

**DENMARK TOURISM INCORPORATED**

AND

**DARK SIDE CHOCOLATES (JOHN WADE)**

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**SUB LEASE AGREEMENT  
DENMARK VISITOR CENTRE**

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**THIS AGREEMENT** made the **x** day of November 2014

**B E T W E E N:**

**DENMARK TOURISM INCORPORATED** of Denmark Visitor Centre, 73 South Coast Highway, Denmark, Western Australia (“DTI” or “Lessor”).

**AND**

**DARK SIDE CHOCOLATES (JOHN WADE)** of Denmark, Western Australia (“Lessee”).

## 1. DEFINITIONS AND INTERPRETATION

In this document unless the contrary intention appears:

**Common Areas** means any part of the land not leased to any Lessee and intended for use by all Lessees and their respective customers and agents;

**Interest Rate** means the Lessors interest rate of **12% per annum**;

**Land** means that land known as lot 3000 on deposited plan 44269 and being the whole of land in certificate of title volume LR 3135 of folio 904 (“the Visitor Centre”);

**Head-lease** means the lease of Lot 3000 (“the Visitor Centre”) by Denmark Tourism Incorporated from the Shire of Denmark (the proprietor of the land).

**Sub Lease/Lease** means, depending on the context:

- (a) this document;
- (b) the leasehold estate arising on the execution of this document;
- (c) any other legal or equitable interest, such as an agreement for lease relating to this document, the leasehold estate or any agreement, relating to this document or the leasehold estate; or
- (d) any Holding Over period created under the terms of **End of Lease**.

**Leased Area** means that part of the Land identified in **Annexure A** and defined in **the Schedule** and includes all of the Lessors fixtures and fittings.

**Parties** means Lessor and Lessee;

**Denmark Tourism Incorporated or DTI** means the Lessor;

**Rent** means the rent described in **the Schedule**;

**Term** means the period specified in **the Schedule**;

**We or Us** means the Lessor described above; and

**You** means The Sub-Lessee described above.

## 1.1 Interpretation

In this document unless the contrary intention appears:

- (a) the Shire of Denmark is registered as the proprietor of all land;
- (b) the Shire of Denmark has leased the Visitor Centre and all improvements thereon to the DTI;
- (c) the lease is governed by and construed in accordance with the law of the State of Western Australia;
- (d) a reference to a clause, schedule or annexure is a reference to a clause of or schedule or annexure to this document and references to this document includes any recital, schedule or annexure;
- (e) a reference to this document or another instrument includes any variation or replacement of either of them;
- (f) headings and any table of contents or index are for convenience only and do not affect the interpretation;
- (g) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (h) the singular includes the plural, the plural includes the singular and any gender includes each other gender;
- (i) reference to a person includes that person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (j) an agreement, representation or warranty in favour of two or more persons is for the benefit of and binds them jointly and severally;
- (k) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day; where the day or last day for doing an action or for the payment of any money or on which any entitlement is due to arise or a notice is deemed served is not a Business Day, the day or last day for doing that action or payment of that money or on which that entitlement arises or notice is deemed served, is deemed to be the next Business Day; where any requirement, calculation or payment of money might otherwise fall to be performed or paid on the 29th, 30th or 31st day of a month which does not contain such a date, then references are construed as reference to the last day of that month;
- (l) including is deemed to be followed by the words, but not limited to;
- (m) no rule of construction of documents applies to the disadvantage of a Party on the basis that that Party put forward this document or any relevant part of it;
- (n) where any word or phrase is given a defined meaning, any other part of speech or other grammatical form in respect of such word or phrase has a corresponding meaning; and
- (o) a reference to:
  - (i) a right includes a benefit, remedy, discretion, authority or power;
  - (ii) an obligation includes a warranty or representation;
  - (iii) a failure to observe or perform an obligation includes a breach of warranty or representation; and
  - (iv) provisions or terms of this document include a reference to both express and implied provisions or terms.

**NOW THEREFORE IT IS AGREED** as follows:

## **2. LEASE AND TERM**

### **2.1 Lease**

In consideration of The Sub-Lessee agreeing to:

- (a) pay the Rent; and
- (b) fulfill The Sub-Lessee's obligations in the Lease,

The Lessor LEASES to The Sub-Lessee:

- (c) the Leased Area
- (d) together with the right of The Sub-Lessee and The Sub-Lessee's agents, employees and lawful visitors in common with The Lessors other Lessees to use the Common Areas

TO BE HELD by The Sub-Lessee conditional upon The Sub-Lessee paying the Rent and complying with the covenants and conditions of the Lease during the Term.

### **2.2 Term**

The Term of the Lease is for the Term specified in **the Schedule**.

## **3. THE SUB-LESSEES OBLIGATIONS**

### **3.1 Rent and Other Payments**

The Sub-Lessee hereby agrees:

- (a) to pay the rent specified without deduction at the intervals, and at the times and in the manner specified;
- (b) Non-payment of rent specified to incur an interest rate as specified in section 1.
- (c) to pay the amount of any increase in the premium rate of insurance effected by the Lessor, if the premium rate increased by reasons of:
  - (i) carrying on The Sub-Lessee's trade or business on the Leased Area; or
  - (ii) any alteration or addition to the Leased Area by or at The Sub-Lessee's request;
- (d) to pay all reasonable costs, charges and expenses incurred by the Lessor in completing any repairs or carrying out any works in respect of which The Sub-Lessee has failed to comply with any notice given by the Lessor.
- (e) to pay for damage to capital infrastructure only when damage is caused by or through an act or omission by the sub-lessee or the sub-lessee's employees, agents or lawful visitors. The sub-lessee is not obliged to carry out repairs that are due to the negligence or actions of the Lessor.

### **3.2 Care of Premises**

The Sub-Lessee must:

- (a) maintain at The Sub-Lessee's own expense throughout the Term and for as long as The Sub-Lessee remains in occupation of the Leased Area:
  - (i) the Leased Area; and
  - (ii) all The Lessors fixtures and the fittings,
 in good repair and condition (damage by fire, storm, earthquake, tempest and Act of God excepted unless by some act or omission on the part of The Sub-Lessee or The Sub-Lessee's employees, agents or lawful visitors);
- (b) not do or allow anything which may cause loss or damage to the Leased Area;
- (c) pay the costs of damage to the Leased Area caused by or through an act or omission by The Sub-Lessee or The Sub-Lessee's employees, agents or lawful visitors and indemnify The Lessor against all claims for damage so caused. All repairs will be carried out by The Sub-Lessee and (at The Lessors discretion) under the supervision of a suitably qualified person nominated by the Lessor;
- (d) at The Sub-Lessee's own expense keep the Leased Area at all times properly cleaned in a sanitary condition to the satisfaction of The Lessor and cleared and free of any rubbish obstacle or hazard;
- (e) store all garbage in a proper hygienic manner within the Leased Area and attend to its expeditious disposal and observe any directions given by The Lessor;
- (f) indemnify the Lessor from all loss and damage to the Leased Area caused by the negligent use or misuse of electricity supplied to the Leased Area or by faulty electric light fixtures installed by or on behalf of The Sub-Lessee;
- (g) (except in the case of The Lessors own acts or omissions) indemnify the Lessor from all losses, claims and expenses which The Lessor may suffer in connection with loss of life, personal injury or damage to property arising out of any occurrence at the Leased Area or the use by The Sub-Lessee of the Leased Area;
- (h) give the Lessor prompt written notice of any accident to or defects in or want of repair to the electric light wiring or fixtures and of any circumstances likely to be or to cause any risk to the Leased Area or any person in them;
- (i) not do or allow to be done on the Leased Area anything which may be or become a nuisance to the Lessor or occupiers of any neighboring premises, and immediately abate any nuisance;
- (j) not, without The Lessors previous written consent install any electrical equipment on the Leased Area that would or might overload the cables switchboard or sub-boards through which electricity is conveyed to the Leased Area;
- (k) park vehicles with minimum inconvenience to any other persons on the Land;
- (l) not sleep nor allow any person to sleep in the Leased Area; and
- (m) not use nor allow any person to use the Leased Area for any immoral or unlawful purpose.

### 3.3 Use of the Leased Area

The sub-lessee is entitled, at The Sub-Lessee's own expense to:

- (a) install name or signage promoting The Sub-Lessee's business at the Leased Area including signage in common external areas (i.e. under-verandah hanging sign, signage on the verandah fascia, signage on the external wall and glass of the leased area, and sandwich board signage on the footpath) upon approval by the lessor and where necessary the Shire of Denmark. A signage license must be obtained from the Shire of

Denmark for external signage. The cost of obtaining this license is at the sub-lessees own expense;

- (b) secure the Leased Area with a lockable door upon approval by The Lessor ensuring that the door is unlocked to the public six (6) days during peak season (October to April, inclusive but excluding Christmas Day) and four (4) days during off-peak season (May to September, inclusive), from 9am to 5pm. A key to the premises must be made available to The Lessor (CEO of DTI and Coordinator of the Denmark Visitor Centre) to enter the premises under the terms of the Lease; All stock left on the premises is done so at the Lessees own discretion. The Lessor accepts no responsibility for lost or damaged stock during opening or closing hours.
- (c) install additional electricity sockets;

The sub-lessee is entitled, at no cost to the sub-lessee to:

- (d) to have access to a dedicated parking bay;
- (e) unlimited access to the leased area; and
- (f) use of the tea room and staff toilets.

Other than that, The Sub-Lessee must:

- (g) use the Leased Area as a dedicated retail space that fairly represents in a professional way and to the satisfaction of the lessor the sale of tourism related products that support the promotion of tourism in Denmark and that are consistent with the concept of Dark Side Chocolates;
- (h) observe the Headlease (Annexure B) and not act in such a way that would cause a breach of the Headlease. Where inconsistencies occur between this sub-lease and the Headlease, the provisions of the Headlease apply;
- (i) not without The Lessors previous written consent:
  - (i) make any external or internal alteration to the roof, walls or floors; or
  - (ii) install any fitting or equipment, particularly any water, gas or electrical fixtures for illuminating, air-conditioning, heating, cooling or ventilating the Leased Area.
- (j) the Lessor acknowledges that the Sub-Lessee may require outside of hours access and The Lessor consents to this providing:
  - (i) premises are secure; and
  - (ii) all obligations in item 3.2 are adhered to.
- (k) The Sub-Lessee is permitted to utilise fixtures and fittings supplied by the Lessor for the term of the lease. The Sub-Lessee is responsible for fixing breakage or damage caused to the fixtures and fittings by or through an act or omission by The Sub-Lessee or The Sub-Lessees employees, agents or lawful visitors. The Lessor accepts reasonable wear and tear of the fixtures and fittings over the term of the lease; and
- (l) have approval from The Lessor for any other use of the leased area not identified in section 3.3. The approval must be in writing.

### 3.4 Insurance

The Sub-Lessee must:

- (a) at the Sub-Lessees own expense effect and keep in force such policies of insurance approved by The Lessor (such approval not be unreasonably withheld) insuring against public liability for not less than \$5 Million in respect of any one occurrence for the risks normally covered by a public insurance policy or nominated by The Lessor in writing.

The Lessor may increase or decrease the minimum cover by notice of not less than 30 days;

- (b) produce to The Lessor a copy of any policy of insurance so effected and a current certificate of renewal;
- (c) produce to The Lessor a copy of any business or planning approval as required by the Shire of Denmark;
- (d) not without The Lessors written consent allow any act or omission upon the Leased Area that increases the rate of premium under any policy of insurance taken out by The Lessor. If the Sub-Lessee fails to comply with this obligation, The Sub-Lessee must pay the amount of any increased premium to The Lessor upon demand;
- (e) at all times in the Sub-Lessee's use of the Leased Area comply with the requirements of the relevant authorities and all laws and regulations for the time being relating to fires and the provisions of any and every relevant statute regulation and ordinance. If the Sub-Lessee allows any act that invalidates any policy of insurance effected for The Lessors benefit then The Sub-Lessee is responsible for any damage or loss; and
- (f) pay the appropriate insurer not less than 7 days before the date specified for payment, all premiums due on all insurance policies to be taken out by The Sub-Lessee pursuant to the provisions of the Lease. If The Sub-Lessee fails to make such payments then The Lessor may pay the premiums and recover all moneys expended from The Sub-Lessee together with interest.

### 3.5 Dealing with the Lessors Interests

The Sub-Lessee must not without The Lessors consent in writing:

- (a) assign, mortgage, charge or (sub) let the Leased Area;
- (b) by any act or deed permit (either voluntarily or involuntarily) the Leased Area to be assigned, mortgaged, charged or (sub) let; or
- (c) part with possession of the Leased Area for any part of the Term.

### 3.6 End of Lease

At the end or sooner determination of the Lease, The Sub-Lessee must:

- (a) Unless otherwise directed by The Lessor, reinstate any portion of the Leased area added to or altered to a reasonable condition and repair any damage;
- (b) if so required by The Lessor to The Lessors reasonable satisfaction:
  - (i) remove any name or signage at the Leased Area; and
  - (ii) make good all damage to the intent that the Leased Area is left as if no such name or signage had been placed on it;
- (c) deliver up possession of the Leased Area in good repair and condition;
- (d) remove from the Leased Area all of The Sub-Lessee's fixtures and fittings other than fixtures or fittings which in the lessors opinion form an integral part of the Leased Area. If the lessor can find a future use for fixtures and fittings owned by The Sub-Lessee both parties may agree to negotiate reasonable consideration for those fixtures and fittings. All fixtures and fittings which The Sub-Lessee is obliged to leave in the Leased Area remains The Lessors property;
- (e) surrender all keys for the Leased Area to The Lessor; and
- (f) allow intending Lessees upon application to view the Leased Area.

If The Sub-Lessee remains in occupation of the Leased Area with The Lessors consent after the end of the Term, The Sub-Lessee does so as a periodical Lessee at a rental equal to the Rent payable immediately before the end of the Term. The tenancy is determinable by 3 months' notice in writing given by either party and The Sub-Lessee is entitled to remain in possession of the Leased Area subject to the rights and obligations in the Lease.

#### **4. LESSORS OBLIGATIONS**

If The Sub-Lessee duly pays the Rent and observes the obligations of the Lease, The Lessor will:

- (a) allow The Sub-Lessee quiet enjoyment of the Leased Area during the Term without any interruption by The Lessor;
- (b) not sub-let any other part of the business or building to a business that directly conflicts with the sub-lessees primary business (as described in section 3.2);
- (c) maintain the Leased Area in a sound structural condition;
- (d) repair all items of damage in respect of the Leased Area which are not specifically The Sub-Lessees responsibility to repair;
- (e) keep the Common Areas in a suitable state of repair;
- (f) maintain in working condition all mechanical installations and services provided by The Lessor or connected by The Lessor to the Leased Area;
- (g) at its own cost comply with and observe all notices and requirements of any statutory, public, local or other competent authority with respect to the Land and/or leased area whether or not involving structural alterations except such as may be served on the Lessor relating solely to The Sub-Lessee's occupation and/or use of the leased area;
- (h) undertake all works necessary to keep the leased area air, wind and water tight and in good and substantial repair and condition and to a satisfactory standards having regard to the sub-lessees use of the leased area provided that nothing in this clause renders the Lessor responsible to undertake works which are the responsibility of the sub-lessee under the lease or which are otherwise due to the act, default or omission of The Sub-Lessee or The Sub-Lessees employees, agents or invitees;
- (i) comply with the terms of the Headlease (Annexure B) and keep the Headlease in good standing through the term of the Sub-lease; and
- (j) promote the sub-lessee on [www.denmark.com.au](http://www.denmark.com.au) and train the staff of the Denmark Visitor Centre to refer clients where relevant to the sub-lessee.

#### **5. LESSORS RIGHTS**

##### **5.1 General Rights**

The Lessor may:

- (a) enter the Leased Area with workmen and equipment where necessary at all reasonable times without previous notice and without abatement of Rent or payment of compensation to The Sub-Lessee, to:
  - (i) inspect, install or remove any pipes, cables or other things necessary for any existing or future service to the Leased Area;



- (ii) examine the state of repair and condition of the Leased Area;
  - (iii) give notice in writing for The Sub-Lessee to repair in accordance with the obligation in the Lease and The Sub-Lessee must within one (1) month from the service of the notice repair according to the notice;
  - (iv) enter the Leased Area and make repairs if The Sub-Lessee fails to comply with any notice; and
  - (v) repair any adjoining property belonging to The Lessor.
- (k) after the end of the Lease, store, or dispose of and retain the proceeds of disposal of any items belonging to The Sub-Lessee in the Leased Area, without being deemed liable in conversion or becoming liable for any loss or damage. The right in this clause arises from the Lease, and is irrespective of any power of sale under the *Warehousemens Liens Act 1952* (WA);
- (l) grant or refuse in The Lessors absolute discretion any consent or approval; and
- (m) do by ourselves or through any Solicitor, agent, contractor or employee all acts and things, which The Lessor is, empowered to do under the Lease.

## 5.2 Notice of Breach of Lease Obligations

If The Sub-Lessee fails to observe The Sub-Lessee's obligations in the Lease, before The Lessor commences any action The Lessor will give The Sub-Lessee:

- (a) written notice as required by law; or
- (b) if no notice is prescribed, a written notice addressed to The Sub-Lessee describing the default and requiring The Sub-Lessee to remedy the default within 7 days.

## 5.3 Termination

If:

- (a) the rent or any part of it or any other moneys payable by The Sub-Lessee is at any time in arrears and unpaid for 7 days after becoming due. The Lessor will give written notice of termination (but not formal or legal) of the sub-lease in the event this occurs;
- (b) The Sub-Lessee fails to comply fully with any notice under the terms of the Lease;
- (c) The Sub-Lessee Vacates the Leased Area;
- (d) The Sub-Lessee:
  - (i) assigns The Sub-Lessee's interest in the Lease;
  - (ii) enters into a deed of arrangement for the benefit of The Sub-Lessee's creditors; or
  - (iii) has any execution issues against any of The Lessors property or assets which is not satisfied within 7 days,

The Lessor may immediately:

- (iv) without any notice enter the Leased Area or retake the possession of the Leased Area, and immediately the Lease will be terminated. For the purpose of re-entry The Lessor has the power to open by any means any door or fastening and to remove any property (without being liable for any action for trespass, assault or other proceedings); or
- (v) by written notification to The Sub-Lessee terminate the Lease.

- (e) the Lessors acceptance of any late payment of Rent does not constitute a waiver of the Rent in respect of the late payments or The Sub-Lessees continuing obligation to pay Rent.
- (f) termination of the Lease does not release The Sub-Lessee from liability in respect of Rent or from breaches of any obligation.
- (g) after termination, The Lessor is entitled to recover from The Sub-Lessee damages for loss of the benefits anticipated from performance of the Lease.
- (h) The Sub-Lessee is obliged to compensate The Lessor for any breach of an obligation of the Lease and The Lessor is entitled to recover damages from The Sub-Lessee in respect of such breaches. The Lessors entitlement is in addition to any other remedy to which The Lessor is entitled (including termination of the Lease).
- (i) if The Sub-Lessees conduct constitutes a repudiation of the Lease (or The Sub-Lessees Lease obligations), The Sub-Lessee must compensate The Lessor for the loss or damage suffered by reason of the repudiation of breach.
- (j) the Lessors entitlement to recover damages is not limited by any of the following:
  - (i) The Sub-Lessee abandons or vacates the Leased Area;
  - (ii) the Lessor elects to re-enter or to terminate the Lease;
  - (iii) the Lessor accepts The Sub-Lessees repudiation; or
  - (iv) conduct by The Sub-Lessee or The Lessor which constitutes surrender by operation of law.

## 6. DESTRUCTION

If the Leased Area is destroyed or so damaged by events beyond The Sub-Lessees control as to be (in The Lessors opinion) unfit for occupation and use:

- (a) The Sub-Lessee or The Lessor may by notice in writing to the other within 60 days elect to terminate the Lease. The Term terminates 1 month after notice given and The Sub-Lessee must surrender the Leased Area to The Lessor. Neither The Lessor nor The Sub-Lessee have any claim against the other either in law or in equity in respect of the determination;
- (b) the Lessor will rebuild or reinstate the leased premises as soon as reasonably practicable. If this is not a practicable option clause 6(a) will be exercised.
- (c) rent reserved (or a fair and just proportion of it according to the nature and extent of the damage sustained) is suspended until the Leased Area is again fit for occupation and use. In case of a dispute over this proviso it must be referred to the award of a single Arbitrator in accordance with the provisions of the *Commercial Arbitration Act 1985* (WA); and
- (d) clauses 6(a) and 6(b) do not apply in case of destruction or damage occasioned by the act or omission of The Sub-Lessee or The Sub-Lessees employees, agents or lawful visitors.

## 7. GENERAL

### 7.1 Notices

A notice or demand may be signed by the Party giving the notice or demand or that party's solicitor and is deemed adequately served or given if served or given in accordance with the provisions of Section 135 of the *Property Law Act 1969 (WA)* (as amended).

#### 7.2 **Moratorium**

The application to the Lease of any moratorium or statute (State or Federal) having the effect of:

- (a) extending the term;
- (b) reducing or postponing the payment of any rent; or
- (c) affecting the operation of the terms, covenants and conditions on The Sub-Lessees part.

#### 7.3 **Effect of Waiver**

No consent or waiver expressed or implied by The Lessor to or of any breach of any terms or obligations of The Sub-Lessees is construed as a consent or waiver to any other breach of the terms or obligations.

#### 7.4 **Non-Merger**

Neither:

- (a) the terms and conditions of the lease;
- (b) any act done under or in connection with the Lease; nor
- (c) any other agreement between the Parties,

is a merger of any of the rights and remedies of the Parties under the Lease or in or under any such other agreement all of which continue in full force and effect.

#### 7.5 **Lessor Not Liable to Third Parties**

The Lessor is not responsible for loss, damage or injury to any person or property or effects of The Sub-Lessee or any other person in or about the Leased Area unless it arises from any wilful or negligent act or omission by The Lessor, The Lessors employees or agents.

#### 7.6 **Lessor not Liable for Damage to Property**

The Lessor is not liable for property in the Leased Area during the Term which is destroyed or damaged by water, heat, fire or in any other way.

#### 7.7 **Lessor not Liable for Interruption of Services**

Despite any implication or rule of law to the contrary, The Lessor is not (except for any wilful or negligent acts of The Lessor or The Lessors employees or agents) liable to The Sub-Lessee for any loss or damage suffered by The Sub-Lessee.

#### 7.8 **Negation of Warranty**

The Lessor does not expressly or impliedly warrant that the Leased Area is now or will remain suitable for all or any of The Sub-Lessee's purposes. Any warranties as to suitability of the Leased Area implied by law are expressly negated.

#### **7.9 The Sub-Lessee's Risk**

The Sub-Lessee occupies the Leased Area at The Sub-Lessee's own risk.

#### **7.10 Severability**

If a provision in the Lease is prohibited by law it is ineffective but does not invalidate or modify the remaining provisions of the Lease.

#### **7.11 Entire Agreement**

The Sub-Lessee acknowledges and declares:

- (a) in entering into the Lease The Sub-Lessee has not relied on any promise, representation, undertaking or warranty given by The Lessor or on The Lessors behalf in respect of:
  - (i) The suitability of the Leased Area; or
  - (ii) The facilities, amenities or services to the Leased Area for any use,
- (b) the covenants and provisions in the Lease (expressed or implied by statute) cover and comprise the whole of the agreement between the Parties;
- (c) no further or other covenants or provision are deemed to be implied or to arise between the Parties by way of collateral or other agreement.

#### **7.12 Dispute Resolution**

In the event of an irreconcilable difference engage an independent mediator for want of a fair and equitable resolution.

#### **7.13 Market Review**

Lessor or Lessee need to indicate within three months prior/after the term of the lease that they intend to do a market review.

#### **7.14 Legal Costs**

Both the Lessor and sub-lessee must pay their own legal costs except where legislation requires otherwise.

## SCHEDULE

### ITEM 1

This agreement made the x day of November 2014

### ITEM 2

The Sub-Lessees Name and Address:

John Wade

Dark Side Chocolates

X x x

DENMARK WA 6333

Phone: 0407 984 820

### ITEM 3

#### **Rent:**

Rent: \$7,200.00 per annum, plus GST; or  
\$600.00 per calendar month, plus GST.

Installments: monthly

Date of First Installment: x day of November 2014

Review: On each anniversary of the Term of Lease, the monthly rental for the next twelve month period shall be adjusted by the change in the Consumer Price Index (CPI) for Western Australia for the immediate twelve month period.

Please note the terms of the Tenant Guide attached to this sub-lease.

### ITEM 4

#### **Outgoings:**

**To be determined.**

### ITEM 5

#### **Term of Lease:**

Period: 4 years with 1 x 3 year option (total of seven years)

Commencement Date: x day of November 2014

Expiry Date: x day of November 2018

### ITEM 6

#### **Option:**

1 x 3 year option

Being a term to x November 2021

Commencement Date: **x** day of November 2018

If the Sub-lessee wishes to exercise the option under the Sub-lease it will need to be in writing 60 days prior to the expiration of the Sub-lease.

The Lessor reserves the right to conduct a Market Review if the option is exercised beyond the original term.

#### **ITEM 7**

If within three years of the commencement date of the term of the lease, the Denmark Shire Council opts to relocate Dark Side Chocolates to an alternative location within the Denmark Visitor Centre building, the Council will pay the full cost of relocation.

Should Council relocate Dark Side Chocolates in the four to seven year period of the lease agreement, the Shire of Denmark would pay 50% of the relocation costs and enter into negotiations for an extended lease term.

#### **ITEM 8**

Dark Side Chocolates will allow the Denmark Visitor Centre to sell packaged chocolates outside of the agreed operating hours of Dark Side Chocolates (as per section 3.3b). Dark Side Chocolates and the Coordinator of the Denmark Visitor Centre should agree to the level and supply of stock. The Denmark Visitor Centre will charge Dark Side Chocolates 20% commission on the retail price of all stock sold.

#### **ITEM 9**

##### **Use of Premises:**

As per Section 3.3 of the Sub-Lease document.

#### **ITEM 10**

##### **Leased Area:**

The hatched area of 48 square metres indicated on Annexure A being part of 73 South Coast Highway, Denmark of lot 3000 on deposited plan 44269 and being the whole of land in certificate of title volume LR 3135 of folio 904 ("the Visitor Centre").

SIGNED by Simon Lyas for and on behalf of  
**Denmark Tourism Inc:**

\_\_\_\_\_  
**Simon Lyas**  
Chair – Denmark Tourism Inc

In the presence of:

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Witness Name in Full

\_\_\_\_\_  
Witness Address

\_\_\_\_\_  
Witness Occupation

SIGNED by

\_\_\_\_\_  
**JOHN WADE**  
**DARK SIDE CHOCOLATES**

In the presence of:

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Witness Name in Full

\_\_\_\_\_  
Witness Address

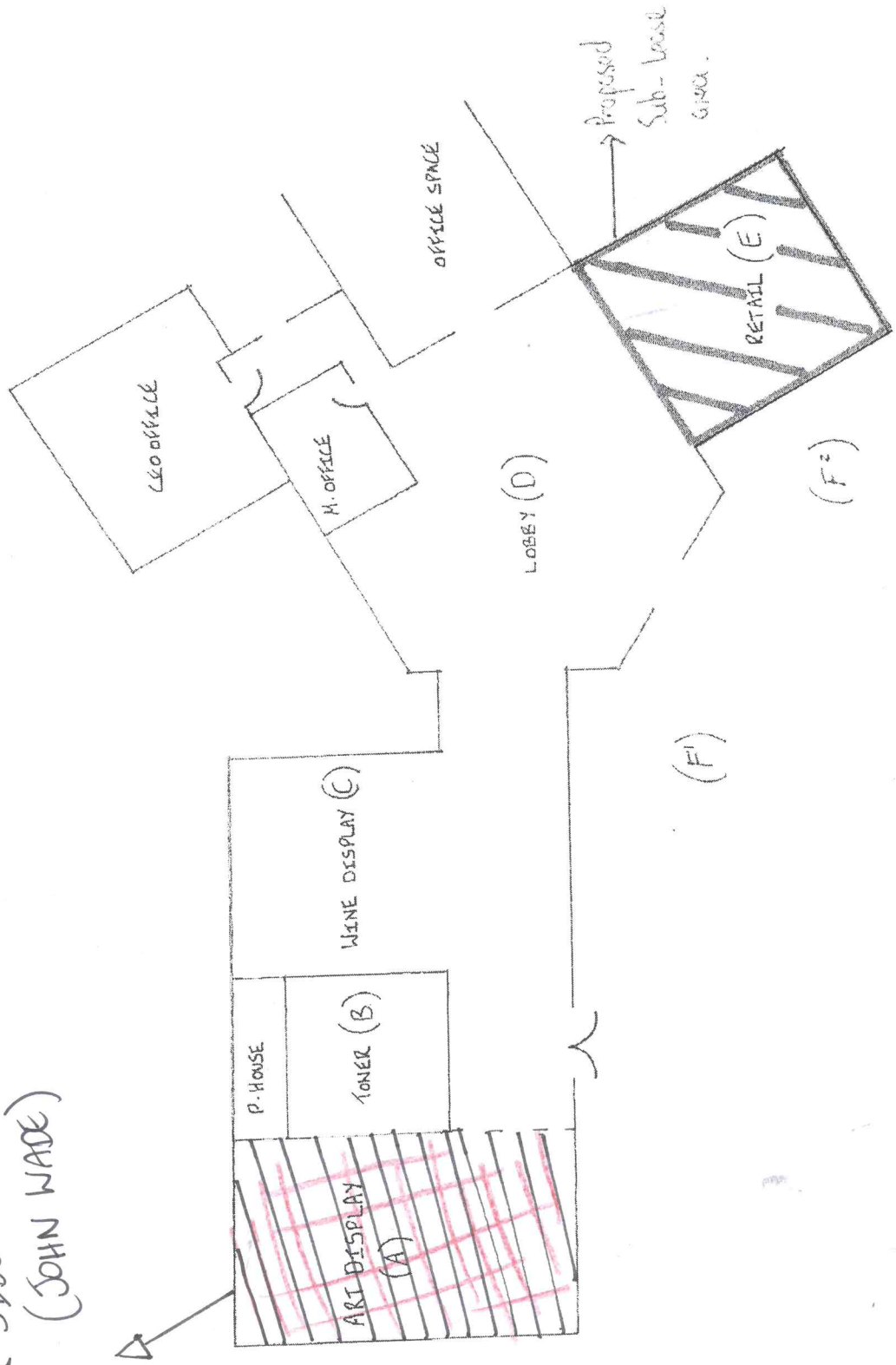
\_\_\_\_\_  
Witness Occupation

**ANNEXURE A – FLOOR PLAN OF DVC**



ANNEXURE A – FLOOR PLAN OF DVC

DARK SIDE CHOCOLATES  
(JOHN WADE)



**ANNEXURE B: HEADLEASE (SHIRE OF DENMARK & DENMARK TOURISM INC)**