

1. Interpretation

- (a) In this licence, unless the context otherwise requires:

“**Access Way**” means the pathway designated by the Licensor as the route by which the Licensee and the Licensee’s Employees and Visitors may have access to the Premises.

“**Wardens**” means the wardens for the time being of the Church in **Item 6**.

“**Facilities**” means the tearooms, washrooms, toilets and other facilities designated by the Licensor as being available for use by the Licensee and the Licensee’s Employees and Visitors

“**Licensee’s Employees and Visitors**” includes those people who are on the Property or the Premises for the purpose of, or in relation to, the Permitted Use.

“**Month**” means calendar month.

“**Premises**” includes the Access Way, Facilities and Storage Area.

“**Storage Space**” means that area which is:

- (i) specified in this licence, or
- (ii) designated by the Wardens from time to time,

as the storage space for the purposes of this licence.

- (b) If this licence says that the Licensee must not do a thing, the Licensee must not permit any other person to do that thing, and the Licensee is responsible under this licence as if the Licensee had personally done that thing.

2. Grant of Licence

- (a) The Licensor has a licence to use the Premises for the Term in **Item 7** at the times specified in **Item 10**.
- (b) The Licensee may from time to time as agreed by the Licensor, use the items in the Premises specified in **Item 21** in conjunction with the Permitted Use.

3. Licensee Not to Assign

The Licensee may not assign this Licence without the consent of the Licensor.

4. Licence Fee

- (a) The Licensee is to pay the Licence Fee specified in **Item 11** in advance on the first day of each period referred to in **Item 12**.
- (b) Where the Term commences on a day other than the first day of a month the Licensee is to pay a proportionate amount of the Licence Fee for the split periods at the beginning and end of the Term.
- (c) The Licensee must pay the Licence Fee to the Licensor or to such person as the Licensor directs.



5. Licence Fee Review

- (a) If a CPI Review Date ("CPI Review Date") is referred to in **Item 13**, the Licence Fee varies on each CPI Review Date in accordance with the formula:

$$LF2 = \frac{LFI \times CPI(2)}{CPI(1)}$$

Where:

LF2 = Licence Fee payable on and from the relevant Review Date.

LF1 = Licence Fee payable immediately before the relevant Review Date.

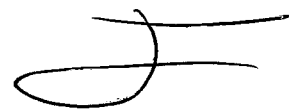
CPI(2) = Consumer Price Index Number (All Groups) for Sydney published for the quarter ending on or prior to the relevant CPI Review Date.

CPI(1) = Consumer Price Index Number (All Groups) for Sydney published for the quarter ending on or prior to the commencement of the previous year of this lease.

- (b) If the reference base of the Consumer Price Index is changed, the appropriate conversion factor is to be applied to preserve the intended continuity of the Consumer Price Index numbers.
- (c) If the Licence Fee calculated under sub-clause (a) is less than the Licence Fee payable immediately before that CPI Review Date, the Licence Fee from that CPI Review Date is to remain unchanged.

6. Market Review

- (a) The Licensor may review the Licence Fee on the date in **Item 14** ("Market Review Date").
- (b) At any time not earlier than four months before each Market Review Date the Licensor may notify the Licensee of the Licensor's assessment of the Licence Fee to apply from the Market Review Date ("Licence Fee Review Notice").
- (c) If the Licensee does not within 28 days of service of the Licence Fee Review Notice give notice to the Licensor that the Licensee disputes the Licence Fee assessed by the Licensor ("Dispute Notice"), the amount stated in the Licensor's Licence Fee Review Notice is to become the Licence Fee payable from the Market Review Date.
- (d) The Licensor does not lose the right to have the Licence Fee reviewed on a Market Review Date if the Licensor does not give a Licence Fee Review Notice before a Market Review Date.
- (e) If the Licensee gives a Dispute Notice and the Licensor and the Licensee are unable to agree on the Licence Fee payable from the Market Review Date then either the Licensor or the Licensee may request the President of the Australian Property Institute Inc (NSW Division) to appoint a licensed valuer to determine the Licence Fee.
- (i) The valuer must:
- (A) be a member of not less than five years' standing of the Australian Property Institute Inc (NSW Division),
- (B) have over the previous three years valued licence fees or rent of the kind of premises licensed by this licence,



- (C) hand down a determination of the Licence Fee within 21 days of being instructed to proceed with the determination,
 - (D) act as an expert and not as an arbitrator,
 - (E) determine the current market Licence Fee of the Premises as at the Market Review Date, taking into account all relevant valuation principles and having regard to the terms and conditions of the licence, and
 - (F) provide a "speaking valuation" (that is, the valuer must give detailed reasons for the determination and specify the matters to which the valuer had regard for the purposes of making the determination).
- (ii) The Licensor and the Licensee must pay the costs of the valuation equally.
 - (iii) The valuer's determination is final and binding on the Licensor and the Licensee.
 - (iv) Any variation in the Licence Fee takes effect from the Market Review Date.
 - (v) Until the Licence Fee has been determined, the Licensee must continue to pay the Licence Fee and any other amounts which were payable immediately before the Market Review Date.
 - (vi) An appropriate adjustment and payment or repayment must be made between the Licensor and the Licensee within 28 days of the date when the valuer hands down the determination of the Licence Fee.
 - (vii) if the Licence Fee determined by the valuer is less than the Licence Fee payable immediately before that Market Review Date, the Licence Fee from the Market Review Date is to remain unchanged.

7. Outgoings

- (a) If **Item 15** says that the Licensee is to pay outgoings, the Licensee must pay to the Licensor, within 14 days of request by the Licensor, such amounts as the Licensor may determine as being the Licensee's reasonable contribution toward -
 - (i) the costs of electricity consumed in the Premises,
 - (ii) the costs of water used in the Premises, and
 - (iii) any other outgoings referred to in **Item 16**.
- (b) If, by reason of the Licensee's use of the Premises, the Property or any part of it becomes liable to rating under the Local Government Act 1993 (or any Act replacing it) the Licensee must within 7 days of notice from the Licensor, pay to the Licensor the amount of the rates assessed.

8. GST

- (a) The Licensee is to pay to the Licensor an additional amount on account of Goods and Services Tax ("GST"), as defined in A New Tax System (Goods and Services Tax) Act 1999. The additional amount is to be calculated by multiplying the consideration payable by the Licensee under this licence by the prevailing GST rate.

- (b) If :
- (i) any part of the consideration payable by the Licensee under this licence includes reimbursement of an amount paid or payable by the Licensor to a third party, and
 - (ii) the Licensor is entitled to an input tax credit in respect of that payment,
- the Licensee is only required to pay the additional amount under clause (a) on the amount of the payment less the input tax credit.

9. Bank Guarantee

- (a) The Licensee is to provide a Bank Guarantee as required by **Item 18** to secure the performance of the Licensee's obligations under this licence.
- (b) The Licensor may use the bank guarantee towards any claim against the Licensee for:
 - (i) any amount payable under this licence which is overdue,
 - (ii) reimbursement for damages for breach of any provision of this licence.
- (c) If the Licensor draws on the Bank Guarantee and the Licensor gives the Licensee a notice stating that the bank guarantee must be reinstated to the amount then currently required by **Item 18**, the Licensee must ensure that the bank guarantee is reinstated to that amount no later than 14 days after the Licensor gives the notice.
- (d) The Licensor is entitled to recover the Licence Fee and any other amount payable under this licence, and damages for breach of any provision of this licence, without being limited to the Bank Guarantee.
- (e) If the Licensee has vacated the Premises at the end of this licence and the Licensor does not have any claim against the Licensee which would entitle the Licensor to call on the Bank Guarantee, the Licensor must return the Bank Guarantee to the Licensee.

10. Use

The Licensee:

- (a) is to only use the Premises for the Permitted Use in **Item 17** and for no other purpose,
- (b) is not to use the Premises in any dangerous, offensive, or noxious manner,
- (c) is not to do on the Premises or on the Property anything which in the opinion of the Licensor may be or become a nuisance, disturbance or annoyance to the Licensor or to the owner or occupier of any neighbouring property, or which offends or may offend the religious susceptibilities of members of the Anglican Church of Australia,
- (d) is not to use the Facilities for any purpose other than those for which they are normally used,
- (e) is not to use the Premises for the purposes of "public entertainment" within the meaning of the Local Government Act 1993,
- (f) is not to use the Property or Premises:
 - (i) for any illegal or immoral purposes,
 - (ii) for the sale of tobacco or the promotion of the use of tobacco in any form,
 - (iii) in any way connected with gambling or betting,
 - (iv) for the manufacture, sale, distribution, consumption or promotion of the consumption of liquor,



- (v) in connection with narcotic drugs (including any prohibited drug, prohibited plant or drug of addiction),
 - (vi) for trade on Sunday, or
 - (vii) for the sale or distribution of publications, films or computer games as marked "RC", "Category 1 or 2 Restricted", "X 18+" or "R 18+" by the Classification Board.
- (g) is not to knowingly do anything:
- (i) which may cause any insurance in respect of the Premises or any building of which the Premises form part to be cancelled or made void or voidable, or
 - (ii) which might cause the premium on any insurance to increase,
- (h) is not to damage or alter the Premises or any furniture or fittings in the Premises,
- (i) must at the Licensee's cost make good any damage to the Premises or to any other building on the Property caused by the act, negligence or breach of this licence by the Licensee or by any of the Licensee's Employees and Visitors,
- (j) is to comply with all laws and other obligations relating to persons engaged or to be engaged by the Licensee to work with children in the Premises. The Licensee is to provide the Licensor with evidence of compliance with this clause within 48 hours of request.
- (k) is to obtain and maintain all licences, authorities and permits required for the Permitted Use. The Licensee is to provide the Licensor with evidence of compliance with this clause within 48 hours of request.
- (l) is to ensure that all doors and other means of access to the Premises are closed and locked when the Licensee leaves the Premises,
- (m) is to remove from the Premises (or place in the Storage Space if provided by the Licensor) any property used by the Licensee, and leave the Premises clear, clean and available for use by other persons on days or times when the Premises are not permitted to be used by the Licensee,
- (n) is to give prompt notice to the Licensor of any thing in the Premises likely to cause any danger, risk or hazard to the Premises, or any person, and
- (o) is to return all keys to the Licensor at the end of the licence.

11. Licensee's Property

The Licensee is to take out its own insurance cover for property owned by the Licensee or by any of the Licensee's Employees and Visitors. Any such property is at the risk of the Licensee, and the Licensor is not liable for any damage, theft, loss or destruction.

12. Licensee to Obtain Insurance

- (a) The Licensee is to take out and maintain for the Term a public liability insurance policy for the amount in **Item 19** in respect of the Licensee's use of the Property. The policy is to note the interest of the Licensor.
- (b) Where the Permitted Use is for any form of counselling or for a preschool, kindergarten, or child care centre, a professional indemnity insurance policy for the amount in **Item 20** in respect of any single claim, or such greater amount as the Licensor may require, in respect of for any advice given by the Licensee, or activities carried on by the Licensee, on the Premises.
- (c) The policies must be with a reputable insurer. The Licensee must provide to the Licensor, within 7 days of request, a copy of the policies effected pursuant to this clause and a certificate of currency in relation to each policy.



13. Costs, Taxes and Duties

The Licensee is to pay the Licensor's reasonable legal and other costs and expenses and any duty under the Duties Act in relation to:

- (a) this licence, and
- (b) taking any action to enforce any provision of this licence.

14. Holding Over

If the Licensee remains in occupation of the Premises after the Expiry Date with the consent of the Licensor, the Licensee will occupy the premises on the terms set out in this licence except that:

- (a) the Licence Fee payable from the Expiry Date is the amount determined by the Licensor and notified to the Licensee, and
- (b) the licence is to be a periodic licence for the period in **Item 12** which may be terminated by either party on written notice of at least that period. If there is no period in **Item 12**, the notice period is to be one month.

15. Termination of Licence

- (a) The Licensor may terminate this licence,
 - (i) if any amount payable by the Licensee to the Licensor is unpaid for more than seven days after the date on which it ought to have been paid, or
 - (ii) if the Licensee breaches any other provision of this licence and has not complied within a reasonable time with a notice from the Licensor requiring the Licensee to rectify such breach.
- (b) Termination is without prejudice to the rights of the Licensor in respect of any breach or non-observance of any provision of this licence by the Licensee which occurs before termination.

16. Service

- (a) Where the Licensor is the Anglican Church Property Trust Diocese of Sydney, a document is taken to have been properly signed if it is signed by any two members or attorneys of the board.
- (b) Where the Licensors are Wardens, a document is taken to have been properly signed by the Licensor:
 - (i) if there is only one Licensor, by that Licensor, or
 - (ii) if there are more than one Licensor, by any two Licensors.
- (c) A notice served under this licence must be in writing and properly signed by the party giving the notice.
- (d) A document under or relating to this licence, in addition to any other method of service,
 - (i) may be served on the other party at the address or fax number shown in **Item 3** or **Item 5** or at such other address or fax number as is notified by a party to the other,
 - (ii) is served if it is sent by fax, unless it is not received,
 - (iii) if sent by post, is taken to have been received four business days after the date of posting,
 - (iv) is served on a person if it comes into the possession of that person,



- (v) may be served personally.

17. Interest

The Licensee must pay to the Licensor interest on all moneys from time to time due but unpaid for a period of seven days calculated on a daily basis at the rate prescribed from time to time for interest on judgments in the Supreme Court. Interest is to be computed from the due date for payment of the moneys in respect to which the interest is chargeable until all moneys have been paid.

18. Change in Wardens

(a) If the Licensors are Wardens, and:

- (i) A Warden ("Outgoing Warden") ceases to be a Warden of the Church specified in **Item 6**,
- (ii) One or more Wardens ("Incoming Wardens") are elected or appointed to act as Wardens of the Church specified in **Item 6**,
- (iii) the Licensee is given a notice signed by the Incoming Wardens notifying the Licensee of the matters referred to in paragraphs (i) and (ii),

then, subject to clause (b), the Incoming Wardens are from the date of service of the notice taken to have entered into this licence as Licensor in place of each Outgoing Warden.

(b) Upon a notice under subclause (a) being given:

- (i) any rights, obligations and benefits of each Outgoing Warden under or in respect of this licence, are from the date of service of the notice, rights, obligations and benefits of the Incoming Wardens, and
- (ii) each Outgoing Warden remains liable for, and the Incoming Wardens have no liability for, any claim or demand of any kind arising under, or in respect of, this licence as a consequence of any act or omission by the Outgoing Wardens prior to the date of service of the notice.

19. Trustee

The Licensee acknowledges that if the Licensor is Anglican Church Property Trust Diocese of Sydney, the Licensor enters into this licence in its capacity as trustee pursuant to the Anglican Church of Australia Trust Property Act 1917. The Licensor will only be liable to the extent of such property as for the time being is in its hands or under its control for the purposes of the Parish in **Item 6**.

20. Entire Licence

This licence contains the entire agreement between the parties and can only be amended in writing signed by each of the parties.

