

PROPOSED COMMERCIAL LEASE TERMS

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| 1. | Landlord | <p>Minister for Education.</p> <p>Note: In the case of the Dampier Campsite the Minister for Education is a sub-lessor.</p> |
| | Note: Landlord for Point Peron | <p>Conservation and Land Management Executive Body</p> |
| 2. | Tenant | <p>To be confirmed.</p> |
| 3. | Land | <p>See Part C of RFP for details.</p> |
| 4. | Premises | <p>See Part C of the RFP for land details and site plans for each camp site.</p> |
| 5. | Plant and Equipment | <p>All current plant and equipment (located at the respective camp site) as detailed in Part C of the RFP will be sold to the Tenant at a cost reflective of the current value of the plant and equipment.</p> |
| 6. | Use of Premises | <p>The Premises shall be used to provide camp style accommodation for school camps and excursions for school aged children and all ancillary uses associated with such use ('Permitted Use').</p> <p>Other uses that are consistent with the Permitted Use may be negotiated during the RFP stage.</p> <p>The Tenant must satisfy itself that its proposed use of the site is consistent with the relevant management order and any land zoning requirements.</p> <p>Any change from the Permitted Use requires the prior written consent of the Landlord, which can be withheld at the Landlord's sole discretion. Any change may also require the approval of the Minister for Lands. If the Landlord approves the change in use, then it will be the Tenant's responsibility to obtain any statutory or other approvals required at the Tenant's cost.</p> |
| 7. | Conditions of Use | <p>The Tenant must comply with the following conditions:</p> <ul style="list-style-type: none">(a) Access to the camp sites must be given to Department of Education students;(b) Schools of the Air (SOTA) are to be given access to the camp sites as detailed in Part C of the RFP. (Note: this item applies to Dampier Campsite; Geraldton Campsite and Kalgoorlie Campsite only)(c) Access to the Landsdale Farm to be provided to Department of Education Students with disabilities for the purpose of |

education and training. **(Note: this item applies to Landsdale Farm only.)**

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| 8. | Term | Proposed term of 21 years with possible extensions. Shorter or longer terms subject to negotiation. |
| 9. | Lease Commencement Date | The Lease will commence on or about 1 January 2019. A date prior to or post 1 January 2019 may be agreed where required to ensure the transition to the new Tenant does not impact on any current or proposed camp site bookings. |
| 10. | Transition Period | Tenant to be available for a period of transition, anticipated to be approximately 2 months prior to the Commencement Date. |
| 11. | Option (s) to Renew | To be nominated by the Tenant. |
| 12. | Early Termination | Any earlier termination of the agreement to be subject to agreement of both parties. |
| 13. | Rent | To be nominated by the Tenant. |
| 14. | Rent Reviews | The basis of annual rent reviews to be nominated by the Tenant. |
| 15. | Outgoings | The Tenant will contribute to Statutory Outgoings only (if applicable). For the avoidance of any doubt 'Statutory Outgoings' will include Council and Water Rates together with Land Tax on a single holding basis, and any other rates, taxes or charges which are currently payable (or which become payable in the future) by the Landlord in respect of the Premises or the Land on which the Premises are located. |

The Statutory Outgoings (if applicable) are payable by the Tenant in the proportion that the area of the Land (which is subject to survey by the Landlord) bears to the total Land that is subject to the Statutory Outgoings.

The Tenant will pay for any services (i.e. electricity, water, gas and telecommunication) provided to the Premises that are directly metered or charged to the Premises (including sewerage) and attributed to the Tenant's use of the Premises.

If any services are not directly metered to the Premises, the Tenant must pay the Landlord for the services that are attributed to the Tenants use on the proportion of land area as determined above.

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| 16. | Building Repair and Maintenance | All structural and non-structural repairs and maintenance of the Premises (including any building, improvements and items of infrastructure that have been installed by the Landlord) will be at the Tenant's cost and the Tenant will arrange for its own maintenance contracts and works to occur throughout the Term and any extension. |
| 17. | Cleaning and Waste Disposal | The Tenant will undertake at its cost regular cleaning and waste disposal. |
| 18. | Grounds Maintenance | The Tenant will undertake at its cost regular cleaning and gardening of the grounds and gardens. |
| 19. | Insurances | <p>The Tenant will maintain all necessary insurances over the Premises and any improvements constructed thereon. The Tenant acknowledges that the risks covered by the Tenant's indemnity will include:</p> <ul style="list-style-type: none">(a) full reinstatement cover in respect of all building and improvements erected on the Premises;(b) Public liability insurance for at least \$20 million. The Landlord may request additional coverage (at all times acting reasonably) in relation to public liability cover; and(c) Workers' Compensation Insurance. <p>The Tenant will ensure that the insurance policy or policies will:</p> <ul style="list-style-type: none">(a) for the buildings and improvements have the Landlord as a joint insured;(b) otherwise note the Landlord's rights and interests;(c) require that the Landlord be notified before the policy is allowed to be cancelled, or lapsed, materially altered or voided;(d) require that the Landlord be notified of any claims which may materially erode the Tenant's cover under the policy; and(e) include a cross liability endorsement. |
| 20. | Tenant's Works | <p>The Tenant is to have the right to alter the buildings or to construct any buildings and improvements on the Land. The Tenant must first obtain the Landlord's approval prior to any work being carried out but the Landlord cannot unreasonably withhold or delay such approval.</p> <p>The Tenant must obtain all required municipal authority or other approvals for the construction of any building or improvement on the Premises prior to commencement of the Tenant's Works. The Tenant must pay the cost of obtaining all such approvals. In addition, the Tenant will ensure that any buildings or</p> |

improvement to be erected on the Premises are constructed in accordance with all necessary Australian Standards and the Building Codes of Australia and any approval condition provided by the Landlord.

The Tenant will bear all costs associated with the construction of any Tenant's Works or obtaining such approval.

For clarity the Tenant will make application to the relevant municipal and/or State Government bodies at its own risk.

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| 21. Tenant's Additional Obligations | The Tenant agrees to: <ul style="list-style-type: none">(a) comply with all applicable laws and the requirements of authorities in connection with the Premises;(b) keep the land and all improvement erected on the Premises in a clean, safe and good condition;(c) not conduct any illegal or unlawful activities or conduct an offensive business on the Premises or do anything on the Premises which causes nuisance, damage or disturbance to any occupier of any nearby property; and(d) comply with all applicable environmental laws and any notice or order from any authority in relation to the Premises or any contamination or environmental incident on the Premises. |
| 22. Provision of information | The Tenant will provide on an annual basis: <ul style="list-style-type: none">(a) details of number of Department of Education schools and students attending the camp site;(b) rates charged to Department of Education schools and students; and(c) such other information as the Landlord may reasonably require. |
| 23. Inspection | The Landlord to have the right to inspect the Premises from time to time. |
| 24. Tenant indemnity | The Tenant must indemnify the Landlord against any liability, loss, and damage or expense suffered or incurred by the Landlord arising from the Tenant's occupation or use of the Premises. |
| 25. Naming & Signage | <p>The Tenant will be granted the right to name and install signage to any building or improvement on the Land.</p> <p>Any signage and naming will be subject to Landlord approval who will have the right to reject any name or signage at its sole discretion if the Landlord believes that it is any way offensive or contrary to the public interest or which may bring the Landlord or the State Government into disrepute.</p> |

The Tenant shall be responsible for seeking any relevant statutory approvals and the costs of supplying, installing, maintaining and removal of any sign following Landlord approval.

The location and extent of the Building signage is to be at the Tenant's sole discretion.

For clarity the Tenant will be responsible for the cost of supply, installation, maintenance and removal of such signage at expiry of the Term.

26. Subletting and other dealings

The Tenant shall have the right to sublet all or part of the Premises subject to the Landlord's consent, which can be withheld by the Landlord at its absolute discretion.

The Tenant must not in any other way assign, deal with or encumber the Lease.

27. Reinstatement and end of Term arrangements

Unless otherwise agreed by the Landlord all buildings are to be left in a good condition, fully operational and in a clean and tidy condition relative to their condition at the Commencement Date.

Unless otherwise agreed the Tenant will to remove its equipment, fit out and loose furniture not linked to the efficient functioning of the buildings and infrastructure.

28. Goods & Services Tax (GST)

The Tenant will be required to pay GST as it applies to payments under the Lease.

29. Dispute Resolution

In the event of a dispute between the parties the Tenant and Landlord (or their delegated representatives) in the first instance must meet to try and reach agreement, both acting reasonably. In the event agreement cannot be reached within fourteen (14) days then the dispute can be escalated as outlined below. If the dispute cannot be resolved at an operational level, the dispute will be referred to senior management of the Landlord and the Tenant.

30. Termination

An event of default occurs when:

- (a) there is an insolvency of one or more of the parties comprising the Tenant; or
- (b) the Tenant assigns the Lease or creates an encumbrance other than with the prior consent of the Landlord; or
- (c) the Tenant abandons the Premises; or
- (d) the Tenant fails to perform its repair or maintenance obligations under the Lease and

- which, in the Landlord's reasonable opinion, has the potential to create a material safety issue; or
- (e) the Tenant fails to obtain or maintain the insurances required under the Lease; or
 - (f) The Tenant does not pay the Rent within 28 days of a valid tax invoice being provided; or
 - (g) The Premises are not used for the Permitted Use; or
 - (h) The Tenant fails to comply with the Conditions of Use.

31. Documentation & Costs

The Landlord's solicitors are to prepare the Lease that will include the terms and conditions in these Proposed Commercial Lease Terms and such other terms, covenants and conditions which in the reasonable opinion of the Landlord and the Landlord's solicitors, are ordinarily found in Lease documents for similar Premises.

Each party shall be responsible for its own costs incurred in the negotiation (including all costs associated with the preparation and negotiation of the Lease) and finalisation of the Lease documentation.

The Landlord will facilitate the registration of the Lease against the property. The Tenant will pay or reimburse the Landlord for all duty, taxes and feeds (including fines and penalties) payable in connection with the Lease.