

LICENCE AGREEMENT

Date		
Community Association		
Name:	Community Association DP No. 270216	
Address:	C/- Macarthur Strata Pty Ltd 1/296 Camden Valley Way Narellan NSW 2567	
Telephone No.:	(02) 46472400	
Facsimile No.:	(02) 46461234	
Email Address:		
Licensee		
Name:	Neville Ray	
Address:	Barker Lodge Road Picton NSW 2571	
Telephone No.:	(02) 46771735	
Facsimile No.:		
Email Address:	neville.ray@bigpond.com	
Contract Details		
Item		
1.	<i>period of the licence</i>	One year with an option of a further two years
2.	<i>commencement date</i>	13 th OCTOBER 2009
3.	<i>expiry date</i>	13 th OCTOBER 2010
4.	<i>area</i>	That part of the community property marked "A" in the attached sketch
5.	<i>permitted use</i>	the grazing of cattle (agroforestry) in the <i>area</i> as permitted by the <i>cms</i> .

Agreement

Introduction

- A. The *Community Association* is a corporation constituted pursuant to the Community Land Development Act and is the *licensee* of the *Community property*.
- B. The *area* contains some bushland and the *licensee* wishes to graze some cattle on that bushland.

- C. The *Community Association* has agreed to grant a licence to the *licensee* over the *area* to enable the *licensee* to use the *area* for the *permitted use* upon and subject to the conditions contained in this *agreement*.

Operative Part

1. Grant of Licence

The *Community Association* grants to the *licensee* and the *licensee* accepts a licence to use the *area* during the *period of the licence* for the *permitted use* upon and subject to the conditions in this *agreement*.

2. Duties of Community Association

The *Community Association* must:

- (a) make the *area* available to the *licensee* for the *permitted use* at all times during the *period of the licence*.

3. Duties of Licensee

Statutory requirements

The *licensee* must comply with all laws, ordinances and regulations and all directions by competent authorities relating to noxious animals, insects and weeds and to any other standards relating to land, soil, vegetation and the environment relevant to the *licensee's* occupation of the leased land, including:

- (a) Local Government Act;
- (b) Rural Lands Protection Act;
- (c) Native Vegetation Conservation Act;
- (d) Native Vegetation Act;
- (e) Water Act;
- (f) Water Management Act;
- (g) Environment Protection and Biodiversity Conservation Act;
- (h) Soil Conservation Act;
- (i) National Parks and Wildlife Act;
- (j) Stock Diseases Act;
- (k) Noxious Weeds Act;
- (l) Rural Fires Act.

Noxious animals, insects and weeds

The *licensee* must take all reasonable steps to assist the *Community Association* to eradicate all noxious animals, insects and weeds, having regard to levels of infestation at the start of the lease.

The *licensee* must take all reasonable steps to prevent any new weed species infesting the leased land.

Animal diseases

1. The *licensee* must not allow any diseased stock to be brought onto the leased land.
2. The *licensee* must not allow any cattle to be brought onto the leased land that have not been vendor declared Bovine Johnes Disease free.
3. The *licensee* must provide a declaration that to the best of the *licensee's* knowledge, information and belief the stock:
 - (a) do not suffer any disease notifiable to any authority including Bovine or Ovine Johnes Disease or Foot Rot, and
 - (b) the stock did not come from a property on which other stock suffered from any notifiable disease.
4. The declaration must be signed by the *licensee* and, if the *licensee* purchased the stock within the preceding 6 months, by the vendor to the *licensee*.
5. The *licensee* warrants that it will run the stock on the Leased land according to the best husbandry practices and will promptly treat, or have treated by a Veterinary surgeon, all stock affected by illness or disease.
6. The carcasses of all stock that die must be removed by the *licensee* from the *Community Association* property within 12 hours of being notified of the presence of a carcass.
7. The *licensee* must remove all diseased stock from the leased land.
8. All sheep and cattle carted to the leased land must be in properly washed trucks.

Fencing Maintenance

The *licensee* must at the *licensee's* cost, repair and maintain all fences enclosing the *area* or within the *area* for the period of the *licence* subject only to damage caused by the *Community Association* or any member of the *Community Association*, which damage shall be the responsibility of the *Community Association* to repair.

~~4. Firebreaks~~

~~The *licensee* must install and maintain such firebreaks as the law and competent authorities may require resulting from the *licensee's* use of the property.~~

~~If the *licensee* does not install and maintain the required firebreaks the owner may, but need not, carry out the required work at the *licensee's* expense.~~

~~The *licensee* must use only chemicals to create firebreaks in erosion prone areas.~~

5. General Farming and Grazing Limits

The *licensee* must not overstock the leased land.

“Overstock” means a rate of stocking in excess of the rate that the *Community Association*, in its absolute discretion, regards as appropriate.

6. Grazing Limits

The *licensee* is permitted to graze only the land.

7. Gravel Sand and Other Minerals

The *licensee* must not remove from the leased land, or allow to be removed, any gravel, sand, or other rocks or minerals without the prior written consent of the owner.

8. Water

The *licensee* may exercise the water rights of the *Community Association* that attach to the *area* during the term of this lease.

9. Insurance

The *licensee* must keep current in the name of the *licensee* and the *Community Association* an insurance policy covering liability to the public in an amount not less \$10,000,000.00 (for each accident or event); and must produce to the owner, upon request, the policy and the receipt for the last premium. The *licensee* must immediately notify the *Community Association* if the insurance policy is cancelled or terminated for any reason.

10. Assignment

The *licensee* shall not mortgage, assign or sublet the contract or his interest therein.

11. Access to Lot Owners and Occupiers

The *licensee* must permit the *Community Association*, by its agents, employees or contractors, to enter the *area* at any time on reasonable notice (except in an emergency where no notice shall be required) for any purpose for which the *Community Association* is entitled to enter the *area* under the *Act* and for the purposes of:

- (a) inspecting the *area*,
- (b) determining whether the conditions of this *agreement* or the by-laws for the *strata scheme* have been complied with,
- (c) determining whether any work needs to be carried out to the *area*, or
- (d) carrying out work to the *area*.

12. Agricultural Tenancies Act

The parties acknowledge that for the purposes of the Agricultural Tenancies (Act), it is their understanding that the terms and conditions of and the parties' rights and obligations under this Lease are sufficient compensation in respect of their rights and obligations under the Act.

The *licensee* must permit the *Community Association*, by its agents, employees or contractors, to enter the *area* at any time on reasonable notice (except in an emergency where no notice shall be required) for any purpose for which the *Community Association* is entitled to enter the *area* under the *Act* and for the purposes of:

- (a) inspecting the *area*,
- (b) determining whether the conditions of this *agreement* or the by-laws for the *strata scheme* have been complied with,
- (c) determining whether any work needs to be carried out to the *area*, or
- (d) carrying out work to the *area*.

The *licensee* must comply with:

- (a) The *cms* and all by-laws contained in the *cms*, and
- (b) all requirements laid down by the *Community Association* from time to time in respect of the management, control, administration, use and enjoyment of the *community scheme* including the *area*.

13. Licensee's Covenants

The *licensee* must:

- (a) indemnify and keep indemnified the *Community Association* against any actions, proceedings, claims, demands, costs, damages or expenses which may be incurred by or brought or made against the *Community Association* by virtue of the *licensee's* use and occupation of the *area* or any breach of this *agreement*,
- (b) comply with all laws applicable to and any orders made by a Court, Tribunal or Community Schemes Adjudicator with respect to the *licensee's* use or occupation of the *area*, and
- (c) not hold the *Community Association* liable for any loss or damage suffered by the *licensee* as a result of any loss of or damage to any livestock, goods or chattels on the *area*.

14. Spraying

The *licensee* acknowledges that it may be necessary from time to time to spray or otherwise treat certain vegetation, including lantana, on the *area*. If the owner decides to do so, it shall give the *licensee* fourteen days' notice, and the *licensee* shall remove all of its livestock from *area* until such time as the owner permits the licensee and its livestock to re-enter the *area*. Such permission is not to be construed as conveying any assurance by the owner that it is safe for the livestock to re-enter the *area*, and the *licensee* must make its own inquiries in that regard.

The *licensee* acknowledges that such spraying or treatment may result in residue that could be harmful, agrees that it is not entitled to any compensation for any loss whatsoever rising from the spraying or treatment or from the need to remove its livestock from the *area* and indemnifies the owner against any actions, proceedings, claims, demands, costs, damages or expenses which might be brought against the owner by any person arising out of the said spraying or treatment or removal of the livestock.

15. Default Events

Any of the following events constitute a default under this *agreement*:

- (a) if the *licensee* fails to observe any of the provisions of this *agreement*,
- (b) if the *licensee* is in breach of the *cms*, any by-laws for the *Community Association*, or any directions issued by the executive committee of the *Community Association*.

16. Termination of Agreement by Community association

If the *licensee* has made a default as defined in clause 5, the *Community Association* may by notice in writing to the *licensee* specify the default complained of and require the *licensee* to remedy the default within 14 days. If at the expiration of that period the default has not been remedied, the *Community Association* may immediately terminate this *agreement* by serving a notice of termination on the *licensee*.

The rights of the *Community Association* pursuant to the above clause do not affect:

- (a) any other rights of termination the *Community Association* may have, or
- (b) any claim which the *Community Association* may have against the *licensee* in respect of any breach of this *agreement*.

If the executive committee of the *Community Association* decides, having regard to all the circumstances, that it is appropriate to terminate the agreement, the *Community Association* may terminate the agreement by giving the *licensee* fourteen days' notice, at the expiry of which time the *licensee* shall remove all its livestock, goods and chattels from the *area*.

The *licensee* agrees that there is no compensation whatsoever payable arising out of termination of this *agreement*.

17. Termination of Agreement by the Licensee

The *licensee* may terminate this *agreement* if the *Community Association* commits a breach of this *agreement* or is in default of any clause of this *agreement*, and fails to remedy such breach or default within 14 days of receiving notice from the *licensee* in writing specifying such breach or default.

18. Termination of Agreement & Monthly Holding Over

This *agreement* may be terminated at any time with the mutual agreement of the *Community Association* and the *licensee*.

This *agreement* will terminate on the *expiry date*.

19. Option to Renew

The *licensee* may, no earlier than three months before the expiry of this license, and no later than one month by the expiry of this licences, advise the owner that it wishes to renew the licence for a period of a further two years.

If the *licensee* gives notice of the exercise of its option to renew in accordance with the preceding clause, the licence shall be renewed for a further two years.

The right to renew the licence may only be exercised once.

20. Licensee's Duties on Termination

The *licensee* agrees that immediately on termination of this *agreement* the *licensee* must:

- (a) give possession and control of the *area* to the *Community Association*,
- (b) leave the *area* in a clean, neat and tidy condition, and
- (c) remove from the *area* all livestock goods or chattels placed on the *area* by the *licensee*

21. Notices

Any notice required to be given under this *agreement* is sufficiently given if it is given:

- (a) in any manner authorised by or under the *Act*,
- (b) by facsimile transmission to the facsimile number of the intended recipient appearing on the front page of this *agreement* and the sender obtains a transmission verification report confirming the facsimile transmission and the recipient does not give notice to the sender of an incomplete or failed facsimile reception within 24 hours of the facsimile,
- (c) by email to the email address of the intended recipient appearing on the front page of this *agreement* provided the sender does not receive a notification advising that delivery of the email failed or that the email could not be sent or delivered to the recipient's email address, or
- (d) to such other address as one party advises the other in writing.

22. Relationship

The rights conferred by this *agreement* shall rest in contract only and shall not confer or grant upon the *licensee* any tenancy or any estate or interest in the *garage* or the *common property* or any right to the exclusive use or possession of the *garage* and the rights of the *licensee* shall be those of a licensee only.

23. Severance

If at any time any provision of this *agreement* is or becomes illegal, invalid, unenforceable or void in any respect, that provision will be ignored, read down or severed so far as is possible in order to preserve the essence of the bargain between the parties and so as to uphold the legality, validity and enforceability of the remaining provisions of this *agreement*.

24. Governing Law

The parties agree that the laws of New South Wales govern this *agreement*.

25. Entire Agreement

This *agreement* contains the whole of the agreement between the *Community Association* and the *licensee* relating to the *licensee's* use and occupation of the *area*, except for those terms implied by law.

26. Definitions and Interpretation

In this *agreement*, unless the context or subject matter otherwise indicates or requires:

“*Act*” means the Community Land Management Act (NSW);

“*agreement*” or “*this agreement*” means this agreement and any schedules or other documents attached to it;

“*cms*” means the Community Management Statement and all by-laws governing the *Community Association*, as amended from time to time.

“*commencement date*” means the date of commencement of this *agreement* being the date set out in item 2 of the *contract details*;

“*Community Association*” means the Community Association DP No. 270216;

“*community property*” means the community property in DP 270216;

“*contract details*” means the contract details on the front page of this *agreement*;

“*expiry date*” means the date set out in item 3 of the *contract details*;

“*licensee*” means the person named on the front page of this *agreement* as such;

“*period of the licence*” means the period set out in item 1 of the *contract details*;

“*permitted use*” means the use(s) specified in item 5 of the *contract details*;

In this *agreement*:

words in *italics* have the meaning attributed to them in clause 26;

headings have been inserted for guidance only and do not affect the interpretation of this *agreement*;

references to a person include where the context requires, a corporation, a natural person and any other entity capable of suing and being sued;

references to a person include that person’s executors, administrators, successors and assigns;

references to any statutory provision or such other legislative or like enactment include any statutory provisions amending, consolidating or replacing the same, and all by-laws, ordinances, proclamations, regulations, rules and other authorities made under them;

words importing the singular number include the plural and vice versa;

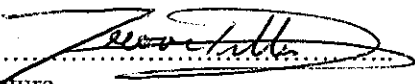
words importing any particular gender include where the context requires all genders;

words which are defined in the *Act* have the same meaning as are attributed to them in the *Act* unless otherwise defined in this *agreement*;

where any provision of this *agreement* requires a determination to be made by the *Community Association* that determination may be made by the executive committee.

Signatures

Community association

.....
Signature 

.....
Signature

.....
Name **TREWR DILLON**

.....
Name

Being the person(s) authorised by section 8 of the Community Land Management Act 1989 to attest the affixing of the seal.



Licensee

Signed by)
in the presence of.)

.....
Signature
Neville Ray
.....
Name

(or where licensee is a corporation)

THE COMMON SEAL of)
.....)
PTY LIMITED)
was affixed pursuant to s. 127 of the)
Corporations Act 2001 in the presence of:)

..... Director/Secretary
Director