

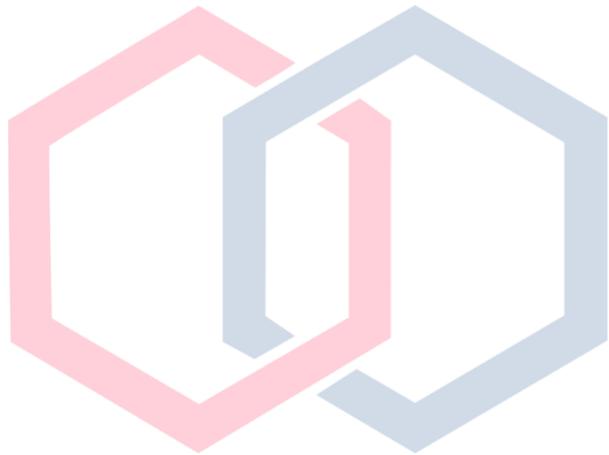
National Cabinet Code of Conduct Overarching Principles

OVERARCHING PRINCIPLES	LANDLORD	TENANT	ACTIONS AGREED
<i>Work together to ensure business continuity & resumption normal trading activities at end COVID-19</i>	To maintain the lease and the tenant through COVID-19 and in continue in business for the future	To secure the ability to get through the COVID-19 and continue in business for the future	<i>Agree to this Principle for the mutual benefit of both parties</i>
<i>Landlords and tenants share a common interest in working together, to ensure business continuity, and to facilitate the resumption of normal trading activities at the end of the COVID-19 pandemic during a reasonable recovery period</i>	Landlord to provide the financial impact of COVID-19 and any Lease concessions	Tenant to discuss the financial impact of COVID-19 on their business and likely impact if no lease concessions	<i>Note each other's COVID-19 impact and agree the pathway for negotiation under the Code</i>
<i>Landlords and tenants will be required to discuss relevant issues, to negotiate appropriate temporary leasing arrangements, and to work towards achieving mutually satisfactory outcomes.</i>	Referencing the Code and provide the required concessions for the COVID-19 period being waivers & referrals proportionate to the decrease in the tenant's revenue	Ensure that you are transparent with the decrease in revenue and impact on the business and thus the need to seek concessions under the Code	<i>Mutually satisfactory outcomes in relation to Lease rental concessions for the COVID-19 period and a reasonable recovery period</i>
<i>Landlords and tenants will negotiate in good faith</i>	Respect the intent of the Code and the needs of the tenant to withstand the financial impacts of COVID-19	Be transparent with the actual financial impact on the business and the criteria upon which the business is eligible for the JobKeeper benefits	<i>Enhance the mutual respect and needs of both parties and cement the relationship for the long term.</i>
<i>Landlords and tenants will act in an open, honest and transparent manner, and will each provide sufficient and</i>	Provide details of financial impact and whether has Loan that banker has provided concessions	Demonstrate the decrease in revenue that entitles tenant to Federal Government JobKeeper	<i>Note each other's impact and agree the pathway for negotiation under the Code</i>

<p><i>accurate information within the context of negotiations to achieve outcomes consistent with this Code.</i></p>		<p>payment and the need for the Lease concession for the long-term viability and continuation</p>	
<p><i>Agreed arrangements will take into account the impact of the COVID-19 pandemic on the tenant, with specific regard to its revenue, expenses, and profitability. Such arrangements will be proportionate and appropriate based on the impact of the COVID-19 pandemic plus a reasonable recovery period.</i></p>	<p>Review the details and apply the Code in determining the proportionate (to the decrease in tenant’s revenue) adjustment to rent. Also agree any extended recovery period.</p> <p>Determine amount of waiver and deferral by reference to the Code prescriptions as below.</p>	<p>Provide impact on revenue, expenses, & profitability and the expected recovery period beyond the COVID-19 emergency.</p> <p>Agree to update Landlord with ongoing details of impact of COVID-19 and especially the recovery to normal business phase</p>	<p><i>Determination of the rental concession in accord with the Code including the amount of waiver and deferral and an agreed recovery period or at least principles for determining and agreeing such period</i></p>
<p><i>The Parties will assist each other in their respective dealings with other stakeholders including governments, utility companies, and banks/other financial institutions in order to achieve outcomes consistent with the objectives of this Code.</i></p>	<p>Identify concessions or potential concessions from governments, utility companies, and banks/other financial institutions and be prepared to pass any such concessions to the tenant.</p>	<p>Be prepared to provide documentation as required by the Landlord to deliver as evidence for concessions to be received from such stakeholders by the Landlord</p>	<p>Mutually achieve outcomes consistent with the objectives & principles of the Code</p>
<p><i>All premises are different, as are their commercial arrangements; it is therefore not possible to form a collective industry position. All parties recognise the intended application, legal constraints and spirit of the Competition and Consumer Act 2010</i></p>	<p>Agreement to be negotiated in the mutual interest of both the tenant and the landlord and be specific to the commercial arrangement for the subject property</p>	<p>Agreement to be negotiated in the mutual interest of both the landlord and the tenant and be specific to the commercial arrangement for the subject property</p>	<p><i>Negotiations to be specific to the existing parties and the subject property and not to be a collective industry position that may be in breach of the Competition and Consumer Act 2010</i></p>

<p><i>The Parties will take into account the fact that the risk of default on commercial leases is ultimately (and already) borne by the landlord.</i></p> <p><i>The landlord must not seek to permanently mitigate this risk in negotiating temporary arrangements envisaged under this Code.</i></p>	<p>Note and respect that the risk of default on commercial leases is with the Landlord and this cannot be changed through the negotiation of the temporary arrangements</p>	<p>Note and understand this position re risk of default is on the Landlord</p>	<p><i>The risk of default is noted and remains to be borne by the Landlord</i></p>
<p><i>All leases must be dealt with on a case-by-case basis, considering factors such as whether the SME tenant has suffered financial hardship due to the COVID-19 pandemic; whether the tenant's lease has expired or is soon to expire; and whether the tenant is in administration or receivership</i></p>	<p>Note:</p> <ul style="list-style-type: none"> • the impact financially on the tenant of COVID-19 • the current Lease tenure and conditions re Option period or periods • the financial viability of the tenant whether tenant is in administration or receivership 	<p>Provide the necessary detail to the Landlord to enable the Landlord to determine the</p> <ul style="list-style-type: none"> • your financial viability as tenant • whether as tenant you are in administration or receivership 	<p><i>Ensure that both the Landlord and tenant have received or provided all the essential information to ensure negotiations are undertaken in good faith and with all relevant information known to each party</i></p>
<p><i>Leases have different structures, different periods of tenure, and different mechanisms for determining rent. Leases may already be in arrears. Leases may already have expired and be in "hold-over." These factors should also be taken into account in formulating any temporary arrangements in line with this Code</i></p>	<p>Consider all aspects of the Lease and its current tenure in determining the arrangements to be agreed in accord with the Code</p>	<p>Respect the individuality of the Lease and its current tenure and provide all information requested by the Landlord to identify and confirm any of the matters described in the principle.</p>	<p><i>Negotiate with all the relevant information available and determine the best mutual outcome in accord with the Code and the party's specific circumstances</i></p>

<p><i>As the objective of this Code is to mitigate the impact of the COVID-19 pandemic on the tenant, due regard should be given to whether the tenant is in administration or receivership, and the application of the Code modified accordingly.</i></p>	<p>Assess if the tenant is in administration or receivership.</p> <p>If so, due regard should be given to that circumstance and the application of the Code modified accordingly.</p>	<p>Advise the Landlord if you as tenant are in administration or receivership</p>	<p><i>Negotiate fairly and through the provision to each other of all relevant information to comply with the Code</i></p>
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For assistance or advice on in relation to your commercial lease please call Donovan Oates Hannaford on 02 6583 0400 or email on info@dohlaw.com.au.