

**Annexure to the Australian Standard
General Conditions of Subcontract for
Design and Construct**

Part G

Part G – Warranties

Item / Trade	Period
1. Joinery (i.e to kitchen benches, vanities)	7 Years
2. Mirrors	5 Years

As a minimum refer to the Principal's Project Requirements.

The subcontractor form of the warranty (extract from Main Contract – 4 pages) commences on the following page, this is to be filled out by the subcontractor 12 weeks prior to Practical Completion.

Subcontractor's warranty

Date _____

Parties

RL Apartments Pty Ltd (ACN 629 867 376) as the trustee for RL Apartments No1 Trust (ABN 55 236 860 990)

and

RL Apartments Pty Ltd (ACN 629 867 376) as the trustee for RL Apartments No2 Trust (ABN 55 236 860 990)

of **89 McLachlan Street, Fortitude Valley QLD 4006**

(Principal)

Fine Line Commercial Interior Linings Pty Ltd (ABN 63 162 107 762)

of **PO Box 1186, Milton, QLD 4064**

(Warrantor)

which expression shall include its successors and assigns

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- | | |
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| Background | <p>A. The Principal and the party described in Item 2 of the Schedule (Contractor) have entered into the contract described in Item 3 of the Schedule (Contract).</p> <p>B. The Warrantor has contracted with the Contractor to perform the work described in Item 4 of the Schedule and/or supply the goods described in Item 5 of the Schedule (Subcontract Works).</p> <p>C. The Warrantor has agreed to give the warranties and indemnity herein contained to the Principal in consideration of the Contractor agreeing to employ the Warrantor and the Principal agreeing to accept the Warrantor as a supplier of Equipment.</p> |
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Deed

It is agreed as follows:

1. The Warrantor hereby:
 - (a) warrants to the Principal that the Subcontract Works shall be in accordance with the quality and standard stipulated by the Contract, and to the extent that the quality or standard is not so stipulated, shall be of merchantable quality and be fit for the purpose or purposes for which the Subcontract Works are required; or
 - (b) gives the warranty more particularly set out in Item 6 of the Schedule with respect to the Subcontract Works.
2. The above warranties shall be in addition to, and shall not derogate from, any warranty implied by law in respect of the Subcontract Works.

3. The Warrantor covenants with the Principal to replace and make good, to the reasonable satisfaction of the Principal (but at the expense of the Warrantor) so much of the Subcontract Works as within the period described in Item 7 of the Schedule which:
- (a) are found to be of a lower quality or standard than that referred to in clause 1; or
 - (b) show deterioration of such an extent that, in the opinion of the Principal, the Subcontract Works ought to be made good or replaced in order to achieve fitness for the purpose or purposes for which the Subcontract Works are required, whether this is on account of utility, performance, appearance or otherwise.

The Warrantor further covenants with the Principal to meet the cost of any work necessary to any part of the Subcontract Works to enable the requirements of clause 3 of this deed to be carried out or necessary to make good the Subcontract Works afterwards.

In the event the Subcontract Works are found not to be in compliance with the standard required by this clause 3, the duration of Item 7 shall be extended by the period at Item 7 from the date the Subcontract Works are made good or replaced.

4. The decision of the Principal as to the:
- (a) Subcontract Works failing to comply with quality or standard as required by clauses 1 and 3 or otherwise failing to comply with the above warranties;
 - (b) extent of replacement or making good necessary to properly remedy the defects; and
 - (c) extent of any work required under clause 3 of this deed,

shall be notified in writing to the Warrantor by the Principal and shall be final and binding upon the parties.

5. The Warrantor further covenants that within a reasonable time after written notification to the Warrantor of a decision of the Principal as to work required pursuant to the terms of this deed, the Warrantor will replace and make good the Subcontract Works or parts thereof and meet the cost of any work required by clause 3 of this deed, despite any dispute or difference between the parties. The Warrantor hereby agrees to indemnify and keep indemnified the Principal against any direct, indirect or consequential loss or damages of any nature whatsoever sustained by it or any entity comprising the Principal, directly or indirectly arising out any failure of the Subcontract Works to meet the standards required by this deed or any breach of this deed by the Warrantor.
6. If within the time prescribed in clause 5 (and the Principal's decision as to what is a reasonable time in any case shall be final and binding upon the parties) the Warrantor fails to fully and properly carry out the required work, the Principal may carry out such work, or cause the work to be carried out. The Warrantor agrees to indemnify and keep indemnified the Principal against any costs incurred by the Principal in performing the work and also against any direct, indirect or consequential loss or damages sustained by the Principal as a result of the Warrantor's failure to rectify the Subcontract Works.
7. The provisions of this deed shall come into operation in favour of the Principal as soon as it has been executed by the Warrantor, notwithstanding that it may not have been or may not thereafter be executed by the Principal.
8. Nothing contained in this deed is intended to nor shall render the Principal in any way liable to the Warrantor in relation to any matters arising out of the Contract or otherwise.
9. The Principal may in its sole discretion, and without any consent from the Contractor or Warrantor, assign, novate, mortgage, encumber or otherwise deal with this deed or any of its interests, rights and obligations under or in connection with this deed at any time.

10. The Warrantor must, if requested by the Principal, execute a deed on terms reasonably required by the Principal giving effect to the assignment, novation, mortgage, encumbrance or other dealing required by clause 9.
11. The Contractor and Warrantor must not assign, novate, mortgage, encumber or otherwise deal with this deed or any of their interests, rights and obligations under or in connection with this deed at any time.
12. The parties agree that this instrument is and shall operate as a deed.


Schedule

Item 1	Name and address of Warrantor	Fine Line Commercial Interior Linings Pty Ltd (ABN 63 162 107 762) of PO Box 1186, Milton, QLD 4064
Item 2 (Recital A)	The Contractor	J. Hutchinson Pty Ltd (ABN 52 009 778 330) of 584 Milton Road, Toowong QLD 4066
Item 3 (Recital A)	The Contract	Contract for the design and construction of a building located at 15-19 Peerless Avenue, Mermaid Beach in the State of Queensland and more particularly described as Dawn by Mosaic between the Contractor and the Principal.
Item 4 (Recital A)	The Subcontract Works	Joinery Works
Item 5 (Recital B)	Equipment included within the Subcontract Works	N/A
Item 6 (clause 1)	Detailed warranty of Warrantor	Refer Attached
Item 7 (clause 2)	Period of years	Refer to Part A of this Deed.

Executed as a Deed

Warrantor

Executed by Fine Line Commercial Interior Linings Pty Ltd (ACN 162 107 762) in accordance with section 127 of the *Corporations Act 2001* (Cth) by:



Signature of Director

Signature of Director/Company Secretary

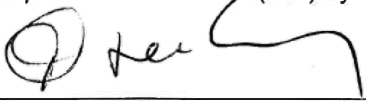


Full name (print)

Full name (print)

Principal

Executed by RL Apartments Pty Ltd (ACN 629 867 376) as the trustee for RL Apartments No1 Trust (ABN 55 236 860 990) and RL Apartments Pty Ltd (ACN 629 867 376) as the trustee for RL Apartments No2 Trust (ABN 55 236 860 990) in accordance with section 127 of the *Corporations Act 2001* (Cth) by:



Signature of Director

Signature of Director/Company Secretary

David Handley

Full name (print)

Full name (print)