenant's Proportion of estimated Operating Expenses required by the Landlord to be paid:

- (a) has been calculated correctly; or
- (b) includes amounts that are not Operating Expenses,

and the dispute is not resolved between the Landlord and the Tenant within one month then:

- (c) the dispute will be dealt with under clause 29; and
- (d) until the dispute is resolved, the Tenant will not be required to pay the amount in dispute.

15 Landlord's Statement of Expenditure

15.1 Within three months after the end of each Accounting Period, and upon timely request from the Tenant in the first instance being received, the Landlord will prepare and provide to the Tenant a statement of expenditure (**Statement of Expenditure**) which specifies the Operating Expenses actually incurred in that Accounting Period.

15.2 The Statement of Expenditure should detail and is not limited to:

- (a) each item of Operating Expense;

Title Reference 15728041 and 15728042

- (b) how the Operating Expenses have been calculated; and
- (c) the Tenant's Proportion of Operating Expenses and the figures from which the Tenant's Proportion have been calculated.

15.3 The Landlord must:

- (a) keep accurate records of the Operating Expenses for each Accounting Period including copies of all relevant assessments, invoices or statements; and
- (b) allow the Tenant to inspect the records.

16 Adjustment of Operating Expenses at end of Accounting Period

- 16.1 Within three months of receipt by the Tenant of a Statement of Expenditure correctly specifying the total Operating Expenses the Tenant must pay the Landlord the Tenant's Proportion of the Operating Expenses less the total of any amount paid for that Accounting Period under clause 12.
- 16.2 If the amount paid for that Accounting Period under clause 12 is greater than the Tenant's Proportion of the Operating Expenses then the Landlord must repay the difference to the Tenant within three months of receipt by the Tenant of the Statement of Expenditure.
- 16.3 If the Tenant disputes whether the Tenant's Proportion of Operating Expenses set out in the Statement of Expenditure:
- (a) has been calculated correctly; or
 - (b) includes amounts that are not Operating Expenses,
- then until the dispute is resolved the Tenant may withhold the amount in dispute and if:
- (c) the Tenant still disputes the Tenant's Proportion of the Operating Expenses three months after receipt by the Tenant of the Statement of Expenditure,
- then the dispute will be dealt with under clause 29.
- 16.4 The Tenant's liability to pay the Tenant's Proportion of the Operating Expenses is not affected by the termination of this Sublease.

17 GST

- 17.1 In this clause words or terms have the meanings as they do in *A New Tax System (Goods and Services Tax) Act 1999*.
- 17.2 Unless otherwise set out, the parties confirm that any amount payable under this Sublease has been calculated without regard to GST.
- 17.3 If there is a Taxable Supply then the party paying for the Taxable Supply will also pay the GST.
- 17.4 Any reference to a cost or charge under this Sublease excludes GST where the party liable to pay it can claim an Input Tax Credit
- 17.5 Each party must do everything reasonably necessary to assist the other to claim an Input Tax Credit.
- 17.6 If a party wishes to make a claim on the other for GST, that claim must be made within six months of the date of the relevant notice.

Title Reference 15728041 and 15728042

- 17.7 Within 21 days of receiving a payment which includes GST, the party who receives the payment must give a Tax invoice to the party making the payment (unless one has already been provided).

18 Maintenance and repairs

- 18.1 The Tenant must maintain any construction built by or at the request of the Tenant comprising the Demised Premises pursuant to clause 5.1 in its condition at the time the construction was built and must carry out any repairs that are necessary to maintain the construction in that condition.
- 18.2 If the Tenant fails to do any work required of the Tenant under clause 18.1 and the Landlord gives the Tenant notice stating what the Tenant has failed to do so, then the Tenant must do such work immediately where there is an emergency and otherwise must do such work promptly and diligently.
- 18.3 If the Tenant fails to do any work following notice from the Landlord under clause 18.2, the Landlord may do the work and the Tenant must reimburse the Landlord for the cost of the work. The Landlord may recover the cost of the work from the Tenant as a liquidated debt.
- 18.4 The Tenant must keep the Demised Premises and the surroundings of the Demised Premises in a thorough state of cleanliness and must not allow any accumulation of rubbish on the Demised Premises whether outside or inside the Demised Premises.
- 18.5 The Tenant must comply with all environmental legislation and must ensure that neither the Demised Premises nor the Airfield or any other land is contaminated, polluted or degraded as a result of anything done or omitted to be done by the Tenant.
- 18.6 If there is any contamination, pollution or degradation of the Demised Premises, the Airfield or any other land as a result of anything done or omitted to be done by the Tenant then the Tenant must carry out all necessary remedial work to the satisfaction of the Landlord, Seqwater and all regulatory authorities.

19 Insurances

- 19.1 The Tenant must have and keep current:
- (a) a public liability insurance policy for an amount not less than \$10 million (or such higher amount as the Landlord may determine from time to time) for each event; and
 - (b) any other insurance policies reasonably required by the Landlord from time to time.
- 19.2 All insurance policies referred to in clause 19.1 shall note the interest of the Landlord and Seqwater.
- 19.3 Upon request by the Landlord the Tenant must give to the Landlord copies of any insurance policy required under clause 19.1 and of the receipt for the last premium.
- 19.4 If the Tenant does anything that might increase the premium payable by the Landlord for any insurance policy in respect of the Demised Premises, then the Tenant must pay to the Landlord the amount of the increased premium.

20 Indemnities by the Tenant

- 20.1 The Tenant will occupy and use the Demised Premises at the risk of the Tenant and releases to the fullest extent permitted by law the Landlord and its contractors and Agents from all claims and demands and from all liability which might arise in respect of any damage to property or death of or injury to any person in or near the Demised Premises (except where caused by the negligence of the Landlord, its contractors or Agents) and the Landlord will have no responsibility or liability for any loss of or damage to any property of the Tenant (except where caused by the negligence of the Landlord, its contractors or Agents).

Title Reference 15728041 and 15728042

- 20.2 To the extent that monies paid to the Landlord out of any insurance effected by the Tenant do not fully indemnify the Landlord, the Tenant will indemnify the Landlord, its contractors and Agents against all actions, claims, losses, damages, costs and expenses incurred by the Landlord or for which the Landlord or its contractors or Agents might become liable in respect of any damage to property or death of or injury to any person (except where caused by the negligence of the Landlord or its contractors or Agents) which may be suffered or sustained in, upon or near the Demised Premises.
- 20.3 The Landlord will not be liable for any loss or damage which the Tenant might suffer by reason of any damage to the Demised Premises or to anything of any nature whatsoever in or about the Demised Premises caused by or arising from the entry, flow or leakage of water or from any defect in the water, gas or electricity connections or any fittings or appliances used in connection with them or from any other defect in the Demised Premises.
- 20.4 Without limiting the generality of clauses 20.1, 20.2 and 20.3, the Tenant will indemnify the Landlord against all actions, claims, losses, damages, costs and expenses for which the Landlord might become liable in respect of or arising from:
- (a) the negligent or careless use by the Tenant or any contractor or Agent of the Tenant of the water, gas, electricity or other services and facilities of the Demised Premises or arising from any faulty fitting, fixture or other plant or equipment of the Tenant;
 - (b) overflow or leakage of water in or from the Demised Premises but having origin within the Demised Premises or caused or contributed to by any act or omission on the part of the Tenant or other persons referred to in clause 20.4(a);
 - (c) loss, damage or injury to property or person caused or contributed to by the use of the Demised Premises by the Tenant or other persons referred to in clause 20.4(a);
 - (d) loss, damage or injury to the Demised Premises or to any property or person within or without the Demised Premises occasioned or contributed to by any act or omission of the Tenant or other persons referred to in clause 20.4(a); and
 - (e) inundation of the Demised Premises or part thereof or any improvements by water (whether or not from Somerset Dam or its catchment areas).

21 Damage to building on Demised Premises

- 21.1 In the event that the Demised Premises is wholly or substantially damaged or destroyed so as not to be reasonably usable or repairable for the Permitted Use the Tenant shall within a period of 90 days at the Tenant's expense clear the Demised Premises of all damaged materials to the satisfaction of the Landlord.
- 21.2 If the Tenant does not clear the Demised Premises in accordance with clause 21.1, the Landlord shall have the right to clear the Demised Premises and recover the cost of such clearing from the Tenant as a liquidated debt.
- 21.3 The Landlord has the right to terminate this Sublease in the event the Landlord exercises its rights under clause 21.2.

22 Resumption

- 22.1 If the Demised Premises or the Airfield is resumed by any competent authority the Landlord will be entitled by giving not less than one month's notice to the Tenant to terminate this Sublease.
- 22.2 The Tenant will not be entitled to claim any compensation from the Landlord in respect of such resumption or termination but the termination will be without prejudice to the rights of either party with regard to any antecedent breach of this Sublease.

Title Reference 15728041 and 15728042

23 Transfer and SubLease

- 23.1 The Tenant must not assign transfer dispose of mortgage or charge the Demised Premises or any part of the Demised Premises or the Tenant's interest in this Sublease without the prior written consent of the Landlord. The Landlord must not unreasonably delay or refuse to grant such consent. It will be reasonable for the Landlord to refuse to grant its consent to a proposed assignee or transferee who is not a full financial voting member of the Club.
- 23.2 The Tenant must not sublet or part with use or possession of the whole or any part of the Demised Premises. Allowing others to store aircraft in the Demised Premises is not sub-letting or parting with possession.
- 23.3 A request for the Landlord's consent pursuant to clause 23.1 must be made in writing and the Tenant must provide the Landlord with such information as the Landlord may reasonably require concerning the financial standing of the proposed transferee.
- 23.4 The Tenant must procure from the proposed transferee:
- (a) the consent of and execution of any document required by Seqwater and/or the Landlord at the expense of the Tenant; and
 - (b) the execution of a deed of covenant to be prepared by the Landlord's solicitors at the expense of the Tenant, which deed of covenant will set out that the transferee must comply with all of the Tenant's obligations under this Sublease. If the proposed transferee is a corporation (other than a corporation whose shares are listed on any stock exchange in Australia) then the Tenant must procure the execution by the directors and principal shareholders of the transferee of a guarantee of the obligations of the proposed transferee such guarantee to be prepared by the Landlord's solicitors at the expense of the Tenant.
- 23.5 The Landlord in granting its consent pursuant to clause 23.1 shall require the Tenant to pay the following amounts:
- (a) a reasonable sum to the Landlord in connection with considering and granting the consent, such sum to be fixed by the Landlord from time to time; and
 - (b) a reasonable sum in respect of any legal expenses incurred by the Landlord in connection with considering and granting the consent including the deed of covenant referred to in clause 23.4(b).

24 Use of facilities

- 24.1 The Landlord shall permit the Tenant and all persons lawfully authorised by the Tenant in common with others having like rights to use the facilities from time to time provided by the Landlord for the tenants of the Airfield and their Agents.
- 24.2 The Landlord may set rules from time to time in relation to the use of facilities on or relating to the Airfield or any part of the Airfield. In the event any such rules are set the Tenant will comply and ensure its Agents comply with such rules at all times during the Term.

25 Giving up possession to the Landlord

- 25.1 On the expiration of the Term or upon termination of this Sublease for any other reason the Tenant must:
- (a) remove the construction (including foundations) comprising the Demised Premises and make good any damage caused in doing so; and

Title Reference 15728041 and 15728042

- (b) remove from the Demised Premises the Tenant's fixtures, fittings, plant, machinery and other goods in the nature of tenant's fixtures brought upon the Demised Premises by the Tenant, and make good any damage caused in doing so; and
- (c) remediate any Contamination or Environmental Harm (as defined by relevant Queensland law) caused to the Demised Premises by the Tenant,

unless the Landlord otherwise agrees in writing.

- 25.2 If this Sublease is terminated because of the Tenant's breach of this Sublease or if the Tenant is in default under this Sublease, the right to remove given to the Tenant under clauses 25.1(a) and 25.1(b) is subject to the written consent of the Landlord.
- 25.3 Any construction, fixtures or other goods of the Tenant which are not removed by the Tenant on the termination of this Sublease (whether voluntarily or because of the operation of clause 25.2) become the property of the Landlord who may either keep them or dispose of them.
- 25.4 The Landlord may charge to the Tenant and recover from the Tenant as a liquidated debt all costs of removal and disposal of any construction, fixtures and other goods of the Tenant and all costs of making good any damage caused by such removal.
- 25.5 The Landlord shall not be required to pay any compensation of any nature to the Tenant in respect of any improvements upon the Demised Premises or the construction comprising the Demised Premises which may be carried out by the Tenant during the Term.

26 Default

- 26.1 The Landlord may terminate this Sublease by re-entering and taking possession of the Demised Premises or by demanding possession of the Demised Premises if:
- (a) the Rent or other money payable under the Lease is 28 days overdue for payment; or
 - (b) the Tenant fails to meet an obligation of the Tenant under this Sublease; or
 - (c) the Tenant repudiates this Sublease; or
 - (d) if the Tenant becomes a bankrupt or executes a Deed of Arrangement or a Deed of Assignment for the benefit of the Tenant's creditors,
- and the Tenant fails to comply with a notice from the Landlord given under Section 124(1) *Property Law Act 1974*.
- 26.2 The Landlord may (but is not obliged to) remedy at any time without notice any default by the Tenant under this Sublease and whenever the Landlord so elects all reasonable costs incurred by the Landlord (including legal costs) in remedying a default will be a liquidated debt and must be paid by the Tenant to the Landlord on demand.
- 26.3 No consent or waiver expressed or implied by the Landlord to or of any breach of any obligation of the Tenant is to be taken as a consent or waiver to or of any other breach of the same or any other obligation. No waiver of any breach by the Tenant is to be implied from the Landlord's failure to exercise the Landlord's rights in respect of such breach.

27 Essential terms

- 27.1 Essential terms of this Sublease include the obligations of the Tenant:
- (a) to pay Rent when due;

Title Reference 15728041 and 15728042

- (b) regarding maintenance and repairs;
 - (c) regarding the Tenant's use of the Demised Premises;
 - (d) regarding any roof runoff water and water tanks;
 - (e) regarding insurances;
 - (f) in relation to membership of the Club, including being a full financial voting member of the Club;
 - (g) to comply with the Constitution and By-Laws of the Club; and
 - (h) regarding sub-letting and parting with possession.
- 27.2 The acceptance by the Landlord of any late payment of Rent will not be taken to be a waiver of the essentiality of the Tenants obligation to pay Rent when due.
- 3 If there is a breach by the Tenant of an essential term of this Sublease the Landlord may recover damages from the Tenant for losses over the entire period of this Sublease but the Landlord must, except in the case of abandonment of the Demised Premises by the Tenant, take all reasonable steps to mitigate the losses including endeavouring to lease the Demised Premises to a new Tenant.
- 27.4 The Landlord's right to recover damages from the Tenant will not be affected if:
- (a) the Tenant abandons possession of the Demised Premises;
 - (b) there is a surrender of this Sublease;
 - (c) the Landlord accepts the repudiation of the Lease by the Tenant; or
 - (d) the Landlord terminates this Sublease by re-entering the Demised Premises or any part of the Demised Premises or by demanding possession of the Demised Premises.
- 28 Power of attorney**
-
- 28.1 In consideration of the Landlord agreeing to grant this Sublease, the Tenant appoints the Landlord and its officers severally as the Tenant's attorney to act at any time if the Tenant is in breach of the Tenant's covenants under this Sublease and the Landlord's right of termination of this Sublease or right of re-entry has been exercised or is exercisable to:
- (a) execute and sign a transfer or surrender of this Sublease; and
 - (b) procure the transfer or surrender of this Sublease to be registered if this Sublease has been registered; and
 - (c) using the name of the Tenant for those purposes, and generally, do execute and perform any act, deed, matter or thing in respect of the Demised Premises as fully and effectually as the Tenant could do, execute or perform it.
- 28.2 A statutory declaration of the Landlord that the rights of the Tenant under clause 28.1 are exercisable will be deemed to be conclusive evidence of its contents in favour of any person who is not a party to this Sublease.
- 28.3 The Tenant must ratify and confirm anything lawfully done or caused to be done in and about the Demised Premises by the Tenant's attorney.

Title Reference 15728041 and 15728042

29 Dispute resolution

- 29.1 If a dispute arises between the Landlord and the Tenant under a provision of this Sublease and that provision states that the provision is to be dealt with under this clause 29, the dispute must be referred for written determination to a person (**Expert**) appointed under this clause 29. The Expert acts as an expert and not as an arbitrator and the Expert's determination is conclusive and binds both parties. The Expert must practice in the State of Queensland.
- 29.2 The Expert must have at least 10 years' current and continuous standing in the Expert's profession at the date of appointment and must be:
- (a) for a matter of law, a practising barrister or solicitor appointed by the president of the appropriate governing body of barristers or solicitors in the State of Queensland;
 - (b) for a financial or accountancy matter, a practising chartered accountant appointed by the President of the Division of the Institute of Chartered Accountants in Australia for the State of Queensland;
 - (c) for a matter connected with the construction of any part of the buildings on the Airfield, a practising architect appointed by the President of the Chapter of the Royal Australian Institute of Architects for the State of Queensland;
 - (d) for a matter connected with land or rental value, a qualified valuer appointed by the President of the Australian Property Institute (Queensland Division); and
 - (e) for any other matter, a qualified person appointed by the senior officer of an appropriate association, institute, society or board,
- or, if appropriate and the parties agree, the dispute may be referred to a panel of experts representing more than one of the appropriate skills.
- 29.3 If the parties cannot agree on an Expert within one month after a dispute arises, a party must sign an authority for the appointment of an Expert if the other party requests it to do so.
- 29.4 If a party does not sign the authority within 10 days after the other party requests it to do so, the other party may authorise the appointment of the Expert. Production of a copy of this clause and the request are conclusive of that authority.
- 29.5 Each party must pay one half of the Expert's fees and expenses, irrespective of the result of the determination.

30 Notices

- 30.1 Notices under this Sublease must be in writing and may be given by a party's solicitor.
- 30.2 Notices are effectively given if delivered or posted to the other party or sent to the facsimile number of the other party.
- 30.3 Posted notices will be treated as given two Business Days after posting.
- 30.4 Notices sent by facsimile will be treated as given when the sender obtains a clear transmission report.
- 30.5 Notices given after 5.00pm will be treated as given on the next Business Day.
- 30.6 Notices given by a party's solicitor will be treated as given with the party's authority.

Title Reference 15728041 and 15728042

31 Transfer of Sub Lease

The Landlord covenants and agrees that in the event that whilst this Sublease is not registered in the Department of Environment and Resource Management, pursuant to the *Land Title Act 1994* upon the Landlord assigning transferring or disposing of its interest in the Head Lease of which the Demised Premises forms part the Landlord must procure to be executed by the assignee transferee or disponent covenants (Purchaser's Covenant) in favour of the Tenant that the assignee transferee or disponent is bound by the provisions and the covenants contained in this Sublease to the same extent as if such assignee transferee or disponent were named as the Landlord in this Sublease and that such assignee or disponent will not assign, transfer or dispose of its interest in the Head Lease unless the Landlord procures a legally binding covenant from the assignee, transferee or disponent, in terms identical with the Purchaser's Covenant in favour of the Tenant.

32 Licensed Areas

Grant of licence

- 32.1 During the Term, and any extension of the Term, the Landlord grants to the Tenant and others authorised by the Tenant the non-exclusive right:
- (a) to use that part of the Licensed Areas comprising the Apron Area for the purpose of aircraft and pedestrian access to and from the Demised Premises and temporarily standing and loading and unloading aircraft;
 - (b) to use those parts of the Licensed Areas identified as Water Tank/Maintenance Area for the purpose of erecting and maintaining a water tank to collect water run off solely from the roof of the Demised Premises (**Tenant's Water Tank**). The Tenant must obtain the Landlord's prior written consent to erect any water tank or other improvement in the Water Tank/Maintenance Area. The Landlord may refuse its consent to the erection of any Tenant's Water Tank where it would interfere with or be in the same location required by the Landlord for a Shared Water Tank.
- 32.2 The Tenant must not use or occupy any Licensed Area so as to become a nuisance or annoyance to the Landlord or other tenants or users of the Airfield and must at all times comply with the reasonable directions of the Landlord and the Constitution and By-Laws of the Club in relation to the use and occupation of the Licensed Areas.
- 32.3 The Landlord may not determine the licence for the Licensed Areas granted by this clause whilst this Sublease remains in force.
- 32.4 The Tenant must:
- (a) keep and maintain those parts of the Licensed Areas referred to in clauses 32.1(a) and 32.1(b) in a clean and tidy condition and must cause all grassed areas within the Licensed Areas to be regularly mowed and maintained in a clean and tidy condition.;
 - (b) indemnify the Landlord in respect of all claims for loss or damage arising out of the use of those parts of the Licensed Areas by the Tenant or by any of the persons authorised by this clause; and
 - (c) occupy and use those parts of the Licensed Areas, as if they were part of the Demised Premises (but those parts of the Licensed Areas are not to be taken to be part of the Demised Premises).
- 32.5 All of the provisions of this Sublease relating to the Demised Premises apply to those parts of the Licensed Areas referred to in clause 32.1 as if those parts were part of the Demised Premises (but those parts are not to be taken to be part of the Demised Premises).

Title Reference 15728041 and 15728042

33 Guarantee and indemnity

- 33.1 This clause 33 applies if Guarantors are named at Item 9 of the Reference Schedule.
- 33.2 The Guarantor guarantees to the Landlord the payment by the Tenant of the Rent and all other monies payable by the Tenant under this Sublease and the performance by the Tenant of all other obligations of the Tenant under this Sublease.
- 33.3 If the Tenant fails to pay any Rent or other money due under this Sublease the Guarantor must pay such Rent or other money to the Landlord on demand.
- 33.4 The Guarantor will indemnify the Landlord against all loss and damage suffered by the Landlord in any of the following events:
- (a) if the Tenant fails to perform any obligation of the Tenant under this Sublease; or
 - (b) if this Sublease is disclaimed following the insolvency of the Tenant.
- 33.5 The obligations of the Guarantor to the Landlord will not be affected notwithstanding that:
- (a) the Landlord allows time or other indulgence to the Tenant or does not seek to recover any monies from the Tenant;
 - (b) this Sublease is not registered;
 - (c) this Sublease is assigned or transferred;
 - (d) any security taken by the Landlord in respect of the obligations of the Tenant under this Sublease is void or defective; or
 - (e) the Lease is varied or amended.
- 33.6 The Landlord may recover damages from the Guarantor for losses over the entire period of this Sublease but must take all reasonable steps to mitigate the losses including endeavouring to lease (with the consent of Seqwater) the Demised Premises to a new Tenant.
- 33.7 The guarantee and indemnity by the Guarantor to the Landlord applies not only to the obligations of the Tenant under this Sublease but also to the obligations of the Tenant under any renewal or extension of this Sublease or under any tenancy of the Tenant in respect of the Demised Premises. The Guarantor will sign or execute a guarantee and indemnity in similar terms to this clause 33 in respect of any such further sublease or tenancy if requested to do so by the Landlord.
- 33.8 If the Guarantor consists of two or more persons their obligations are joint and several and can be enforced against any one or more of them.
- 33.9 The obligations of the Guarantor to the Landlord will endure for the benefit of the successors and assigns of the Landlord.

34 Miscellaneous

- 34.1 The Landlord may appoint one or more persons to act as caretaker of the Airfield. The Landlord must notify the Tenant from time to time of the appointment or termination of the appointment of any caretaker. The Tenant must comply with any direction or requirement of the caretaker which is neither contrary to any right, entitlement or privilege granted to the Tenant under this Sublease nor the Constitution or By-Laws of the Club.

Title Reference 15728041 and 15728042

35 Sequential Leases

Application

35.1 This clause 35 applies:

- (a) despite any other provision of this Sublease; and
- (b) where one or more Sequential Leases are entered into in respect of the Demised Premises.

Sequential Lease

35.2 Where a Sequential Lease commences on the day after the Termination Date, any provisions of this Sublease in relation to:

- (a) the Tenant's right to hold over after the expiration of the Sublease;
- (b) the Tenant's obligation to remove any items from the Demised Premises;
- (c) the Tenant's obligation to make good the Demised Premises,

which would normally apply on the expiration of this Sublease, do not apply until the expiration of the final Sequential Lease.

35.3 If this Sublease is transferred, then (despite any other provision of any Sequential Lease) the Sequential Leases which are expressed to commence after the date of the transfer are deemed to be assigned to the same transferee and with effect on and from the same date.

35.4 If a Sequential Lease, which commenced prior to the Commencement Date is or has been transferred, then this Sublease is deemed to be transferred to the same transferee with effect on and from the same date.

35.5 If a Sequential Lease, which commenced prior to the Commencement Date terminates other than by expiration, then this Sublease is terminated with effect from the same date.

35.6 If the Tenant gives written notice to the Landlord no later than six months prior to the Commencement Date that the Tenant no longer requires to occupy the Demised Premises, then this Sublease terminates with effect on and from the date of service of the notice.

Title Reference 15728041 and 15728042

Reference Schedule

Item 1 Landlord	South East Queensland Sports Aircraft Club Incorporated
Item 2 Tenant	John Terrence Adams
Item 3 Term (clause 7.1)	3 years
Item 4 Commencement Date (clause 7.1)	1 January 2049
Item 5 Termination Date (clause 7.1)	31 December 2051
Item 6 Type of Construction (clause 5.1)	Aircraft Hangar building
Item 7 Permitted Use (clause 6.1)	Aircraft storage and ancillary storage
Item 8 Rent (clause 10.2)	<i>The rent at the commencement of the Sub-Lease shall be calculated as follows:</i>

$$R = \frac{A \times B}{C}$$

where:

R = The Annual Rent at the commencement of this Sub-Lease
A = The Annual Rent payable for the last year of the immediately preceding Sub-Lease
B = Index Number for the December quarter for 2048
C = Index Number for the December quarter for 2045

"Index Number" means the Consumer Price Index (All Groups) for the city of Brisbane as published by the Australian Bureau of Statistics. If that index is discontinued, the expression will mean an index or method of measuring increases in the cost of living agreed in writing by the Parties. If there is no agreement within a period of 14 days, it will be an index or method determined at the request of either Party by the President or Acting President of the Valuers' Institute or their nominee.

Item 9
Guarantor/s (clause 33)

N/A

Title Reference 15728041 and 15728042

Annexure A

Plan of Demised Premises and Licensed Areas

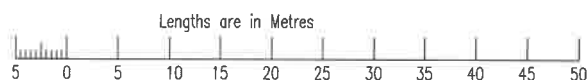
DIAGRAM

Scale @ A3 1:500

ALL MEASUREMENTS ARE APPROXIMATE

LEGEND

-  Lease Area
-  Apron Area
-  Water Tank/
Maintenance Area
-  Outside face of Building
-  Centreline of Wall



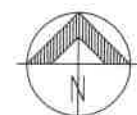
LEASE A3
165m²

362
CG4017

BUILDING A

Lease
No. 602170874

Sub-Lease A3 does affect Lease 602170874 and does not
affect Lease 602170873 or Emts. A-C on RP 854245.
Dated 30/10/2017



303
CG3813

LEASE A3
VIDE DIAG.

362
CG4017

Emt. A
RP854246

Emt. C
RP854245

Locality of Gentem

371
CG363

Emt. B
RP854245

Emt. A
RP 854245

#8248

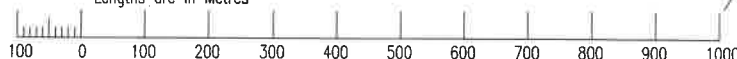
Lease
No. 602170874

361
CG4017

LEASE CONNECTION

LINE	BEARING	DISTANCE
A-B	Abt 57°15'	Abt 68.6

Lengths are in Metres



Meridian: CG4017

Map Ref: 9444-33234

NOTE
Lease dimensions & areas taken to
outside face of building and
centreline of internal walls.

R. KEATING
QBCC Lic. No. 085458
20 Bushlark Court
Upper Caboolture 4510
Ph.: (07) 5497 0334

BOB KEATING DESIGN & DRAFTING

PLAN FOR LEASE PURPOSES

Being part of Lease No. 602170874 in
Lots 361 & 362 on CG4017
(TR15728041 and 15728042)

Parish: KILCOY
Locality: WINYA

County: CANNING
Local Gov.: SOMERSET R.C.

CLIENT

South East Qld Sports Aircraft Club

SCALE (A3)

1:8000

PLAN NO.

Lease-A3