**LEASE****Section 66(1) of the Transfer of Land Act 1958**

Lodged at the Land Titles Office by:

Name: ARTHUR ROBINSON &amp; HEDDERWICKS

Phone: (03) 9614 1011

Address: 530 Collins Street, Melbourne 3000

Ref: GDJH Customer Code: 0951R

The Lessor leases to the Lessee the Land for the term and yearly rental specified subject to the encumbrances affecting the Land including any created by dealings lodged for registration before the lodging of this Lease and subject to the covenants and conditions contained in this Lease.

**LAND:**

Volume 8841	Folio 691,	Volume 8504	Folio 716,	Volume 9067	Folio 671,
Volume 8390	Folio 476,	Volume 6726	Folio 179,	Volume 7300	Folio 954,
Volume 7344	Folio 688,	Volume 7617	Folio 046,	Volume 8044	Folio 649,
Volume 8296	Folio 766,	Volume 8413	Folio 481,	Volume 8466	Folio 277,
Volume 8511	Folio 436,	Volume 8527	Folio 519,	Volume 8528	Folio 830,
Volume 8592	Folio 937,	Volume 8657	Folio 662,	Volume 8692	Folio 815,
Volume 8708	Folio 041,	Volume 8738	Folio 114,	Volume 8792	Folio 799,
Volume 8827	Folio 437,	Volume 8869	Folio 263,	Volume 8869	Folio 264,
Volume 8885	Folio 503,	Volume 8936	Folio 136,	Volume 8959	Folio 783,
Volume 8986	Folio 384,	Volume 9302	Folio 900,	Volume 9302	Folio 901,
Volume 9768	Folio 745,	Volume 9815	Folio 130,	Volume 8677	Folio 659,
Volume 8554	Folio 346,	Volume 10327	Folio 685,	Volume 10327	Folio 686

**LESSOR:** COMMONWEALTH OF AUSTRALIA

**LESSEE:** AUSTRALIA PACIFIC AIRPORTS (MELBOURNE) PTY LTD  
(ACN 076 999 114) of Level 32, Governor Phillip Tower, 1 Farrer Place,  
Sydney, 2000


**TERM:** Fifty Years from the Commencement Date**COMMENCEMENT****DATE:** 2 July 1997**RENTAL:** section 47G**COVENANTS:** As set out in the attached Lease.

DATE:

1 JULY


1997

SIGNED by THE HONOURABLE JOHN )  
 JOSEPH FAHEY, MP in his capacity as the )  
 Minister for Finance for and on behalf of the )  
 Commonwealth of Australia in the presence of: )

  
 Signature of Witness

SIMON JOSEPH LEWIS

Print Name

  
 Signature

THE COMMON SEAL of AUSTRALIA )  
 PACIFIC AIRPORTS (MELBOURNE) PTY )  
 LIMITED was duly affixed in the presence of: )

  
 Director

DAVID COURTNEY SHIELDS  
 Print Name



  
 Director/Secretary

ANDREW L. HUMSDEN  
 Print Name



**COMMONWEALTH OF AUSTRALIA**

**AIRPORT LEASE FOR  
MELBOURNE (TULLAMARINE) AIRPORT**

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THIS LEASE is made the 1st day of JULY 1997

BETWEEN

COMMONWEALTH OF AUSTRALIA  
("Lessor")

AND

AUSTRALIA PACIFIC AIRPORTS (Melbourne) Pty Ltd, ACN 076 999 114  
incorporated in the State of Victoria, of Level 37, Governor Phillip Tower, 1 Farrer Place,  
Sydney NSW 2000  
("Lessee")

## 1. DEMISE

### 1.1 Lease and concurrent lease

In consideration of the payment by the Lessee to the Lessor of a premium which is not refundable in any circumstances, the Lessor grants to the Lessee pursuant to the *Airports (Transitional) Act 1996* a Lease of the Airport Site (including the Structures) for the Term. This Lease operates as a concurrent lease over all that part of the Airport Site which is the subject of leases existing as at Grant Time.

### 1.2 Reservation of Lessor's rights

The Lessor reserves to itself:

- (a) all mining rights and interests in minerals on the Airport Site; and
- (b) provided that it is not inconsistent with the development of the Airport Site in accordance with a Master Plan, the right to grant any easements over or rights of access or rights of way on, over, under, through or across the Airport Site for:
  - (i) the purpose of the supply of electricity, gas, telecommunications cables, water, sewerage, drainage or like services; and
  - (ii) the provision of transport or other services to the public,

such rights not to be to the exclusion of the right of the Lessee to also grant such rights where it would otherwise have the power to do so.

## 2. DEFINITIONS AND INTERPRETATION

### 2.1 Definitions

In this Lease, unless a contrary intention appears:

'Airports Act' means the *Airports Act 1996*.

'Airport-Management Agreement' means an airport-management agreement as defined in the Airports Act.

**'Airport-Management Company'** means an airport-management company as defined in the Airports Act.

**'Airport Site'** means the site (including the Structures thereon) which at Grant Time is named Melbourne (Tullamarine) Airport and the boundaries of which are as specified in regulations made pursuant to the Airports Act, a copy of which regulations is attached to this Lease.

**'Business Day'** means a day which is not a Saturday, Sunday or public holiday in the State of Victoria.

**'Claims'** means any claims, losses, suits, proceedings, actions, causes of action, demands, judgments, executions, liabilities or responsibilities for any Damages and for any Injuries.

**'Commonwealth'** means the Commonwealth of Australia but does not include any Commonwealth bodies which are separate legal entities.

**'Costs'** means all expenses, losses, charges and payments including any professional consultant and legal fees (on a "solicitor and own client" basis).

**'Damages'** means any loss, Costs or damage whatsoever including, but not limited to, direct, indirect, incidental, consequential or special damages, damage to property, to the Airport Site or to the environment of the Airport Site, or the diminution in value of the Airport Site or any part thereof.

**'FAC'** means the Federal Airports Corporation.

**'FAC Land'** means land which vests in the Commonwealth pursuant to a declaration of the Minister pursuant to section 11 of the *Airports (Transitional) Act 1996*.

**'Force Majeure Event'** means any event which is beyond the reasonable control of the Lessee and which bona fide prevents the Lessee from performing the Lessee's Covenants under sub-clause 3.1(a)(i), sub-clause 3.1(a)(ii) or sub-clause 12.6 where that event could not have been prevented, overcome or remedied by the exercise of a standard of care and diligence consistent with that of a prudent person undertaking the obligation, including the expenditure of all reasonable sums of money.

**'Governmental Authority'** means the Commonwealth government or any government of any State or Territory of Australia, administrative body, governmental body, department or agency of any such government or local government authority.

**'Grant Time'** means the time at which the Commonwealth grants this Lease to the Lessee, such time being the time on 2 July 1997 immediately after the FAC Land for Melbourne (Tullamarine) Airport vests in the Commonwealth.

**'Injury'** means any injury to the Airport Site or to the environment of the Airport Site or personal injury, or bodily injury, including death resulting therefrom and whether the death occurs before or after the expiry or earlier determination of this Lease.

**'Lease'** means this lease as amended from time to time.

**'Lessee's Covenants'** means the obligations imposed on the Lessee in this Lease.

**'Lessor'** means the Commonwealth as owner of the Airport Site and landlord of this Lease.

**'Loan Security'** means any mortgage, charge, security interest, mortgage by way of sub-demise, or other encumbrance of whatever nature.

**'Master Plan'** means a final master plan as defined in the Airports Act.

**'Rates and Taxes'** means all rates (including water rates and sewerage rates), land and other taxes, costs, charges, expenses, duties, impositions, fees and penalties of whatever nature levied by a Governmental Authority in respect of the Airport Site and whether levied against the Lessor or the Lessee.

**'Specified Rate'** means interest at a rate of four (4) percent per annum higher than that ordinarily charged by the principal bank of the Commonwealth on overdraft current accounts (or the nearest equivalent) not exceeding fifty thousand dollars (\$50,000). A certificate issued to the Lessor and signed by the manager or the assistant manager for the time being of the principal bank will be prima facie evidence of the Specified Rate.

**'Structures'** means all fixtures (including buildings and other improvements of whatever nature) affixed to the Airport Site, whether constructed before or after the grant of this Lease, and includes without limitation such items as runways, taxiways, aprons, roads and dams on the Airport Site.

**'Term'** means a term of fifty (50) years commencing at Grant Time.

## **2.2 Interpretation**

In this Lease unless the context otherwise requires:

- (a) a reference to a clause is to a clause of this Lease and includes all sub-clauses;
- (b) words in the singular include the plural and vice versa;
- (c) words importing one gender include each of the other genders;
- (d) where the context permits, a reference to 'Lessor', 'Lessee', an organisation, body or person includes their employees, officers and agents as well as their respective successors in title and assigns;
- (e) references to parties, recitals, clauses, sub-clauses or attachments are references to parties, clauses, sub-clauses, attachments to or of this Lease and a reference to this Lease includes any attachment;
- (f) references to this Lease or any other deed, agreement, instrument or document will be deemed to include references to this Lease or such other deed, agreement, instrument or document as amended, novated, supplemented, varied or replaced from time to time;
- (g) headings in this Lease are for convenience only and are not part of, or to be used in the interpretation or construction of, this Lease;
- (h) "person" includes a corporation and a body politic;
- (i) a reference to legislation includes statutes, regulations, ordinances, by-laws or other legislative instruments and all amendments, consolidations or replacements thereof;
- (j) where any word or phrase is given a defined meaning any other part of speech or grammatical form in respect of such word or phrase has a corresponding meaning;
- (k) a reference to anything (including without limitation any amount) is to the whole and each part of that thing;

- (l) where the day on or by which any sum is payable under this Lease or any act, matter or thing is to be done is a day other than a Business Day, such sum will be paid and such act, matter or thing will be done on the immediately preceding Business Day;
- (m) if any provision of this Lease or its application to any person or circumstance is, or becomes, invalid or unenforceable, the remaining provisions are not affected and each provision of this Lease is valid and enforceable to the fullest extent permitted by law;
- (n) in the interpretation of this Lease, no rules of construction apply to the disadvantage of any party on the basis that it put forward this Lease;
- (o) terms used in this Lease and defined in the Corporations Law have the meaning given to them in the Corporations Law; and
- (p) no provision of this Lease operates as a merger of the rights and remedies of the parties under this Lease.

### **2.3 Lessee not Lessor's agent**

Nothing in this Lease, whether express or implied, constitutes the Lessee the agent of the Lessor in respect of any matter or action taken.

### **2.4 Airport-Management Agreements and subleases**

The fact that the Lessee enters into an Airport-Management Agreement or sub-lease does not excuse the Lessee from any of its obligations under this Lease and the Lessor holds the Lessee responsible for any acts or omissions of an Airport-Management Company or sub-lessee.

## **3. ACCESS TO AND USE OF AIRPORT SITE**

### **3.1 Lessee must give access**

The Lessee:

- (a) must at all times:
  - (i) subject to sub-clause 17.5, provide for the use of the Airport Site as an airport;
  - (ii) subject to sub-clause 17.5, provide for access to the airport by interstate and international air transport;
  - (iii) provide for access to the airport by intrastate air transport;
  - (iv) not use, or permit to be used, the Airport Site for any unlawful purpose or in breach of legislation; and
  - (v) not use any name other than Melbourne (Tullamarine) Airport for the Airport Site without the prior written consent of the Lessor;
- (b) may:
  - (i) permit the Airport Site to be used for other lawful purposes that are not inconsistent with its use as an airport; and



- (ii) subject to sub-clause 5.15 and clause 12A, construct, alter, remove, add to or demolish the Structures.

### **3.2 Refusal to give access in certain circumstances**

The Lessee shall not be in default of its obligations under sub-clauses 3.1(a)(ii) and (iii) if it:

- (a) complies with a demand management scheme under the Airports Act; or
- (b) refuses to give access to the Airport Site to all or any of the aircraft of an aircraft owner or operator:
  - (i) where the owner or operator of the aircraft has failed to pay to the Lessee within twenty-one (21) days after the due date any amount due to the Lessee by the aircraft owner or operator for the use of the Airport Site; and
  - (ii) where the Lessee has notified the Lessor of its intention to refuse access at least fourteen (14) days in advance of the first day on which it intends to refuse access.

## **4. RELEASE AND INDEMNITY**

Notwithstanding any other provision of this Lease, as and from Grant Time, the Lessee takes and is subject to the same responsibilities with regard to person and property and otherwise to which the Lessee would be subject if during the Term the Lessee were the owner of the freehold of the Airport Site and the Lessee:

- (a) hereby releases the Lessor from and against all Claims by the Lessee in respect of any Damages, Costs or Injury which the Lessee may incur or sustain by reason of any act or omission on the part of the Lessor or the FAC or the performance of this Lease or the use or occupation of the Airport Site by the Lessee;
- (b) hereby indemnifies the Lessor from and against all Claims, Damages or Costs incurred or sustained by the Lessor, or for which the Lessor may become liable, in respect of any Claims, Damages, Costs or Injury to any person by reason of any act or omission on the part of the Lessee or by the performance of this Lease or the use or occupation of the Airport Site by the Lessee or any other person (whether before or after Grant Time), but this indemnity will not apply where the Claims, Damages, Costs or Injury are incurred or sustained by the Lessor as a result of the acts or omissions of the Commonwealth, its servants, agents, employees, contractors or licensees in carrying out any of their functions on the Airport Site after Grant Time; and
- (c) must, in any and every event in which the Lessor is made a party to any Claim to which the Lessee's obligation to indemnify and hold the Lessor harmless under any provision of this Lease extends, if so requested by the Lessor, defend such Claim in the name of the Lessor and must pay all costs of the Lessor in connection with the Claim provided that the Lessee may, in any such event, compromise, pay or satisfy any such claim with the consent of the Lessor.

The obligations of the Lessee under this clause continue after the expiration or earlier determination of this Lease in respect of any act, deed or thing happening before such expiration or determination.

## **5. INSURANCE**

### **5.1 Insurance required at Grant Time**

The parties acknowledge that at Grant Time the Lessee has effected certain policies of insurance on terms and conditions acceptable to the Lessor.

### **5.2 Subsequent policies**

The Lessee must, as and when requested to do so by the Lessor acting reasonably, effect further policies of insurance whether in substitution for policies already in effect or new policies and whether to cover the same or other or additional risks but only where such policies are available in the market. Each such policy must be on terms and conditions reasonably acceptable to the Lessor including without limitation as to conditions, endorsements, exclusions, sub-limits and deductibles and must unless the Lessor otherwise agrees be on the basis that:

- (a) where the Lessor so requires, the Lessor and the Lessee must both be named as insured;
- (b) the policies are to expressly provide that any breach of a policy term or condition or any non-disclosure or misrepresentation or any other act or omission by an insured or person whose interest is noted on the policy will not invalidate the cover in respect of other insured or persons whose interests are noted on the policy;
- (c) the policies are arranged in such manner that the insurer shall not subrogate against the Lessor, and for the purposes of this clause only, its servants, agents or contractors;
- (d) where any policies are governed by the law of the Commonwealth, all such policies shall contain a term that the insurer may only cancel a policy in the circumstances provided for in the *Insurance Contracts Act 1984*;
- (e) such policies are to expressly provide that the insurer may not cancel the policies for non-payment of premium without giving the Lessor thirty (30) days notice that the Lessee has failed to make payment thereof; and
- (f) where any policies are not governed by the law of the Commonwealth, all such policies must contain a term that the insurer may only cancel a policy in the following circumstances:
  - (i) failure by the insured to comply with the duty of utmost good faith;
  - (ii) failure to comply with any statutory duty of disclosure;
  - (iii) statutory misrepresentation at the time that the contract of insurance was entered into;
  - (iv) non-payment of premium;
  - (v) the making of a fraudulent claim under the relevant insurance policy;
  - (vi) the occurrence of an act or omission which is required to be notified by the insured to the insurer and is not so notified;
  - (vii) the occurrence of an act or omission which under the terms of the contract authorises the insurer to refuse to pay a claim, either in whole or in part; or

(viii) the insurer goes into liquidation.

### **5.3 Maintenance of insurance**

The Lessee must maintain and keep current each policy of insurance referred to in sub-clause 5.1 or effected pursuant to sub-clauses 5.2 or 5.4, in each case on the terms and conditions approved by the Lessor and until the Lessor permits the Lessee to cancel or not renew the same.

### **5.4 Coverage not available**

If the cover effected under any policy of insurance becomes obsolete or is no longer available the Lessee must promptly obtain insurance providing for similar coverage which is satisfactory to the Lessor acting reasonably. If no such similar cover is available then a mutually agreeable replacement for such cover is to be effected by the Lessee.

### **5.5 Variation**

The Lessee must, as and when requested to do so by the Lessor acting reasonably, take all reasonable steps to effect such changes to the terms and conditions of an existing policy of insurance (including without limitation as to conditions, endorsements, exclusions, sub-limits and deductibles) as the Lessor may require.

### **5.6 Insurers**

All insurances must be effected with insurance companies and through insurance brokers approved by the Lessor, such approval not to be unreasonably withheld. In approving an insurer the Lessor shall be entitled to consider the financial stability and capability of the insurer as well as other matters that would normally be considered by a prudent landlord. The Lessor may withdraw its approval of any insurer in the event that the Lessor considers that the financial stability or capability of the insurer changes materially from what it was at the time the insurer was approved in which event the Lessee must forthwith effect substitute insurances with an insurer approved by the Lessor.

### **5.7 Changes to terms**

The Lessee must not seek, make or allow any material changes to any policies unless the Lessor approves such changes in writing.

### **5.8 Insurance for construction work**

Where the Lessee or any other person performs construction work ('Works') upon the Airport Site the Lessee must itself take out (or ensure that any person who performs such Works takes out) a policy of insurance for loss or damage to the Works and the Lessee must ensure that the Lessor is noted as insured on such policy. Such policy must remain in force until the last to expire of any defects liability periods stipulated in the relevant building contract for the Works.

### **5.9 Duplicates to Lessor**

Duplicate (or certified) copies of all policies and any duly signed placing slips and endorsement slips or other evidence satisfactory to the Lessor together with all renewal certificates must be sent to the Lessor not less than twenty one (21) days (or such other period as the Lessor may agree) before the due date for renewal thereof. The Lessee must from time to time provide such evidence as the Lessor may reasonably require that any policy is in full force and effect and as to the terms thereof.

### **5.10 Proof of payment**

The Lessee must before the due date pay all premiums and other moneys payable in respect of any policy (including stamp duty) and must provide to the reasonable satisfaction of the Lessor satisfactory proof of payment thereof.

### **5.11 Revaluation of Structures**

In respect of any insurance relating to reinstatement or replacement, the Lessee must cause each item covered by such insurance to be re-valued every three (3) years by a duly licensed and experienced valuer for the purpose of determining the current reinstatement or replacement value thereof and for such values to be assessed annually by a person with appropriate expertise and for those policies to be updated annually to reflect the current reinstatement or replacement value. The Lessee must as and when requested to do so by the Lessor promptly provide a copy of any such valuation to the Lessor.

### **5.12 Preservation of policies**

The Lessee must not at any time during the Term do or omit to do or permit to be done or be omitted anything whereby any policy may be cancelled, vitiated, rendered void or voidable, adversely affected or limited in any respect.

### **5.13 Lessor's rights**

If any insurance policy is cancelled or threatened to be cancelled or refused to be renewed or the coverage refused or cancelled in any way or the Lessee fails to comply with any of the requirements of this clause 5, the Lessor may take any action it considers necessary or desirable to fulfil the Lessee's obligations (including, without limitation, effecting any policy or paying the premium or other monies payable in respect of any policy) and recover from the Lessee all costs and expenses incurred in so doing. By the Lessor taking such action the Lessee will not be relieved of any of its obligations under this clause 5.

### **5.14 Lessee remains responsible**

Delivery to and examination by the Lessor of any policy of insurance, certificate or other document relating to insurance shall in no way relieve the Lessee of any of its obligations under this clause 5.

### **5.15 Proceeds of insurance**

Subject to clause 12A(b), all insurance proceeds paid out for the damage or destruction of any Structures must be used either for:

- (a) the re-building or re-instatement of those damaged or destroyed Structures; or
- (b) in the event that the Lessee chooses not to re-instate the damaged or destroyed Structures, the building of such other Structures as the Lessor approves.

## **6. ENVIRONMENT**

### **6.1 Meaning of Environment of the Airport Site**

For the purposes of sub-clause 2.1 and sub-clauses 6.2, 6.3 and 6.4, the expression "the environment of the Airport Site" includes, without limitation, the water, ground water, soil, subsoils, air, biota or habitat and sites of heritage value or of significance to Aboriginal or Torres Strait Islander people on, above or below the Airport Site and the Structures.

## **6.2 Maintenance of Environment of the Airport Site**

Throughout the Term the Lessee must maintain the environment of the Airport Site in accordance with any obligation imposed on it by legislation which from time to time applies to the environment of the Airport Site and at the expiration or earlier determination of the Term the Lessee must yield up the environment of the Airport Site in a condition that complies with such obligation.

## **6.3 Release and indemnity for environmental damage**

Notwithstanding and in addition to clause 4 the Lessee:

- (a) hereby releases the Commonwealth from all Claims by the Lessee and indemnifies the Commonwealth against all Claims by any other person in respect of any Damages, Costs or Injury which the Lessee or others may incur or sustain in connection with any Damage or Injury to the environment of the Airport Site arising out of the use or occupation of the Airport Site before Grant Time by the Commonwealth, the FAC or any other person; and
- (b) hereby releases the Lessor from all Claims against the Lessor and indemnifies the Lessor against all Claims against the Lessor by any person other than the Lessee in respect of any Damages, Costs or Injury which the Lessee or others may incur or sustain in connection with any Damage or Injury to the environment of the Airport Site which arises out of or during the use or occupation of the Airport Site by the Lessee or any other person after Grant Time, but this release and indemnity will not apply where the Claims, Damages, Costs or Injury are incurred or sustained by the Lessor as a result of the acts or omissions of the Commonwealth, its servants, agents, employees, contractors or licensees in carrying out any of their functions on the Airport Site after Grant Time.

## **6.4 No liability of Lessor**

Without limiting sub-clause 6.3, the Lessor has no liability to the Lessee in the event that the Lessee is required to expend monies on remedial action to have the environment of the Airport Site comply with any obligations imposed on it by legislation.

# **7. LEGISLATION, LICENCES AND STATUTORY POWERS**

## **7.1 Legislation and notices**

The Lessee must, at its own expense, comply with all legislation (including the Airports Act) from time to time relating to the Airport Site and the Structures or to the use or occupation of the Airport Site and the Structures and with all requirements in notices and orders given or made (whether issued to either the Lessee or the Lessor) by a Governmental Authority.

## **7.2 Licences**

The Lessee must, at its own expense, obtain and maintain (or cause to be obtained and maintained) at all times all licences and approvals required in relation to the airport and the Airport Site and must produce when required by the Lessor proof of compliance by the Lessee with its obligations under this sub-clause.

# **8. RIGHT OF INSPECTION**

The Lessee must permit the Lessor (or its nominees) to have access to the Airport Site for the purpose of ascertaining whether the Lessee is complying with the Lessee's Covenants at a time agreed between the parties or, in the absence of agreement, within

five (5) Business Days of service of notice from the Lessor stipulating the day on which the Lessor will be carrying out an inspection or, in the case of an emergency, at any time.

## **9. MAINTENANCE AND REPAIR**

### **9.1 Maintenance of Site**

The Lessee must keep and maintain the Airport Site including the Structures in good and substantial repair at all times during the Term (fair wear and tear excepted) and at the expiration or earlier determination of the Term, vacate and yield up the Airport Site and the Structures in that state of repair and condition and in accordance with the Lessee's Covenants. The Lessee accepts the full and sole responsibility for the condition, operation, repair, replacement, maintenance and management of the Airport Site including the Structures during the Term.

### **9.2 Expert determination of disputes**

Any dispute between the Lessor and the Lessee in relation to sub-clause 9.1 may be referred by either party to an expert and the written determination of the expert will be conclusive and binding on the parties and the Lessor and the Lessee must share equally the fees and expenses of such expert. In the event that the parties cannot agree upon an expert, the expert shall upon the written request of either party be appointed by the President of the Institution of Engineers Australia (Victorian Division) or an equivalent body.

## **10. SUB-LEASING**

- (a) The Lessee must not grant any sub-lease or licence which is inconsistent with any prohibition on sub-leasing or licensing set out in the regulations to the Airports Act or, unless the Lessor agrees otherwise in writing, with any written commitment sought and obtained from the Lessee by the Lessor in relation to sub-leasing which specifies this clause 10.
- (b) Without limiting sub-clause 10(a), the Lessee must not permit a sub-lease or licence granted under this Lease to be held by a trust without the written approval of the Lessor.

## **11. COSTS**

### **11.1 Stamp Duty and registration fees**

Unless the Lessor otherwise agrees in writing, the Lessee must pay any stamp duty payable on this Lease and any counterpart, together with any registration costs of the Lease if registered.

### **11.2 Administrative costs**

Within twenty-eight (28) days of receiving notice from the Lessor, the Lessee must pay to the Lessor the Lessor's reasonable costs of administering this Lease, including all matters relating to the monitoring by the Lessor of the Lessee's compliance with the Lessee's Covenants. For the avoidance of doubt, the Lessee's obligation under this sub-clause shall not include any costs arising out of the Lessor performing any functions or powers pursuant to any legislation.

### **11.3 Costs for default**

The Lessee must pay to the Lessor on demand, all the Costs which the Lessor incurs or for which it becomes liable in consequence of or in connection with or arising out of

any default by the Lessee in performing the Lessee's Covenants or any event that is or may be an event of termination under sub-clause 17.1.

## **11A COSTS OF AIRPORT ENVIRONMENT OFFICER**

### **11A.1 Purpose of clause 11A**

The purpose of this clause 11A is to provide for the Lessee to pay to the Commonwealth all unrecovered Airport Environment Officer Costs incurred by the Commonwealth in the period commencing on the day immediately following Grant Time and ending on either.

- (a) the date on which the Commonwealth ceases to be responsible for the Environment Officer Costs; or
  - (b) the date of the expiry or earlier termination of the Lease,
- whichever is the earlier.

### **11A.2 Six monthly payment in advance by the Lessee**

- (a) Within 20 Business Days of the commencement of each Payment Period, the Commonwealth will provide to the Lessee a written notice ('Notice') which states:
  - (i) the Commonwealth's estimate of the amount of the Airport Environment Officer Costs for the Payment Period;
  - (ii) the Commonwealth's estimate of the amount of the Recovered Costs for the Payment Period; and
  - (iii) the payment amount, being the difference between the amount stated under paragraph (i) and the amount stated under paragraph (ii) ('Payment Amount').
- (b) The Lessee will pay to the Commonwealth an amount equal to the Payment Amount within 15 Business Days of receipt of the Notice.
- (c) The parties agree that the Payment Amount for the Initial Payment Period is section 47G such amount to be paid by the Lessee to the Commonwealth immediately upon Grant Time.

### **11A.3 Annual reconciliation**

- (a) Within 30 Business Days of the end of each Reconciliation Period, the Commonwealth will provide to the Lessee a written statement for the Reconciliation Period ('Reconciliation Statement') which:
  - (i) states the actual Airport Environment Officer Costs for the Reconciliation Period ('Actual Airport Environment Officer Costs');
  - (ii) states the actual Recovered Costs for the Reconciliation Period ('Actual Recovered Costs');
  - (iii) states the reconciliation payment, calculated as follows:

Reconciliation Payment = (Actual Airport Environment Officer Costs - Actual Recovered Costs) less (the sum of the Payment Amounts paid by

the Lessee to the Commonwealth in respect of the two Payment Periods which made up the Reconciliation Period).

Provided that if (Actual Airport Environment Officer Costs - Actual Recovered Costs) is a negative amount, that amount will be deemed to be zero; and

- (iv) contains such other information or attaches such other documentation reasonably necessary to evidence or support the Reconciliation Payment.
- (b) If the Reconciliation Payment is a positive amount, the Lessee will pay to the Commonwealth an amount equal to the Reconciliation Payment within 15 Business Days of receipt of the Reconciliation Statement.
- (c) If the Reconciliation Payment is a negative amount, the Commonwealth will pay to the Lessee on delivery of the Reconciliation Statement an amount calculated by multiplying the Reconciliation Payment by minus one (-1).

#### **11A.4 Obligation of the Lessor to consult**

The Commonwealth will consult with the Lessee in relation to methods of minimising costs incurred by the Airport Environment Officer carrying out its functions under the Airport (Environment Protection) Regulations including, where appropriate, the provision of such accommodation and other resources directly by the Lessee.

#### **11A.5 Efficiency review by the Lessor**

- (a) Prior to 30 June 1998, and thereafter at such times as it considers necessary the Commonwealth will conduct an efficiency review to determine whether the Airport (Environment Protection) Regulations are functioning effectively and whether the Airport Environment Officer has conducted its regulatory functions in a cost efficient manner. In carrying out such a review the Commonwealth will consult with the Lessee and take into account any matters that the Lessee reasonably requests the Commonwealth to consider in the review. The Commonwealth will give the Lessee an opportunity to comment on the final results of the review and consult with the Lessee in implementing any changes resulting from the review.
- (b) If the Lessee reasonably requires an efficiency review at any other time it may request the Commonwealth to carry out such a review provided that the Lessee does not request such a review more often than once every twelve months. Where the Lessee requests the Commonwealth to conduct a review it will be responsible for the Commonwealth's reasonable costs of conducting the review.

#### **11A.6 Definitions**

**'Airport Environment Officer'** means the person appointed under clause 10.01 of the Airports (Environment Protection) Regulations as the Airport Environment Officer for the purpose of those Regulations.

**'Airport Environment Officer Costs'** means all fees, costs, expenses and outgoings reasonably incurred by the Commonwealth in retaining the Airport Environment Officer in respect of the Airport Site, including, without limitation, all fees, costs, expenses and outgoings paid by or on behalf of the Commonwealth to the Airport Environment Officer for:

- (a) performing any of its duties, functions or responsibilities under the Airports (Environment Protection) Regulations in respect of the Airport Site; and/or



- (b) performing or doing any act or thing reasonably incidental to any of the Environmental Officer functions, duties or responsibilities referred to in paragraph (a);

but excluding

- (c) any administrative or legal costs of the Commonwealth; and
- (d) any legal costs incurred by the Airport Environment Officer in implementing, enforcing or defending its decisions made in the course of it carrying out its regulatory functions,

**'Payment Period'** means:

- (a) the period commencing on the day immediately following Grant Time and ending on 31 December 1997 (**'Initial Payment Period'**); and
- (b) each 6 month period thereafter.

**'Reconciliation Period'** means:

- (a) the period commencing on the day immediately following Grant Time and ending on 30 June 1998; and
- (b) each 12 month period thereafter.

**'Recovered Costs'** means any fees paid to the Airport Environment Officer under any regulations that may be made under the Airports (Environment Protection) Regulations.

## **12. DEVELOPMENT DURING TERM OF LEASE**

### **12.1 Development of Airport Site**

Throughout the Term the Lessee must develop the Airport Site at its own cost and expense consistent with a Major International Airport having regard to:

- (a) the actual and anticipated future growth in, and pattern of, traffic demand for the Airport Site;
- (b) the quality standards reasonably expected of such an airport in Australia; and
- (c) Good Business Practice.

### **12.2 Non-compliance by Lessee**

If the Lessor believes that the Lessee is not complying with its obligations under sub-clause 12.1, it may give written notice to the Lessee requiring the Lessee to provide it with a detailed plan or plans referred to in sub-clause 12.3. The Lessor may only give a notice to the Lessee under this sub-clause 12.2 once every 5 years and in any event, not before 1 July 1999.

### **12.3 Provision of plan to Lessor**

- (a) Subject to sub-clause 12.8, within 120 Business Days of the receipt of a written notice under sub-clause 12.2 the Lessee must provide the Lessor with a plan required to bring the Airport Site up to a standard consistent with that required by sub-clause 12.1 within 5 years.

- (b) The relevant plan must contain at least the equivalent detail to that required of a major development plan under section 91 of the Airports Act. For the avoidance of doubt any plan lodged by the Lessee with the Lessor under this clause 12 will not constitute a major development plan or master plan for the purposes of the Airports Act.

#### **12.4 Advice by Lessor on receipt of plan**

The Lessor must advise the Lessee within 60 Business Days of receipt of a plan under sub-clause 12.3 whether it believes that giving effect to the plan provided under sub-clause 12.3(a) will bring the Airport Site up to a standard consistent with that required by sub-clause 12.1 and:

- (a) if so, the Lessee must forthwith commence to give effect to the plan; or
- (b) if not, the Lessee must provide a further plan within 60 Business Days of the date of the Lessor's advice.

#### **12.5 Further plans**

The provisions of sub-clause 12.4 will apply to any further plan provided by the Lessee under sub-clause 12.4 as if it were the original plan provided under sub-clause 12.3.

No review or approval by the Lessor of a plan submitted by the Lessee under sub-clause 12.4 will in any way fetter or constrain the exercise of any power, function, duty or discretion imposed upon:

- (a) the Minister by the Airports Act; or
- (b) any other person by any law of the Commonwealth.

#### **12.6 Effect to be given to plan**

The Lessee must give effect to a plan approved by the Lessor under sub-clause 12.4.

#### **12.7 Failure to comply with plan**

- (a) The parties agree that if the Lessee fails to comply with any part of this clause 12 damages will not be an adequate remedy to the Lessor.
- (b) Without prejudice to any other right or remedy which the Lessor may have, if the Lessee fails to comply with sub-clause 12.6:
  - (i) the Lessor may take such action as is necessary to give effect to the plan, in which event the Lessee will indemnify the Lessor against all claims, costs, losses or damages suffered or incurred by the Lessor arising out of or in connection with any act or omission in the course of giving effect to, or purporting to give effect to, the plan; and
  - (ii) the Lessee irrevocably appoints the Lessor as its agent for the purpose of giving effect to the plan and must itself do, or procure to be done by any Airport Management Company or any other person, whatever is reasonably necessary to enable the Lessor to give effect to the plan.
- (c) In giving effect to the plan under this clause the Lessor must:
  - (i) use reasonable endeavours to mitigate the costs, losses and damages which may be suffered or incurred by the Lessor; and

- (ii) not exercise any of its rights under sub-clause 12.7(b) in respect of any matter or thing which is the subject of any incomplete dispute resolution proceedings under sub-clause 12.9.

## **12.8 Dispute between parties**

Any dispute or difference which arises between the parties as to any matter under this clause 12 including (without limitation) whether:

- (a) the Lessee has complied with sub-clause 12.1; or
- (b) any plan provided by the Lessee under sub-clause 12.3 or 12.4 is sufficient to remedy its non-observance of sub-clause 12.1; or
- (c) the Lessee is giving effect to a plan approved by the Lessor under sub-clause 9.A4, will be resolved in accordance with sub-clause 12.9.

## **12.9 Arbitration**

- (a) If a dispute or difference of the type described in sub-clause 12.8 arises either the Lessor or the Lessee may refer the matter for determination in accordance with this clause by giving written notice to the other party (the '**Arbitration Notice**') that it requires the dispute or difference to be referred to arbitration.
- (b) Upon receipt by the other party of the Arbitration Notice such dispute or difference will then be and is hereby referred to arbitration.
- (c) Any arbitration under paragraph (b) must be conducted by an arbitrator agreed between the parties, or failing such agreement, within 20 days after receipt by the other party of the Arbitration Notice, then by an arbitrator to be selected by the President for the time being of the Institute of Arbitrators, Australia or an equivalent body.
- (d) It is the intention of the parties that the arbitrator appointed to determine a dispute must have a technical understanding of the issues in contest and must have an appropriate level of understanding of the industry area.
- (e) The place of any arbitration shall be Canberra.
- (f) Any arbitrator appointed under this clause will have power to grant all legal, equitable and statutory remedies.

## **12.10 Lessor's rights discretionary**

The rights conferred by this clause 12 upon the Lessor may be exercised or not, at the Lessor's absolute discretion.

## **12.11 Definitions**

**'Good Business Practice'** means the good business practices expected of an airport operator having regard to the duties and obligation of the Lessee including, without limitation, providing appropriate facilities for the comfort, ease of access, expeditious movement and efficient use of the Airport Site by passengers and other users.

**'Major International Airport'** means an airport:

- (a) servicing a large population centre in a major industrial country and used by air carriers as the entry point for international passengers and cargo traffic; and

- (b) that has been renovated and developed from time to time according to international best practice.

## **12A. BUILDING IN THE LAST TEN YEARS OF THE LEASE**

If the Lessee has not exercised the option to renew pursuant to clause 18 the Lessee must:

- (a) not, nor may it permit or allow others during the last ten (10) years of the Term to, demolish or remove any Structures without the prior written consent of the Lessor; and
- (b) unless the Lessor otherwise agrees, re-build with all due expedition any Structure damaged or destroyed during the last ten (10) years of the Term to a standard agreed to by the Lessor and where agreement is not reached within twenty-eight (28) days of such Structure being destroyed or damaged to such standard as is specified by the Lessor acting reasonably.

## **13. EXPIRATION OR EARLIER DETERMINATION OF LEASE**


### **13.1 Option over assets**

- (a) The Lessee hereby grants the Lessor an option to purchase the following:
  - (i) those items of non-fixed plant and equipment, vehicles, machinery, appliances, office equipment, computer systems, computer programmes, and technology owned by the Lessee and used exclusively at or in relation to the Airport Site (**'Equipment'**);
  - (ii) the Lessee's interest as lessee/bailee in any lease/bailment of Equipment (**'Equipment Leases'**);
  - (iii) the Lessee's interest in any Airport-Management Agreement or any other contract entered into by the Lessee in relation to the operation of the Airport Site or for the supply of goods or services at or in relation to the Airport Site (**'Contracts'**); and
  - (iv) all other tangible personal property used by the Lessee in connection with the management, operation or maintenance of the Airport Site, together with the Lessee's interest in any computer programmes, computer systems, technology or intellectual property used in connection with the Airport Site (**'Other Airport Assets'**),(together the **'Option Assets'**).
- (b) In order for the Lessor to be able to operate the Airport Site immediately upon the expiration (where the option to renew is not exercised pursuant to Clause 18) or sooner determination of the Term, the Lessor (or its nominee) may, by notice in writing to the Lessee, exercise its option by requiring the Lessee to sell to the Lessor (or its nominee) one or more of the Option Assets nominated in writing by the Lessor (**'Purchased Assets'**).
- (c) If the Lessor exercises its option, the terms of the resulting sale must be determined in accordance with sub-clause 13.3.
- (d) The Lessee must ensure that all Equipment Leases, Contracts and Other Airport Assets are capable of being assigned to the Lessor.

### **13.2 Details to be provided to Lessor**

At any time and from time to time (but not more often than once a year) the Lessee, upon written request from the Lessor, must provide the Lessor with such details of one or more of the categories of the Option Assets as may be nominated by the Lessor.

section 47G



#### **13.4 Assignment**

The parties acknowledge that the Lessor's rights under this clause 13 are assignable.

#### **13.5 Loan Security subordinate**

Any Loan Security granted by the Lessee must be granted, if permitted, subject to this clause 13.

#### **13.6 Reasonable efforts of Lessee**

Upon the expiration or earlier determination of this Lease, the Lessee must promptly and at its own expense use all reasonable efforts to assist in the transfer to the Lessor of all things necessary for the Lessor to continue operating the Airport Site as an airport including:

- (a) all documents (whether hard copies or in electronic form) owned by the Lessee and used for the operation of the Airport Site including, without limitation, as-built plans, operational manuals and specifications plans and diagrams relating to the Airport Site, the Structures, plant and equipment as well as leases, sub-leases, licences and related correspondence;
- (b) effecting an assignment of the Lessee's rights and obligations under relevant agreements (including leases) to the extent possible, in respect of which the Lessee must effect an assignment to the Lessor and to the extent that any agreement cannot be assigned to the Lessor, the Lessee must (subject to the Lessor or its nominee agreeing to assume any ongoing liability on the part of the Lessee under the agreement) continue to hold it for the benefit of the Lessor; and
- (c) assisting in the transfer of all necessary licences, permits and authorities (including business names).

#### **13.7 Expiration or earlier determination of Lease**

Upon the expiration or earlier determination of this Lease the Lessee must forthwith vacate the Airport Site.

#### **14. LOAN SECURITY**

The Lessee must not create a Loan Security over this Lease, the Airport Site or the Structures without obtaining the prior written consent of the Lessor.

#### **15. QUIET ENJOYMENT**

Except as provided for in this Lease, the Lessor covenants with the Lessee that the Lessee will have quiet enjoyment during the Term without interruption by the Lessor.

#### **16. NON DEROGATION**

Except as provided for in this Lease, the Lessor must not dedicate land or transfer, grant or create any easement, privilege or other right to any other person which will derogate from the enjoyment of rights conferred on the Lessee by this Lease.

## **17. TERMINATION**

### **17.1 Termination rights**

Save where the Lessor agrees, or Commonwealth legislation provides otherwise, if:

- (a) (i) Commonwealth legislation requires a licence to operate the airport and such licence is suspended or cancelled other than due to an administrative oversight; or
- (ii) the Lessee breaches sub-clause 3.1(a)(i) or sub-clause 3.1(a)(ii).

the Lessor is entitled two (2) days after the said suspension, cancellation or breach to serve notice of termination of this Lease on the Lessee and this Lease will terminate upon receipt of the notice by the Lessee and the Lessee will forthwith vacate the Airport Site.

### **17.2 Lessor may remedy**

- (a) Where the Lessor believes that:

- (i) a licence referred to in sub-clause 17.1(a)(i) may be suspended or cancelled; or
- (ii) the Lessee may breach its obligations under sub-clause 3.1(a)(i) or sub-clause 3.1(a)(ii),

the Lessor may take such action as it considers necessary (except for entering into possession of the Airport Site for the purpose of operating the Airport Site as an airport for interstate and international air transport) to prevent or cure such a situation.

- (b) Where:

- (i) a licence referred to in sub-clause 17.1(a)(i) has been suspended or cancelled; or
- (ii) the Lessee has breached its obligations under sub-clause 3.1(a)(i) or sub-clause 3.1(a)(ii),

the Lessor may take any of the actions it is able to take under sub-clause 17.2(a) and in addition the Lessor may either itself or through its agents, enter into immediate possession of the Airport Site for the purpose of carrying out all of the functions that the Lessor considers necessary to operate the Airport Site as an airport for interstate and international air transport.

- (c) Where the Lessor enters into possession under sub-clause 17.2(b) the Lessee must do all things necessary to:

- (i) assist the Lessor to take possession of the Airport Site;
- (ii) allow the Lessor to use all of its Option Assets which the Lessor considers necessary or desirable to use for the purpose of operating the Airport Site as an airport,

and the Lessee appoints the Lessor (or its nominee) to be its true and lawful attorney, to execute and sign in the name of the Lessee all documents that the Lessor considers necessary or desirable to assist it to operate the Airport Site as an airport, a sufficient proof of which will be the statutory declaration of any

duly authorised officer of the Lessor and the Lessee consents to it being registered for this purpose.

- (d) Where the Lessor takes any action under sub-clause 17.2(a) or (b) or enters into possession under sub-clause 17.2(b), the Lessee must indemnify the Lessor against all Claims, Costs, Injury and Damages incurred by the Lessor in taking such action. Any of the rights of the Lessor under sub-clause 17.2 are without prejudice to the Lessor's rights under sub-clause 17.1.

### **17.3 Lessee to notify and remedy**

- (a) Forthwith upon notice being received by the Lessee or any other person either to show cause why a licence required by Commonwealth legislation to operate the airport should not be suspended or cancelled or that such licence has been suspended or cancelled, the Lessee must forthwith give to the Lessor a copy of that notice.
- (b) Where the notice received by the Lessee in sub-clause 17.3(a) is a notice of suspension or a notice to show cause why a licence required by Commonwealth legislation to operate the airport should not be suspended or cancelled, the Lessee must forthwith provide to the Lessor details of how and within what time-frame it intends to take action to rectify the matters set out in the notice and the Lessee must take all necessary action to rectify the matters set out in the notice in the shortest time possible and in any event no later than the earliest of:
  - (i) the period specified in the notice received by the Lessee under (a) above;
  - (ii) the time-frame provided by the Lessee to the Lessor under (b) above; or
  - (iii) twenty-eight (28) days.
- (c) The obligations of the Lessee under sub-clause 17.3(b) are without prejudice to any rights that the Lessor has under sub-clauses 17.1 or 17.2.

### **17.4 Additional Lessor's rights on termination**

If the Lease is terminated by the operation of the Airports Act or under sub-clause 17.1 such termination will be without prejudice to, or limitation of, any rights of the Lessor under this Lease or at law and without releasing the Lessee from liability for breach of the Lessee's Covenants.

### **17.5 Force Majeure Event**

- (a) If performance by the Lessee of its obligation under sub-clause 3.1(a)(i) or 3.1(a)(ii) or sub-clause 12.6 is prevented due to any Force Majeure Event, then the Lessee must forthwith give notice to the Lessor specifying the event which it claims is preventing the Lessee from fulfilling its obligation and advising how long the Lessee expects the event will last, what steps the Lessee is taking or will take to overcome the event, how long the Lessee expects it will be delayed before it will be able to resume performance of its obligation, and such other information as the Lessor may require. The Lessee will be excused performance of such obligation for so long as the prevention lasts, but only if the Lessee takes with all due expedition all reasonable steps to overcome such prevention at the earliest possible time.
- (b) If the Lessee becomes aware of circumstances which, if they come to pass, may become a Force Majeure Event, it must forthwith notify the Lessor and provide such information relating thereto as the Lessor may require.



- (c) The Lessee must when directed to do so by the Lessor confer with it in relation to any circumstance which may become a Force Majeure Event or any event that the Lessee claims to be a Force Majeure Event.
- (d) The Lessor may, after first consulting with the Lessee, take whatever action it considers necessary in order to avoid or lessen the impact of or overcome a Force Majeure Event and the Lessee must indemnify the Lessor against all Claims, Costs, Injury and Damages incurred by the Lessor in taking such action.

## **18. OPTION TO RENEW**

If the Lessee wishes to renew the lease of the Airport Site for a further term of forty-nine (49) years the Lessee must, during the fortieth (40th) year of the Term, give to the Lessor notice of its intention to renew the Lease and if at the time of giving notice and at the expiration of the Term the Lessee has remedied any default under this Lease of which the Lessor has given the Lessee notice, the Lessor must grant to the Lessee a new lease of the Airport Site (without payment by the Lessee of any further premium) for a further term of forty-nine (49) years, on the same terms as this Lease amended as follows:

- (a) by excluding this clause;
- (b) by deleting from line one of clause 12A the words "If the Lessee has not exercised the option to renew pursuant to clause 18";
- (c) by deleting from the definition 'Term' in sub-clause 2.1 the words "fifty (50) years commencing at Grant Time" and substituting the words "forty-nine (49) years"; and
- (d) by deleting from line two of clause 13.1(b) the words "(where the option to renew is not exercised pursuant to Clause 18)".

## **19. WAIVER**

No consent or waiver, whether express or implied, to any breach of this Lease by either the Lessor or the Lessee is to be construed as a consent or waiver to any other breach.

## **20. LESSEE'S ACKNOWLEDGMENTS**

The Lessee acknowledges that:

- (a) it has not been induced to enter into this Lease by reason of any promise, representation, warranty, guarantee or undertaking as to the use to which the Airport Site or the Structures may be put or by reason of any other matter whatsoever made or given by or on behalf of the Lessor;
- (b) it accepts the Airport Site and the Structures in their respective condition as at the Grant Time and that the Lessor has not made any representation or warranty as to their condition or compliance with legislation; and
- (c) it meets the requirements of all relevant legislation in relation to the grant of this Lease.

## **21. PROVISION OF INFORMATION**

Where the Lessor acting reasonably gives notice to the Lessee stating that it requires information relating to any matter under this Lease, the Lessee must provide such information to the Lessor within the time stated in the notice.

## **22. NOTICES**

### **22.1 Service of notice**

Any notice, given or served under this Lease will be duly given to or served on the

- (a) Lessor if in writing signed by the Lessee and addressed to:

Secretary  
Department of Transport and Regional Development  
Trace Building  
Cooyong Street  
Canberra ACT 2601  
GPO Box 594

Facsimile: 06 274 7804

(or to such other person or to such other address as may be notified by the Lessor in writing to the Lessee from time to time) and delivered by hand or sent by person to person registered mail or facsimile transmission;

- (b) Lessee if in writing signed by or on behalf of the Lessor and addressed to:

Australia Pacific Airport (Melbourne) Pty Ltd  
Level 37  
Governor Phillip Tower  
1 Farrer Place  
Sydney NSW 2000

Facsimile: (02) 9210 6732

Attention: Andrew Jurenko

(or to such other person or to such other address as may be notified by the Lessee in writing to the Lessor from time to time) and delivered by hand or sent by person to person registered mail or facsimile transmission.

### **22.2 Receipt of notice**

A notice is deemed to be received if:

- (a) delivered personally, on the date of delivery;
- (b) sent by person to person registered mail, on the date that the acknowledgment of the delivery is completed by the recipient; and
- (c) sent by facsimile, on the completion of transmission without evidence of garbling or incomplete transmission.

## **23. INTEREST ON OVERDUE MONEYS**

Without prejudice to any other rights, powers or remedies of the Lessor under this Lease the Lessee must pay to the Lessor interest at the Specified Rate on money payable by the Lessee to the Lessor. Such interest must be computed from the due date for payment of the money until payment of such money in full. Due date for payment will be twenty-eight (28) days after receipt by the Lessee of notice of payment due.

## **24. RATES AND TAXES**

### **24.1 Payment of Rates and Taxes**

The Lessee must pay, on or before the due date, all Rates and Taxes without contribution from the Lessor.

### **24.2 Ex Gratia payment in lieu of Rates and Taxes**

(a) Where rates are not leviable or payable under sub-clause 24.1 because the Airport Site is owned by the Commonwealth, the Lessee must promptly pay to the relevant Governmental Authority such amount as may be notified to the Lessee by such Governmental Authority as being equivalent to the amount which would be payable for rates as if such rates were leviable or payable in respect of those parts of the Airport Site:

- (i) which are sub-leased to tenants; or
- (ii) on which trading or financial operations are undertaken including but not limited to retail outlets and concessions, car parks and valet car parks, golf courses and turf farms, but excluding runways, taxiways, aprons, roads, vacant land, buffer zones and grass verges, and land identified in the airport Master Plan for these purposes,

unless these areas are occupied by the Commonwealth or an authority constituted under Commonwealth law which is excluded from paying rates by Commonwealth policy or law. The Lessee must use all reasonable endeavours to enter into an agreement with the relevant Governmental Authority, body or person to make such payments.

(b) Where land tax is not payable under sub-clause 24.1 because the Airport Site is owned by the Commonwealth, payments in lieu of land tax must be made by the Lessee in respect of those parts of the Airport Site:

- (i) which are sub-leased to tenants; or
- (ii) on which trading or financial operations are undertaken including, but not limited to, retail outlets and concessions, car parks and valet car parks, golf courses and turf farms, but excluding runways, taxiways, aprons, roads, vacant land, buffer zones and grass verges, and land identified in the airport Master Plan for these purposes,

unless these areas are occupied by the Commonwealth or an authority constituted under Commonwealth law which is excluded from making payments by Commonwealth policy or law. Unless otherwise directed by the Lessor, the Lessee will make payments promptly in lieu of land tax at the relevant State rate to the Commonwealth addressed as provided for in sub-clause 22.1.

## **25. POWER OF ATTORNEY**

The Lessee appoints the Lessor (or its nominee) to be its true and lawful attorney, to execute and sign in the name of the Lessee a transfer or a surrender of this Lease at any time after this Lease shall have been terminated or the power to re-enter has become exercisable, a sufficient proof of which will be the statutory declaration of any duly authorised officer of the Lessor and the Lessee consents to it being registered for this purpose.

**26. ENTIRE AGREEMENT**

The terms of this Lease constitute the entire agreement between the parties for the subject matter referred to in this Lease and all prior arrangements, agreements, representations and undertakings will have no effect. No modification or alteration of any clause of this Lease will be valid except in writing signed by each party.

**27. FURTHER ASSURANCES**

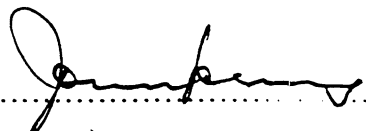
The parties must do all things necessary to give effect to any provision of this Lease.

**28. GOVERNING LAW**

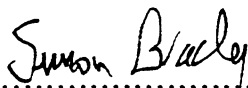
This Lease is governed by and construed in accordance with the laws of the State of Victoria.

SIGNED as a Deed.

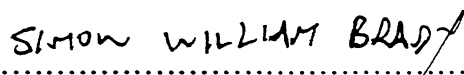
SIGNED by )  
THE HONOURABLE JOHN JOSEPH )  
FAHEY, MP in his capacity as the )  
Minister for Finance for and on behalf of )  
The Commonwealth of Australia in the )  
presence of: )



(Signature)

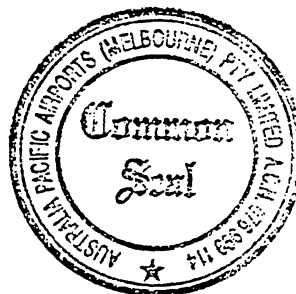


(Signature of Witness)



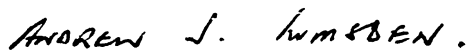
(Name of Witness in Full)

THE COMMON SEAL of )  
AUSTRALIA PACIFIC AIRPORTS )  
MELBOURNE PTY LIMITED, ACN )  
076 999114 is affixed in accordance )  
with its articles of association in the presence of )

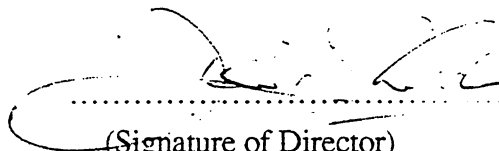




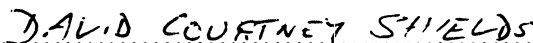
(Signature of Secretary/Director)



(Name of Director/Secretary in Full)



(Signature of Director)



(Name of Director in Full)



Statutory Rules 1997 No. 8<sup>1</sup>

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## Airports Regulations

I, THE GOVERNOR-GENERAL of the Commonwealth of Australia, acting with the advice of the Federal Executive Council, make the following Regulations under the *Airports Act 1996*.

Dated 5 February 1997.

WILLIAM DEANE  
Governor-General

By His Excellency's Command,

JOHN SHARP  
Minister for Transport and Regional Development

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### PART 1—PRELIMINARY

#### Citation

1.01. These Regulations may be cited as the Airports Regulations.

[Note: These Regulations commence on gazettal: see *Acts Interpretation Act 1901*, s. 48.].

## SCHEDULE 1

Regulation 1.03

## AIRPORT SITES

## PART 1.1—MELBOURNE (TULLAMARINE) AIRPORT

The declared airport site comprises, in addition to the General Law title found at Memorial Book 889 No. 390, the following parcels of land (or those parcels as consolidated from time to time, or references to the description of land in which are changed from time to time, without a change to the dimension of the boundary or the interest of the registered proprietor, in accordance with the system of land registration in Victoria:

Parish	County	Volume	Folio	Plan Reference
Tullamarine	Bourke	3841	691	Lot 2 Subdivision No. 51894
Bulla Bulla	Bourke	3504	716	Section 1
Bulla Bulla	Bourke	9067	671	Section 1 and Portion 2
Bulla Bulla: Tullamarine		3390	476	
Tullamarine	Bourke	6726	1345179	Section 13
Tullamarine	Bourke	7300	459954	Section 6—Ref. No. 13
Tullamarine	Bourke	7344	1468688	Part of Crown Allotment B Section 13
Tullamarine	Bourke	7617	046	Portion 3—Ref. No. 15
Tullamarine	Bourke	8044	649	Section 6
Tullamarine		8296	766	Lot 9 Subdivision No. 51894
Tullamarine		8413	481	Lot 8 Subdivision No. 51894
Tullamarine		8466	277	Portion 15
Tullamarine		8511	436	Section 6
Tullamarine		8527	519	Lot 2 Subdivision No. 35600
Tullamarine		8528	830	Lot 10 Subdivision No. 51894
Tullamarine	Bourke	8592	937	Lot 14 Subdivision No. 51894
Tullamarine	Bourke	8657	662	Lot 7 Subdivision No. 51894
Tullamarine	Bourke	8692	815	Lot 13 Subdivision No. 51894
Tullamarine	Bourke	8708	041	Lot 11 Subdivision No. 51894

## SCHEDULE 1—continued

Parish	County	Volume	Folio	Plan Reference
Tullamarine	Bourke	8738	114	Section 6—Ref. No. 8
Tullamarine	Bourke	8792	799	Lot 5 Subdivision No. 51894
Tullamarine	Bourke	8827	437	Section 6—Ref. No. 10
Tullamarine	Bourke	8869	263	Part of Crown Portion 15
Tullamarine	Bourke	8869	264	Part of Crown Portion 15
Tullamarine	Bourke	8885	503	Lot 1 Subdivision No. 51894
Tullamarine	Bourke	8936	136	Lot 4 Subdivision No. 51894
Tullamarine	Bourke	8959	783	Section 6—Ref. No. 9
Tullamarine	Bourke	8986	384	Lot 15 Subdivision No. 51894
Tullamarine	Bourke	9302	900	Section 13
Tullamarine	Bourke	9302	901	Section 13
Tullamarine		9768	745	Section 9
Tullamarine		9815	130	Lot 3 Subdivision No. 51894
Will Will Rook	Bourke	8677	654	Portion 7—Ref. No. 4





Statutory Rules 1997 No. 103<sup>1</sup>

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## Airports Regulations<sup>2</sup> (Amendment)

I, THE GOVERNOR-GENERAL of the Commonwealth of Australia, acting with the advice of the Federal Executive Council, make the following Regulations under the *Airports Act 1996*.

Dated 14 May 1997.

WILLIAM DEANE  
Governor-General

By His Excellency's Command.

JOHN SHARP  
Minister for Transport and Regional Development

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### 1. Amendment

1.1 The Airports Regulations are amended as set out in these Regulations.

[Note: These Regulations commence on gazettal: see *Acts Interpretation Act 1901*, s. 48.]

**2. Schedule 1. Part 1.1 (Melbourne (Tullamarine) Airport)****2.1 Add at the end:**

		8554	346	Lot 6 Subdivision No. 51894
		10327	685	
		10327	686	

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**NOTES**

1. Notified in the *Commonwealth of Australia Gazette* on 15 May 1997
2. Statutory Rules 1997 No. 8.

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