

Estimates Committee 2008
Questions Taken On Notice

(17/6/2008 to 20/6/2008)

Date: 19/06/2008

Output: Sport and Recreation
Sub Output: Facilities and
Fixtures

Subject: Lease Arrangements - AFLNT

From: Mr Matt Conlan MLA to Hon Matthew Bonson MLA
Minister for Sport and Recreation

Question: **9-5**
Subject to advice, minister, would you be prepared to table the lease that AFLNT has for Marrara?

Answer:
Answered On: 23/07/2008

ESTIMATES COMMITTEE

Question Taken on Notice

Date: 19 June 2008

Output: Sport and Recreation

Sub Output: Facilities and Fixtures

Subject: ALFNT Lease

Question From: Mr Conlan MLA Member for Greatorex

Question To: The Hon Matthew Bonson MLA Minister for Sport and Recreation

Department: Local Government, Housing and Sport

Number: 9.5

Question: Subject to advice, would you table the lease that AFLNT has with TIO Stadium.

Answer:

Please refer to the attached document that is a copy of the AFLNT Lease Agreement with the Northern Territory Government in relation to TIO Stadium.



NORTHERN TERRITORY OF AUSTRALIA

S	P	No:
S	R	No:

Commissioner of Taxes use only

**SURRENDER OF LEASE
OR SUBLEASE**

IMPORTANT NOTICE
Please Note Privacy Statement Overleaf

The lease or sublease over the land as specified for the value expressed and by mutual consent is surrendered to the extent as indicated. (NOTES 1 - 3)

Lease or Sublease being surrendered 446730	Extent of Surrender Whole of Lease
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(NOTE 4)

Register	Volume	Folio	Location	Lot Description	Plan	Unit
CUFT	572	113	Hundred of Bagot	Section 4982	S 97/281A	-

(NOTE 5)

CONSIDERATION	In consideration of the parties agreeing to enter into a new lease of section 4982 Hundred of Bagot	GST Amount
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(NOTE 6)

OWNER Northern Territory of Australia (NOTE 7)

TENANT AFL Northern Territory Ltd (ACN 097 620 525) (NOTE 8)

SIGNED by Matthew Boyce
for and on behalf of the **NORTHERN TERRITORY OF AUSTRALIA** pursuant to a delegation under the *Contracts Act*

Signature [Signature]

Print name _____

Signature of witness [Signature]

Print name of witness _____

EXECUTED by **AFL NORTHERN TERRITORY LTD** in accordance with section 127 of the *Corporations Act 2001* (Cth):

Signature of Director [Signature]

Print name of Director ROBERT K. ELIX

Signature of Director/Secretary [Signature]

Print name of Director/Secretary Duncan Charles McConnell

(NOTE 9)

Registered on At

CONSENT OF INTEREST HOLDERS

Instrument type:

Instrument type:

Instrument No:

Instrument No:

Name of Parties:

Name of Parties:

I the registered proprietor of the interest shown above consent to the registration of this instrument.

I the registered proprietor of the interest shown above consent to the registration of this instrument.

Signed:

Signed:

(Date):

(Date):

In the presence of:

In the presence of:

Name of Qualified Witness:

Name of Qualified Witness:

Address or telephone No:

Address or telephone No:

SCHEDULE OF NOTES

- Not to be used for surrender of a Crown lease. (Internal use only: The SP code is used for a partial surrender of lease and the SR code is used for a total surrender).
- Surrenders may be lodged as an original only and must be typed or completed in ink or biro and must show the imprint of the Commissioner of Taxes (Stamp Duty). All signatures must be in ink or biro. Alterations to information entered on the form should be crossed out (not erased or obliterated by painting over) and initialled by the parties.
- This form can be adapted for surrenders of underleases.
- The lease/sublease number to be surrendered must be entered here.
If the whole of the land in a (sub)lease is to be surrendered no other description should be used. If the surrender affects part only of the land in a (sub) lease the description should also be given. Any necessary diagram should be endorsed above or on an annexure sheet. (Form 95) or a survey plan attached.
- Volume and Folio references must be given together with complete parcel description. If a certificate as to title has been produced it must be issued.
- Insert the amount of any consideration. If no consideration is paid or payable insert the words "Nil" or "Not applicable"
- Insert full Name. Address is not required.
- Insert full Name - Address if not required.
- Persons who may witness this document are a Commissioner for Oaths, a member of the Legislative Assembly, a legal practitioner within the meaning of the *Legal Practitioners Act*, a person holding office under the *Supreme Court Act*, the *Justices Act*, the *Local Court Act* or the *Registration Act*, a member of the Police Force, a person licensed as a conveyancing agent or real estate agent under the *Agents Licensing Act*, a Notary Public and any other person approved by the Registrar-General.
A witness to an instrument executed by an individual must first:
 - take reasonable steps to ensure that the individual is the person entitled to sign the instrument;
 - have the individual execute the document in the presence of the witness;
 - not be a party to the instrument; and
 - if witnessing more than one signature, clearly state that he/she has witnessed more than one signature. (ie I have witnessed the two signatures appearing above).After signing, witnesses must legibly write, type or stamp their names and contact address or telephone number below their signature.
For a corporation, an instrument must be executed in a way permitted by law or sealed with the corporation's seal in accordance with the *Law of Property Act*, Section 48.
For witnessing of instruments executed outside the Northern Territory refer to Schedule 1 of the *Land Title Act* and the Registrar-General's Directions.
- The surrender instrument must have the consent of every mortgagee and sublessee of the lessee.

PRIVACY STATEMENT – LAND REGISTER FORMS

The Registrar-General's Office is authorised by the *Land Title Act* to collect the information on this form for the establishment and maintenance of the Land Register, which is made available for search by any person, anywhere, including through the Internet, upon payment of a fee. The information is regularly provided to other NT Government agencies, the Australian Valuation Office, local governments, the Australian Bureau of Statistics, the Australian Taxation Office or other Commonwealth Agencies as required or authorised by law, and some private sector organisations for conveyancing, local government, valuation, statistical, administrative and other purposes. The Department of Planning and Infrastructure also uses the information to prepare and sell or licence property sales reports to commercial organisations concerned with the development, sale or marketing of property.

Failure to provide the information in full or in part may prevent your application or transaction being completed.

Your personal information provided on this form can be subsequently accessed by you on request. If you have any queries please contact the Deputy Registrar-General on 3999 5313

OPERATIVE PROVISIONS OF LEASE:

1. INTERPRETATION

1.1 Definitions

In this Lease unless the context otherwise requires:

"AFLNT" means AFL Northern Territory Limited (ACN 097 620 525);

"Clean Venue" includes, without limitation, possession of all corporate boxes, Unconstrained Pourage Rights using AFLNT's liquor licence, and removal or coverage of all signage (as directed by the Territory);

"Commencement Date" means the date this Lease is executed by the last party to do so;

"Complex" means all that land described in Item 1 including the fixtures, fittings, plant, machinery and equipment (if any) installed in the Complex either at or after the Commencement Date, but not including the cricket drop-in pitches and cricket practice area;

"Event of Default" means any of the events specified in clause 16.1;

"Exclusive Areas" means those areas nominated within the grandstand building for the exclusive use of AFLNT, generally comprising office space on Level 1, as delineated in red on the plan at Attachment A.

"Item" means an item in the Schedule;

"Law" means the Corporations Law;

"Lease" means this document and any Schedules or Annexures to this document;

"NTFL" means the Australian rules football competition run by AFLNT;

"Oval 1" means the grassed oval within the Complex known as oval 1;

"Oval 2" means the grassed oval within the Complex known as oval 2;

"Special Event" means any event which the Territory or a third party may wish to hold at the Complex and includes, without limitation, local, national and international sporting events, entertainment events and awards or other ceremonies and includes any required preparatory or post event periods;

"Term" means the Term of this Lease specified in Item 3 as extended from time to time, and commencing on the Commencement Date;

"Territory" means the Northern Territory of Australia, represented by the Department of Local Government, Housing and Sport; and

"Unconstrained Pourage Rights" means unlimited access to and use of the bar area and facilities within the Complex by the Territory or a third party, with

the Territory or the third party having the right to dictate the products to be sold and the prices at which those products will be sold.

1.2 Construction

In this Lease unless expressed to the contrary:

- (1) a reference to:
 - (i) this Lease or another document includes any variation or replacement of it notwithstanding any change in the identity of the parties;
 - (ii) any statute, ordinance, code or other law includes regulations and other statutory instruments under any of them and consolidations, amendments, re-enactments or replacements of any of them;
 - (iii) a person, firm, corporation or association includes any other of them;
 - (iv) a person:
 - A. is a reference to a person in his or her personal and any agency or trustee (or both) capacity; and
 - B. includes the person's executors, administrators, successors, assigns and substitutes (including without limitation persons taking by novation);
 - (v) a time is a reference to the time of the place where any thing is to be done or any documents or notice is to be delivered;
 - (vi) writing includes any mode of representing or reproducing words in a tangible and visible form, and includes facsimile transmission; and
 - (vii) a right includes a remedy, authority or power;
- (2) words importing:
 - (i) a singular includes the plural and vice versa;
 - (ii) a gender includes all other genders;
- (3) headings do not effect the construction or interpretation of this Lease; and
- (4) if a word or phrase is defined cognate words and phrases have a corresponding meaning.

1.3 Business Day

Where the day on or by which an act, matter or thing is to be done under this Lease is not a business day, the act, matter or thing must be done on the next day which is a business day.

2. LEASE

2.1 Grant of Lease

The Territory hereby grants a lease of the Complex to AFLNT for the Term, subject to the:

- (1) encumbrances and interests (if any) specified in Item 2; and
- (2) terms, covenants, conditions and reservations set out in this Lease.

2.2 Reservations - Special Events

- (1) Notwithstanding anything else contained in this Lease, the Territory reserves the right to temporarily resume possession of the whole of the Complex, excluding the Exclusive Areas, for the purpose of holding Special Events.
- (2) Subject to clause 2.2(3), where a Special Event is to be held at the Complex, the Territory will give AFLNT at least 30 days notice in writing of the Special Event and such notice will state:
 - (a) the date on which the Special Event is to be held;
 - (b) details of the type of the Special Event to be held;
 - (c) the date on which the Territory will resume possession of the Complex (the "Resumption Date");
 - (d) the date on which the Territory will hand possession of the Complex back to AFLNT (the "Hand Back Date"); and
 - (e) any other details relevant to the Special Event to be held.
- (3) In extraordinary circumstances, the Territory may give shorter notice to AFLNT of a Special Event to be held at the Complex, providing that such short notice is reasonable.
- (4) On the Resumption Date AFLNT will hand over the Complex to the Territory as a Clean Venue and, in the event that AFLNT fails to hand over the Complex as a Clean Venue, the Territory will rectify that failure in accordance with its rights under clause 16.6.
- (5) On the Hand Back Date the Territory will hand the Complex back to AFLNT in a clean and tidy state.
- (6) In the event that AFLNT wishes to use the Complex during the period between a Resumption Date and the subsequent Hand Back Date relating to a Special Event, it must seek the Territory's consent to do so, and if the Territory gives its consent, AFLNT must not do anything or permit anything to be done which may:
 - (a) interfere with the Special Event or preparation or post event activities; or

- (b) detract from the Complex being a clean venue.
- (7) When scheduling Special Events, the Territory will use its reasonable endeavours to ensure that it minimises disruption to AFLNT's use of the Complex for NTFL matches and other permitted uses.

2.3 Reservations – General

- (1) The Territory reserves the right to enter the Complex to install, maintain, use, repair, alter and replace pipes, ducts, conduits and wires leading through or into the Complex and to pass and run air, electricity, telephone cables, drainage, sewerage, gas, water, heat and oil through such pipes, ducts, conduits and wires and to enter upon the Complex for that purpose.
- (2) AFLNT must, at no cost to the Territory, save for catering costs reserve one super corporate box at the Southern end of the Complex for use at all times by the Territory.

3. TERM

- (1) The Term of this Lease is that period specified in Item 3.
- (2) This Lease commences on the Commencement Date and expires at the expiry of the Term unless it is:
 - (a) terminated in accordance with clause 16; or
 - (b) renewed or extended in accordance with clause 23.

4. RENT AND RENT REVIEW

4.1 Rent Payable by AFLNT

- (1) AFLNT will pay the Territory an annual rental of FIFTY THOUSAND DOLLARS (\$50,000.00) (the "Rent") by equal monthly instalments in advance.
- (2) If the Commencement Date is a day other than the first day of a month, AFLNT will pay the Territory a rent installment calculated on the Rent apportioned on a daily basis:
 - (a) on the Commencement Date; and
 - (b) on the first day of the last month of the Term.

4.2 CPI Rent Review

- (1) The Territory will conduct a review of the Rent on the dates specified in Item 4 ("CPI Review Dates") using the method outlined in clause 4.2(2).

- (2) The Rent will be reviewed and varied on and with effect from each of the CPI Review Dates in accordance with the following formula:

$$R = A + (A \times B)$$

Where:

R is the revised rent;

B is the percentage change in the All Groups Consumer Price Index ("CPI") for the City of Darwin (or at the option of the Territory any index or calculation replacing the same and having substantially the same purpose and basis) between:

- (i) the end of the quarter immediately preceding the commencement of the Term or the last CPI Review Date, whichever is the later; and
- (ii) the end of the quarter immediately preceding the CPI Review Date.

A is the annual Rent payable immediately prior to the CPI Review Date.

4.3 Market Rent Review

- (1) The Territory will, prior to the dates specified in Item 5 ("Market Review Dates"), (and in this respect time is of the essence) commence the review process set out below and vary the Rent in accordance with sub-clause (a) below:
- (a) the Territory will advise AFLNT by notice in writing of the Territory's assessment of the current market rent of the Complex and require payment of that rent for the period up to the next CPI Review Date;
 - (b) AFLNT may object to the Territory's assessment within 21 days following receipt of a notice given in accordance with sub-clause (a), by serving written notice on the Territory stating AFLNT's objection (and in this respect time is of the essence);
 - (c) if AFLNT does not exercise its right under sub-clause (b) within the time specified in that sub-clause, the Rent for the period up to the next CPI Review Date is that amount required by the Territory under the notice given under sub-clause (a);
 - (d) if AFLNT objects to the Territory's assessment in accordance with clause (b), the current market rent must be assessed in accordance with the following provisions:
 - (i) "current market rent" means:
 - A. the best rent that can be reasonably obtained for the Complex for the Term and on the provisions (including any options) of this Lease but not including rent from a party that is related to the

Territory such as a statutory authority or Government department; or

- B. to the extent that this Lease is subject to the *Business Tenancies (Fair Dealing) Act* (NT) the meaning given to the term "current market rent" in that Act;
- (ii) either party may request the then President of the Real Estate Institute of the Northern Territory (or the principal officer of any successor organisation) to appoint a valuer to determine the current market rent of the Complex for the relevant review period.
 - (iii) to the extent that this Lease is subject to the *Business Tenancies (Fair Dealing) Act* (NT), the Territory must comply with its obligations in relation to supplying information to the valuer.
 - (iv) the appointee must act as an expert not an arbitrator and his or her determination is final and binding on the Territory and AFLNT.
 - (v) the appointee will be required to make his or her determination and inform the Territory and AFLNT of that determination within 28 days after having accepted his or her appointment.
 - (vi) If the appointee:
 - A. fails to accept the appointment;
 - B. fails to make a determination within 28 days of appointment;
 - C. becomes incapacitated or dies; or
 - D. resigns,then the Territory or AFLNT may request the appointment of a substitute.
- (e) The Territory and AFLNT must bear the costs of any determination equally.

4.4 Rent payable until determination of reviewed rent

Until the revised Rent is ascertained in accordance with this clause 4, the Rent must be paid at the rate payable immediately prior to the relevant CPI Review Date or Market Review Date and, upon the revised Rent becoming ascertained as provided in this clause 4, the revised Rent will be deemed to have been payable as and from the relevant CPI Review Date or Market Review Date and any arrears must be paid by AFLNT within 7 days of receiving written demand from the Territory.

5. CHARGES

5.1 General charges payable by AFLNT

Subject to this clause AFLNT will from time to time and at all times hereafter during the Term pay promptly the following charges:

- (1) all municipal rates and levies charged in respect of the Complex;
- (2) all charges imposed in respect of the Complex or the use of the Complex for:
 - (i) gas and electricity (whether for lighting or power) consumed upon the Complex;
 - (ii) telephone and other utilities and services used in or charged against or in respect of the Complex;
 - (iii) sewerage; and
 - (iv) the clearance of trade waste and municipal cleansing in respect of the Complex; and
- (3) any new rates and taxes imposed by any public, municipal, government or semi-government body or authority after the Commencement Date.

5.2 Water charges

- (1) The Territory will pay the difference between the actual cost of potable water used to maintain Oval 1 and its surrounds and the cost to use treated grey water for that purpose. The Territory will reimburse such cost to AFLNT upon receipt of a tax invoice enclosing the corresponding paid Power and Water Corporation account. AFLNT will pay all other charges imposed in respect of water consumed upon or in respect of the Complex.

5.3 Territory to pay certain charges during Special Event

- (1) Where the Territory resumes possession of the Complex for the purpose of a Special Event, it will:
 - (a) conduct readings of the power and water metres with respect to the Complex both on the Resumption Date and Hand Back Date and will reimburse AFLNT for the power and water charges incurred by it for the period from the Resumption Date to the Hand Back Date;
 - (b) reimburse AFLNT for the costs of sewerage during a Special Event, in an amount that is, having regard to the total cost of sewerage in respect of the Complex, proportionate to the period from the Resumption Date to the Handback Date.
 - (c) pay all cleaning and other costs specifically relating to the conduct of the Special Event by the Territory.

5.4 Outgoings Paid by the Territory

If any of the rates, charges and levies payable by AFLNT under this clause 5 are paid by the Territory, AFLNT will reimburse the Territory for those rates, levies and charges within 7 days of receiving a written demand from the Territory to do so, and the obligation to reimburse the Territory will include any charges by the Territory to the Darwin City Council notwithstanding that the Territory may not be legally bound to pay those rates, levies and charges.

6. GOODS AND SERVICES TAX

- (1) For the purposes of this clause unless the context otherwise requires:-
 - (a) "**GST**" means any tax imposed on Supply by or through the *A New Tax System (Goods and Services Tax) Act 1999* ("**the Act**") and any related Tax Imposition Act. Where any other term is used in this clause which is defined in the Act it has the meaning which it bears in the Act;
 - (b) "**GST Rate**" means the percentage amount of GST payable determined under section 9-70 of the Act as amended from time to time; and
 - (c) "**Input Tax Credit**", has the meaning it bears in the Act.
- (2) The parties acknowledge that all amounts payable by AFLNT under this Lease (including Rent) are inclusive of GST, where GST is calculated using the GST Rate at the time of forming this Lease.
- (3) The Territory will provide AFLNT with a tax invoice and/or adjustment notes in relation to any amount payable prior to an amount being paid by AFLNT under this Lease and will do all things reasonably necessary to assist AFLNT to enable it to claim and obtain any Input Tax Credit available to it in respect of such amounts paid.

7. AFLNT'S COVENANTS

AFLNT covenants with the Territory as follows:

(1) **No assignment**

Not to assign, mortgage or otherwise encumber this Lease without written consent from the Territory, which may be arbitrarily withheld.

(2) **No structural alterations**

Not to make or cause to be made any structural or other alterations or additions to the Complex or any part thereof without first obtaining written consent from the Territory.

(3) **Territory can enter Complex**

To permit the Territory or agents of the Territory with or without workmen and others to, at all reasonable times, enter the Complex in order to:

- (a) fulfil the Territory's obligations under this Lease; and
- (b) rectify any default by AFLNT pursuant to clause 16.6.

(4) **Keep drains and pipes clean**

To keep the drains spouting and water pipes on the Complex clean.

(5) **Comply with statutes**

To duly and punctually comply with and observe all acts, ordinances, regulations and by-laws in force from time to time relating to the Complex or to the business carried on in the Complex by AFLNT with the exception of effecting any structural alterations to the Complex or to existing improvements or conveniences in or on the Complex.

(6) **Comply with Rules and Guidelines**

To duly and punctually comply with and observe any Territory policy, rule or guideline relating to the general use of the Complex and the security of persons and property within the Complex as notified by the Territory and amended from time to time.

(7) **Indemnify Territory**

To indemnify and keep indemnified the Territory against all damages losses costs and expenses which the Territory may sustain expend or be put to by reason or on account of any neglect or default on the part of AFLNT to observe and perform any of the covenants or agreements on the part of AFLNT contained in or implied by this Lease.

(8) **Permitted use**

Not to use or permit the Complex to be used for any purpose other than that specified in Item 6, and in any proceedings in relation to the Complex the onus will be upon AFLNT to prove that the Complex was used in accordance with this covenant and not otherwise.

(9) **Prohibited activities**

Not to carry on nor permit to be carried on upon the Complex or any part thereof any noisome dangerous or offensive event nor do nor permit to be done anything which may annoy persons in the neighbourhood of the Complex.

(10) **Keep Premises clean**

To keep the Complex, including the grounds, car parks and garden areas clean and of good appearance at all times and not to do or permit anything to be done which may deface the walls of the corridors, staircases or other parts of the Territory's building.

(11) **Use of water apparatus**

Not to use toilets, drains and other water apparatus for any purpose other than those for which they were constructed and not to throw or

place in any toilet or other water apparatus or drains any tea-leaves, sweepings, rubbish rags, ashes or other unsuitable substances. Any damage resulting to such apparatus from any such misuse by AFLNT or the servants or licensees of AFLNT will be repaired or replaced by and at the expense of AFLNT.

(12) **Staff**

To employ, provide and utilise sufficient and adequately trained staff and agents to enable it to properly present and promote AFLNT's activities and to operate the Complex, provided that roles ordinarily performed by ground staff will continue to be the responsibility of the Territory.

(13) **Supervision**

To ensure at all times that its employees, agents, invitees, licensees, contractors and players are properly supervised and continuously under the direction and control of AFLNT.

(14) **Crowd control**

To provide such gate staff, stewards and ground staff, security personnel and special duty police officers as are necessary during AFLNT competition fixtures as will be agreed and determined by AFLNT and the Territory in order to ensure an efficient management of patrons in the Complex.

(15) **Security requirements**

To comply and ensure that its employees, licensees, contractors, players and invitees comply with all the reasonable requirements of the Territory from time to time in respect of the security of the Complex and crowd control within the Complex.

(16) **Adequate medical services**

To ensure that at all competition matches and other AFLNT events held at the Complex, adequate arrangements are made for the provision of medical and nursing staff and ambulance and first aid services.

8. TERRITORY'S COVENANTS

Subject to the Territory's rights under clause 2 and to AFLNT's observance and performance of its covenants and obligations under this Lease, AFLNT will peaceably hold and enjoy the Complex during the Term without any interruption by the Territory or any persons lawfully claiming under or in trust for the Territory.

9. MAINTENANCE OF COMPLEX

9.1 Ground maintenance

(1) Subject to the Territory's obligations under clause 9.1(2), AFLNT will maintain all lawns, planters, shrubberies, flower beds, pathways and

trees in a clean, tidy and presentable state to the satisfaction of the Territory.

- (2) The Territory will at its cost maintain the playing surfaces of Oval 1 and Oval 2 and the immediate surrounding spectator mounds to a standard suitable for the Permitted Use.
- (3) Notwithstanding the Territory's ground maintenance responsibilities, AFLNT acknowledges that its use of the grounds will be entirely at its own risk.

9.2 AFLNT's responsibilities to repair and maintain

- (1) Subject to clause 9.3 AFLNT will keep, repair and maintain:
 - (a) the Exclusive Areas including (without limitation) the facilities and features, paintwork, floor coverings, light fittings, windows, doors and locks, fittings and fixtures within the Exclusive Areas;
 - (b) all portable or moveable equipment including furniture, refrigerators, office equipment, bar and kiosk equipment whether in the Exclusive Areas or otherwise; and
 - (c) the improvements comprised in the Complex and all additions thereto;

in good and tenable repair, and at the expiration of the Term will yield up the Complex to the Territory in the same good and tenable repair, fair wear and tear accepted.

- (2) AFLNT will at all times be responsible for the cost of repairing or replacing any lost or damaged facilities, improvements, floor coverings, windows, doors, paintwork, fixtures or fittings where such loss or damage is caused by an act or omission by AFLNT, its employees, agents, players, contractors, licensees, clients and invitees. AFLNT will immediately advise the Territory of any such loss or damage and will make such restitution or repair as the Territory directs.

9.3 Territory responsibilities to repair and maintain

- (1) The Territory will undertake all structural repairs in respect of the Complex.
- (2) The Territory will maintain the following in respect of the Complex:
 - (a) all plumbing and drainage;
 - (b) all electrical and air-conditioning within the Complex;
 - (c) lifts;
 - (d) fire protection and safety;
 - (e) cold room and freezer;
 - (f) floodlighting;

- (g) scoreboards;
 - (h) fixed grandstand seating; and
 - (i) external paintwork.
- (3) The Territory will maintain all internal paintwork, floor coverings, light fittings, windows, doors and locks, fittings and fixtures in respect of the Complex, excluding the internal paintwork, floor coverings, light fittings, windows, doors and locks, fittings and fixtures in the Exclusive Areas, which are the responsibility of AFLNT pursuant to clause 9.2(1).

10. SIGNAGE

10.1 AFLNT to be responsible for signage

- (1) Subject to clauses 10.2 and 10.3 AFLNT may place or erect temporary advertising signs and posters in or on the Complex, including the surrounding fence.
- (2) All signage placed or erected by AFLNT in accordance with clause 10.1(1) must be easily removable or able to be covered.
- (3) The Territory will have the right to make minor modifications to the structure of any signage erected or placed within the Complex.

10.2 Compliance with Law

AFLNT's right under clause 10.1(1) will be subject to its compliance with all building laws, planning laws, municipal by-laws and any signs code adopted by the Darwin City Council from time to time.

10.3 No naming rights sponsor

- (1) The parties acknowledge that AFLNT has, with the consent of the Territory, entered into an agreement commencing 1 June 2006, with a naming rights sponsor. AFLNT must not, at any time, appoint or attempt to appoint any new naming rights sponsor in respect of the Complex, without the written consent of the Territory, which consent will not be unreasonably withheld.

11. SUBLETTING/LICENSING

- (1) AFLNT will not sub-let or licence the use of the Complex or in any manner part with or dispose of possession of the Complex without first obtaining written consent from the Territory and such consent may be reasonably withheld or provided, subject to such terms and conditions as the Territory may impose (including, without limitation, the AFLNT obtains insurance coverage in relation to the sub-lease or licence granted). The consent of the Territory will not be unreasonably withheld in the case of a sub-letting or licence to an Australian Rules Football Club participating in NTFL competition, or to an AFLNT sponsor or advertiser, and no fine or premium will be demanded or payable for any such consent.

- (2) The Territory acknowledges and consents to AFLNT's existing licensing arrangements at the Commencement Date which have been disclosed to the Territory in respect of corporate boxes, NTFL training and special events, AFL matches, kitchen and catering facilities and kiosks.
- (3) AFLNT acknowledges and agrees that the licensing arrangements existing at the Commencement Date and any subsequent licence or sub-letting arrangement consented to by the Territory are the responsibility of AFLNT and are conducted at AFLNT's own risk and AFLNT agrees to indemnify the Territory and keep it indemnified from any action, claim, demand, loss, cost or expense (including legal costs arising from defending a claim) arising from any licensing or sub-letting arrangement in respect of the Complex in place during the Term, save for any actions demands claims losses costs or expenses (including legal costs arising from defending a claim) incurred directly or indirectly as a result of a breach by the Territory of this Lease.
- (4) Where a Special Event is to be held at the Complex by the Territory, AFLNT will:
 - (a) notify all sub-lessees and licensees of the Special Event; and
 - (b) ensure that the sub-lessees and licensees do not do anything or permit anything to be done which may interfere with the Special Event held.

12. PROMOTIONAL MATERIAL AND MERCHANDISING

12.1 Promotional Material

- (1) All promotional material (in any medium) intended to be sold, erected or distributed at the Complex by AFLNT must be submitted to and approved by the Territory prior to sale or distribution.
- (2) The Territory will have the right to veto any posters, signs, advertising or other promotion material appearing in or on the Complex by or with the approval of AFLNT or published regarding any events held in the Complex where those signed posters or advertising or promotional materials are disparaging to the Territory or the Territory Government, contrary to stated government policy or in the opinion of the Territory, are morally offensive, defamatory, misleading or deceptive. Where the Territory exercises this right AFLNT will immediately remove any such signs and posters from the Complex and will withdraw any advertisement or circulars from publication.

12.2 AFLNT to have merchandising rights

- (1) Subject to clauses 12.2(2) and 12.3, AFLNT will have the right to sell and distribute any merchandising item in the Complex and may adopt such means as it thinks fit for the exploitation and utilisation of those rights.
- (2) The Territory will have the right to veto any merchandise intended to be sold in or on the Complex by or with the approval of AFLNT regarding any events held in the Complex where such merchandise is

disparaging to the Territory or the Territory Government, contrary to stated government policy or in the opinion of the Territory, is morally offensive, defamatory, misleading or deceptive. Where the Territory exercises this right AFLNT will immediately remove from sale or display any such merchandise.

12.3 Merchandising rights for special events

- (1) The rights granted under clause 12.2(1) will not extend to Special Events held by the Territory or a third party.
- (2) AFLNT will not grant any merchandising rights to any third party while the Territory is in possession of the Complex for the purpose of holding a Special Event.

13. CORPORATE BOXES

AFLNT will grant advertisers, sponsors and other people the right to use corporate boxes within the Complex only during AFLNT events, including special events held by AFLNT, Australian Rules Football matches and any other Australian Rules Football competition matches that AFLNT participates in, and such rights will not extend to Special Events held by the Territory in the Complex.

14. LICENSED AREAS

- (1) AFLNT will hold and be responsible for maintaining all necessary liquor licences for the operation of licensed areas within the Complex.
- (2) AFLNT covenants with the Territory that it will:
 - (a) at all times during the Term (and any extension or renewal of the Term) comply with, observe and perform in all respects any obligation that must be complied with, observed or performed pursuant to the *Liquor Act* in respect of the liquor licence issued to AFLNT in relation to the Complex, including (without limitation):-
 - (b) comply with and not contravene any condition of its licence;
 - (c) keep the required records relating to purchases of liquor;
 - (d) lodge any prescribed returns required under the *Liquor Act* or regulations within the prescribed times;
 - (e) pay any prescribed fees under the *Liquor Act* or regulations within the prescribed times; and
 - (f) comply with and not contravene any direction given by the Liquor Commission.
- (3) AFLNT will do all acts and things necessary to renew its liquor licence at the appropriate times so that at all times during the Term or any renewal or extension thereof the AFLNT will hold a licence for the sale of liquor in respect of the Complex.

- (4) AFLNT must not, without the prior written consent of the Territory:
- (a) transfer, assign, part with the possession of, mortgage or charge in any way whatsoever its liquor licence;
 - (b) apply or join in any application for the transfer of its liquor licence;
 - (c) apply for the approval of the Liquor Commission to make material alterations to the Complex to which the liquor licence relates; or
 - (d) attempt to do any of the foregoing.
- (5) AFLNT hereby appoints the Territory the attorney of AFLNT for and on behalf of and in the name of AFLNT to do all acts, matters and things:
- (a) necessary to keep a valid liquor licence in force in respect of the Complex;
 - (b) required to be done pursuant to the *Liquor Act* or by the Liquor Commission in respect of its liquor licence;
 - (c) necessary to cause its liquor licence to be transferred to any person (including the Territory); or
 - (d) necessary to renew its licence;
 - (e) required in order to appear personally or by counsel or solicitors before the Liquor Commission or any court having jurisdiction in respect of any hearing or proceedings affecting its liquor licence;
 - (f) incidental to the foregoing.

15. CONCESSIONS

15.1 AFLNT may grant Concessions

Subject to clauses 12.2(2) and 15.2 AFLNT will have the right to authorise and licence persons, other than AFLNT to sell distribute or enter into any other agreement or arrangement for the sale or distribution in the Complex of wines, spirits and other beverages (whether alcoholic or not), refreshments, food, confectionary tobacco, cigars, cigarettes and other articles or services, and may adopt such means as it thinks fit for the exploitation and utilisation of such rights.

15.2 Special events

The Territory will have the right to offer concessions in respect of the sale of refreshments, food, confectionary, tobacco, cigars, cigarettes and other articles or services (other than alcoholic beverages), during those times when the Territory resumes possession of the Complex for the purpose of holding Special Events and any concession agreements entered into by AFLNT must

be restricted to AFLNT events only and must not give the right to concession holders to operate during any Special Event held by the Territory.

16. DEFAULT AND TERMINATION

16.1 Meaning of Event of Default

An Event of Default is deemed to have occurred if:

- (1) any moneys payable by AFLNT to the Territory under this Lease are not paid when they ought to have been paid in accordance with the covenants for payment contained in this Lease and remain unpaid 30 days after a written demand has been made for their payment;
- (2) AFLNT commits, permits or suffers to incur any breach or default in the due and punctual observance and performance of any of the covenants, obligations and provisions of this Lease (other than for payment of that money) or any rules made hereunder and fails to remedy that default within 30 days of receiving a written notice from the Territory specifying the default and requiring it to be remedied;
- (3) an order is made or a resolution is effectively passed for the winding up or dissolution of AFLNT;
- (4) AFLNT makes an assignment for the benefit of or enters into an arrangement or composition with its creditors or stops payment or is unable to pay its debts within the meaning of the Law;
- (5) execution is levied against AFLNT and not discharged within 30 days;
- (6) a provisional liquidator, receiver, receiver and manager or official manager is appointed of AFLNT or of any property of AFLNT; or
- (7) AFLNT ceases or threatens to cease to carry on using the Complex for NTFL competition matches.

16.2 Termination of Lease

If an Event of Default occurs the Territory at any time or times thereafter may:

- (1) serve a notice to quit on AFLNT requiring AFLNT to quit and deliver up the Complex to the Territory or the Territory's servants or agents at the expiration of 30 days from the date of the notice;
- (2) terminate the Lease by notice in writing to AFLNT; and/or
- (3) re-enter upon the Complex or any part thereof in the name of the whole and thereupon this Lease and the estate of AFLNT will absolutely cease and determine,

but without prejudice to the right of action of the Territory in respect of any breach of AFLNT's covenants herein contained.

16.3 Rights of Territory on Default

Without prejudice to any other right of the Territory herein contained or implied, upon the occurrence of an Event of Default the Territory will also have all or any of the following rights and remedies:

- (1) to take action for the recovery of possession of the Complex;
- (2) to recover from AFLNT any outgoings or other moneys owing pursuant to this Lease; and
- (3) to recover from AFLNT any loss or damage suffered by the Territory as a result of the Territory being unable to relet the Complex.

16.4 Essential Terms

AFLNT and the Territory mutually covenant and agree that the following covenants by AFLNT are essential terms of this Lease:

- (1) the covenants to pay outgoings and charges as set out in clause 5;
- (2) the covenants to pay GST on any consideration provided to the Territory as set out in clause 6;
- (3) the covenants not to assign or sublet this Lease or the Complex as set out in clause 11;
- (4) the covenant not to make or permit or cause to be made any structural or other alterations or additions to the Complex as set out in clause 7(2);
- (5) the covenants to well, sufficiently, and substantially repair and maintain the Complex as set out in clause 7(3);
- (6) the covenant to comply with statutes as set out in clause 7(5);
- (7) the covenant not to use the Complex other than for a permitted use as set out in clause 7(8); and
- (8) the covenants to insure as set out in clause 20.

If AFLNT breaches or fails to observe any of these essential covenants, that breach or non-observance will be deemed to be a breach of an essential term of this Lease amounting to a repudiation by AFLNT and the Territory may, without notice, accept the repudiation and terminate this Lease but without prejudice to any other right power or remedy of the Territory contained or implied in the Lease.

16.5 Damages

The Territory and AFLNT mutually covenant and agree that:

- (1) if AFLNT's conduct (whether acts or omissions) constitutes a repudiation of this Lease (or of AFLNT's obligations under this Lease) or constitutes a breach of any of AFLNT's covenants under this Lease,

AFLNT will compensate the Territory for the loss or damage suffered by reason of the repudiation or breach;

- (2) the Territory will be entitled to recover damages against AFLNT in respect of repudiation or breach of covenant for the damage suffered by the Territory during the Term;
- (3) the Territory's entitlement to recover damages will not be affected or limited by any of the following:
 - (i) if AFLNT abandons or vacates the Complex;
 - (ii) if the Territory elects to re-enter the Complex or to terminate the Lease;
 - (iii) if the Territory accepts AFLNT's repudiation; or
 - (iv) if the parties' conduct constitutes a surrender by operation of law, and
- (4) in addition to and without derogating from the effect of any of the previous provisions of this clause the Territory will upon terminating this Lease and/or re-entering the Complex consequent upon a breach of the terms of this Lease by AFLNT or a repudiation or surrender by AFLNT, be entitled to damages against AFLNT.

16.6 Territory May Rectify Defaults

On each and every occasion on which AFLNT omits or neglects to pay any money or to do or effect anything which AFLNT has herein covenanted to pay do or effect then the Territory may, but is not obliged to, (and without prejudice to any rights and powers arising from such default) pay such money or do or effect such thing by itself its agents, contractors and workmen as if it were AFLNT and the amount of expenses and costs of such payment or doing such thing will be repaid to the Territory by AFLNT forthwith on demand.

16.7 Removal of Fittings on Default

Upon the Territory becoming entitled to re-enter the Complex AFLNT will forthwith upon notice given by the Territory remove from the Complex all fittings, fixtures, plant, equipment, stock-in-trade or other articles upon the Complex brought there by AFLNT and in default of AFLNT effecting such removal those items may, at the election of the Territory, become the property of the Territory who may dispose of the same in such manner as it in its discretion will determine. The cost of the removal, storage and disposition will be payable by AFLNT to the Territory on demand. None of the items will become the property of the Territory without the Territory first having given to AFLNT notice of the Territory's intention to exercise such right in accordance with this clause 16.

16.8 AFLNT Vacating Premises

If AFLNT vacates the Complex during the Term then in the absence of a written notice by the Territory accepting the surrender of AFLNT's interest hereunder or a formal notice of forfeiture or re-entry being served on AFLNT

by the Territory, neither acceptance of the keys nor entry into the Complex by the Territory or by any person on the Territory's behalf for the purpose of inspection or for the purpose of showing the Complex to prospective tenants nor the advertising of the Complex for reletting will constitute a re-entry or forfeiture or waiver of the Territory's rights to recover in full all Rent from time to time payable by AFLNT hereunder. The Lease will be deemed to continue in full force and effect until the date on which a new lessee or licensee actually commences to occupy the Complex or the date of expiry of the Term, whichever will first occur, and any entry by the Territory until such date will be deemed an entry by the leave and licence of AFLNT.

17. HOLDING OVER

If AFLNT with the consent of the Territory remains in occupation of the Complex after the expiration of the Term or any extension or renewal thereof then AFLNT will be a quarterly tenant from the Territory of the Complex on the terms of this Lease so far as the same are applicable to such a tenancy PROVIDED THAT such tenancy may be determined by 30 days notice in writing given by either party to the other and expiring on any day.

18. TERRITORY NOT LIABLE

The Territory will not be liable to AFLNT or any person claiming under or through AFLNT for any loss or damage whatever directly or indirectly caused by or arising from rain or other water or fluids flowing or leaking into the improvements upon the Complex or being in the Complex or any part thereof.

19. DAMAGE TO PREMISES

If the Complex is destroyed or so damaged by fire storm flood or tempest or act of God inevitable accident riot civil commotion or enemy action or incidental to resisting or preparing to resist enemy action that the Complex will be wholly unfit for occupation or use by AFLNT for the purpose allowed under this Lease then the Territory or AFLNT may within one (1) calendar month thereafter by notice in writing to the other party terminate this Lease, but without prejudice to any rights which might have accrued to either party prior to such determination.

20. INSURANCE

20.1 Public Risk Insurance

AFLNT will take out and keep in force a policy of insurance for public risks including personal injury and death and property damage arising out of, in connection with or in relation to:

- (a) the staging of NTFL fixtured matches at the Complex;
- (b) the staging of Australian rules football matches at the Complex; and
- (c) training and practice sessions held at the Complex.

for a minimum of **TWENTY MILLION DOLLARS (\$20,000,000.00)** in relation to any single event.

20.2 Work Health Insurance

AFLNT will take out and keep in force during the Term in respect of the business conducted from the Complex an insurance policy in accordance with the terms of the *Work Health Act* for its full liability under the Act.

20.3 AFLNT's Fixtures to be Insured

AFLNT will insure and keep insured all AFLNT's fixtures and stock-in-trade against loss or damage by fire, lightning, flood, storm, tempest, explosion and other usual and necessary risks against which a lessee can and does ordinarily insure for the full replacement value thereof.

20.4 Plate Glass Insurance

AFLNT will at its own expense effect plate glass insurance in respect of all plate glass attached to or forming part of the Complex including all plate glass windows.

20.5 Proof of Insurance

All insurances required by AFLNT under this clause 20 will be with an insurance company approved by the Territory and a copy of the policies or certificates of insurance will be delivered to the Territory upon request.

20.6 Insurance and repair

AFLNT acknowledges that the Territory will act as a self insurer in respect of the improvements comprised in the Complex and will be responsible for the maintenance, and where necessary, replacement of flood lights and all structural repairs to the improvements comprised in the Complex, except to the extent that the need for those structural repairs has been caused by an deliberate act or mission by AFLNT its employees, agents, players, contractors, licensees and invitees.

20.7 AFLNT Not to Cause Premium to Increase

AFLNT covenants that AFLNT will not without the written consent of the Territory bring or keep any article or thing or do any act, matter or thing upon the Complex which will or may increase the rate of any premium payable by the Territory under any policy of insurance taken out by the Territory in respect of the Complex. If AFLNT will bring or keep any such article or thing upon the Complex or will do any such act matter or thing upon the Complex then AFLNT will pay the amount of the increased premium to the Territory on demand.

21. RISK AND INDEMNITIES

21.1 Risk of the Territory

AFLNT's occupation and use of the Complex will be entirely at its risk. AFLNT releases to the fullest extent permitted by law the Territory and its agents, contractors and employees, including ground staff, from all claims and demands of any kind resulting from an accident, damage or injury incurring upon the Complex except when the Territory is in possession of the Complex

for the purposes of holding a Special Event, and AFLNT expressly agrees that in the absence of any negligence on the part of the Territory or its agents, contractors and employees, the Territory will have no responsibility or liability for any loss of or damage to fixtures or personal property of AFLNT or for any personal injuries suffered by any person while in the Complex.

21.2 Indemnification of the Territory

AFLNT indemnifies the Territory and agrees to keep the Territory always indemnified in respect of all loss, damage, consequential loss and damage, claims, demands, proceedings, actions whatsoever, including but not limited to loss of profit directly or indirectly associated with the use of the Complex for Special Events, claims by any persons against the Territory and legal fees or consultant's fees which the Territory may suffer or incur and all moneys which the Territory may become liable to pay to any person in respect of or arising directly out of:

- (1) any act, default or omission on the part of AFLNT, its employees, agents, invitees, licensees, contractors, players, performers, participants, competitors, spectators and other invitees;
- (2) any act, default or omission of the part of any employees agent or invitee of the Territory when acting solely on behalf of for the benefit of or under the direction, order, supervision or control of AFLNT;
- (3) any accident, damage or injury to property in the Complex (other than fair wear and tear), any loss of property from the Complex, and accident, damage or injury to any persons or to the property of any person suffered in or about the Complex, the entrances and exits of it and the curtilage surrounding the Complex, where such accident, damage, injury or loss arose by reason of, or in relation to, or in connection with the use of the Complex or any part of it by AFLNT and its employees, agents, invitees, sponsors, concession holders, competitors and spectators (except where such accident, damage, injury or loss occurred by reason of the Territory's negligence or deliberate act); and
- (4) any loss, damage (including consequential loss or damage), claim, penalty, fine or charge suffered by or imposed on the Territory directly or indirectly in consequence of any breach by AFLNT of its obligations under the *Work Health Act*.

22. NOTICES

22.1 Requirements

Any notice or other communication (in this clause referred to as a "notice") to or by any part will be:

- (1) in writing and in the English language;
- (2) addressed to the address for service of the recipient; and
- (3) signed by or on behalf of the sender.

22.2 Method

In addition to any means authorised by law any notice may be given by:

- (1) being personally served on a party;
- (2) being left at the party's current address for service; or
- (3) being sent to the party's current address for service by prepaid registered mail.

22.3 When Given

A notice will be deemed duly given or made in the case of:

- (1) delivery in person, when delivered; or
- (2) delivery by registered post, when an acknowledgement of receipt by the recipient in the form used by Australia Post from time to time is received,

but if delivery is not made before 4.00pm on a business day in the place of receipt it will be deemed to be received by 9.00am on the next business day in that place.

22.4 Initial Details for Service

The addresses and numbers for service are initially as set out in Item 7. A party may from time to time change its address or numbers for service by notice in writing to the other party.

23. OPTION TO RENEW

If AFLNT throughout the Term strictly observes and performs all the covenants, obligations and stipulations required or it under this Lease (including those of a negative character), AFLNT will have the option to extend the Term for the further period set out in Item 8 from the expiration of the initial Term upon the same terms and conditions as are herein contained, unless otherwise agreed in writing between the Territory and AFLNT. If AFLNT desires to exercise this option for renewal AFLNT will give notice in writing of such desire to the Territory not more than three (3) calendar months nor less than one (1) calendar month prior to the expiration of the initial Term.

24. POWER OF ATTORNEY

AFLNT irrevocably makes, nominates, constitutes and severally appoints the Minister from time to time for the Department of Local Government, Housing and Sport and the Chief Executive from time to time of the Department of Local Government, Housing and Sport to be the attorneys of AFLNT at any time after an Event of Default has occurred (sufficient proof whereof will be the Statutory Declaration of the Territory):

- (1) to execute and sign a transfer or a surrender of this Lease and to procure the same to be registered and for this purpose to use the name of AFLNT;

- (2) from time to time appoint a substitute or substitutes and to revoke such appointment or appointments and another or other substitute or substitutes to appoint; and
- (3) generally to do execute and perform any act deed matter or thing relative to this Lease as fully and effectually as AFLNT could do in and about the premises.

AFLNT covenants to ratify and confirm all and whatsoever the attorney or attorneys or any substitute or substitutes will lawfully do or cause to be done in and about the Complex and it is hereby declared that the powers contained herein are irrevocable and are given by way of security.

THE SCHEDULE

ITEM 1: **COMPLEX – Clause 1.1**

Section 4982 Hundred of Bagot

ITEM 2: **PRIOR ENCUMBRANCES – Clause 2.1**

Sewerage Easement to Power and Water Corporation

Drainage Easement to Northern Territory of Australia

ITEM 3: **TERM – Clause 3**

15 years

ITEM 4: **CPI RENT REVIEW DATES**

Each 12 month anniversary of the Commencement Date.

ITEM 5 **MARKET RENT REVIEW**

The date that is 10 years from the Commencement Date and every subsequent 10 years during the Term.

ITEM 6: **PERMITTED USE – Clause 7(8)**

The operation of Australian Rules Football competitions, the provision of Australian Rules training and coaching facilities, and the holding of Australian Rules Football matches; and

The holding of special events or undertaking of commercial activities as are first approved in writing by the Territory and on such terms and conditions as the Territory may impose in its absolute discretion.

Details of any proposed special events or commercial activities must be submitted in writing at least fourteen (14) days prior to the proposed event or activity and must be addressed to The Executive Director, Department of Local Government Housing and Sport. Submissions must include as a minimum, the following:

1. Details of nature of proposed event or activity;
2. start and finish dates/times for event or activity;
3. details of insurance cover obtained or to be obtained to cover all risks associated with event or activity;

4. expected profit (if any) to be gained from event or activity;
5. expected requirements for additional government resources (if any) during period of event or activity.

ITEM 7: THE INITIAL ADDRESSES FOR SERVICE - Clause 22.4

The Territory Department of Local Government,
Address: Housing and Sport
Sports House, Waratah Crescent,
Fannie Bay NT 0820

Postal Address: GPO Box 1448, Darwin NT 0801
Facsimile: (08) 8982 2399

AFLNT Chief Executive Officer
Address: Marrara Oval, Abala Road, Marrara NT
Postal Address: PO Box AFLNT1, Casuarina NT 0811

Facsimile: (08) 8945 0069

ITEM 8: RENEWAL PERIOD – Clause 23

Two (2) further terms of five (5) years each