

LEASE AGREEMENT

1. PARTICULARS

- 1.1 Landlord - **VUKILE PROPERTY FUND LIMITED**
(Registration Number: 2002/027194/06)
VAT No.: 4010210377
- 1.2 Tenant **OBC GROUP (PTY) LTD**
(Registration Number: 2000/022255/07)
VAT No.: 4500170958
- 1.3 Trading As **OBC CHICKEN AND MEAT**
- 1.4 Leased Premises **Shop No.6-8 and Shop 9A & 9B**, measuring approximately **1,044.04** square meters in the Shopping Centre called **GIYANI PLAZA** ("the Property") situate at Danie Theron Street, Giyani, LIMPOPO.
- 1.5 Tenant's proportionate share (calculated as the rentable area of the Leased Premises expressed as a percentage of the total rentable area of the Building and the Property from time to time): **11.06%**.
- 1.6 Lease Period 6 year(s) and 4 (four) months from **01 July 2018 until 31 October 2024**
- Beneficial Occupation **1 month in respect of the following premises:**
Shop 007, 01 October 2019 until 31 October 2019
Shop 09A, 01 September 2018 until 30 September 2018
Shop 09B, 01 September 2018 until 30 September 2018
- 1.7 Charges payable by Tenant:
- 1.7.1 Basic monthly rental: (Escalating at 7%)

Shop 006

Period	Amount per month	VAT	Total
01 July 2018 to 30 September 2018	R58,833.65	R8,825.05	R67,658.70
01 October 2018 to 31 October 2019	R58,438.50	R8,765.78	R67,204.28
01 November 2019 to 31 October 2020	R62,529.20	R9,379.38	R71,908.58
01 November 2020 to 31 October 2021	R66,906.24	R10,035.94	R76,942.18
01 November 2021 to 31 October 2022	R71,589.68	R10,738.45	R82,328.13
01 November 2022 to 31 October 2023	R76,600.96	R11,490.14	R88,091.10
01 November 2023 to 31 October 2024	R81,963.03	R12,294.45	R94,257.48

Shop 007

Period	Amount per month	VAT	Total
01 October 2019 to 31 October 2019	R0.00	R0.00	R0.00
01 November 2019 to 31 October 2020	R37,845.90	R5,676.89	R43,522.79
01 November 2020 to 31 October 2021	R40,495.11	R6,074.27	R46,569.38
01 November 2021 to 31 October 2022	R43,329.77	R6,499.47	R49,829.24
01 November 2022 to 31 October 2023	R46,362.85	R6,954.43	R53,317.28
01 November 2023 to 31 October 2024	R49,608.25	R7,441.24	R57,049.49

Shop 08A

Period	Amount per month	VAT	Total
01 July 2018 to 30 September 2018	R19,731.45	R2,959.72	R22,691.17
01 October 2018 to 31 October 2019	R27,193.50	R4,079.03	R31,272.53
01 November 2019 to 31 October 2020	R29,097.05	R4,364.56	R33,461.61
01 November 2020 to 31 October 2021	R31,133.84	R4,670.08	R35,803.92
01 November 2021 to 31 October 2022	R33,313.21	R4,996.98	R38,310.19
01 November 2022 to 31 October 2023	R35,645.13	R5,346.77	R40,991.90
01 November 2023 to 31 October 2024	R38,140.29	R5,721.03	R43,861.23

Shop 09A

Period	Amount per month	VAT	Total
01 September 2018 to 30 September 2018	R0.00	R0.00	R0.00
01 October 2018 to 31 October 2019	R15,067.50	R2,260.13	R17,327.63
01 November 2019 to 31 October 2020	R16,122.23	R2,418.33	R18,540.56
01 November 2020 to 31 October 2021	R17,250.79	R2,587.62	R19,838.41
01 November 2021 to 31 October 2022	R18,458.34	R2,768.75	R21,227.09
01 November 2022 to 31 October 2023	R19,750.42	R2,962.56	R22,712.98
01 November 2023 to 31 October 2024	R21,132.95	R3,169.94	R24,302.89

Shop 09B

Period	Amount per month	VAT	Total
01 September 2018 to 30 September 2018	R0.00	R0.00	R0.00
01 October 2018 to 31 October 2019	R20,536.50	R3,080.48	R23,616.98
01 November 2019 to 31 October 2020	R21,974.06	R3,296.11	R25,270.17
01 November 2020 to 31 October 2021	R23,512.24	R3,526.84	R27,039.08
01 November 2021 to 31 October 2022	R25,158.10	R3,773.72	R28,931.82
01 November 2022 to 31 October 2023	R26,919.17	R4,037.88	R30,957.05
01 November 2023 to 31 October 2024	R28,803.51	R4,320.53	R33,124.04

1.7.2 Tenant's proportionate share of rates and taxes:

Shop 006

Period	Amount per month	VAT	Total
01 July 2018 to 31 October 2024	R237.65	R35.65	R273.30

Shop 007

Period	Amount per month	VAT	Total
01 November 2019 to 31 October 2024	R143.84	R21.58	R165.42

Shop 08A

Period	Amount per month	VAT	Total
01 July 2018 to 31 October 2024	R110.59	R16.59	R127.18

Shop 09A

Period	Amount per month	VAT	Total
01 October 2018 to 31 October 2024	R61.27	R9.19	R70.46

Shop 09B

Period	Amount per month	VAT	Total
01 October 2018 to 31 October 2024	R83.52	R12.53	R96.05

(increasing annually as per Clause 3.2 hereof)

1.7.3 Tenant's proportionate share of improvement or similar levy:

Period	Amount per month	VAT	Total
01 September 2017 to 30 April 2021	N/A	N/A	N/A

(increasing annually as per Clause 3.2 hereof)

1.7.4 Tenant's contributions to marketing fund:

Period	Amount per month	VAT	Total
01 September 2017 to 30 April 2021	N/A	N/A	N/A

1.8 All other charges, fees and costs shall be payable by the Tenant as recorded in detail in clause 3 hereunder.

1.9 Turnover Rental, which is more fully set out in Annexure 1.18.4, for the Lease Period:

1.75% of net annual turnover

1.10 Date of Financial Year End of Tenant:

June

1.11 Purposes for which the Leased Premises shall be used:

OBC Chicken and Meat franchised store as it trades nationally

1.12 Lease administration costs (excl. VAT) - **R1,300.00**

1.13 Deposit payable by the Tenant: **R 0.00**

1.14 Landlord's banking details:

Account Name: Broll Property Group – Vukile Property
Bank: Standard Bank
Account Number: 00 160 930 0
Branch: Rosebank
Branch Code: 00 43 05

1.15 Trading Hours:

In this Lease Agreement trading hours shall mean:

Days	Hours
Monday – Friday	09:00 – 17:00
Saturday	09:00 – 15:00
Sunday and Public Holidays	09:00 – 13:00

1.16 Suretyship:

Name	Identification Number	Physical Address
Surety 1: N/A		

1.17 Tenant Installation Allowance (if applicable): R _____
It is specifically recorded in Annexure 1.18.8 that the above amount must be utilised by the Tenant on or before _____ [insert date 6 months from date of signature of Lease Agreement], failing which the Tenant shall forfeit the Tenant Installation Allowance and the Landlord shall not pay all or any balance of the Tenant Installation Allowance, as the case may be, to the Tenant.

1.18 Annexures to the Lease Agreement:

- a) Annexure 1.18.1: Tenant's Resolution
- b) ~~Annexure 1.18.2: Suretyship~~
- c) Annexure 1.18.3: House Rules
- d) Annexure 1.18.4: Turnover Rental
- e) ~~Annexure 1.18.5: Marketing Fund~~
- f) ~~Annexure 1.18.6: Franchisor Business Continuation~~
- g) Annexure 1.18.7: Penalty for failure to deliver Turnover Statements
- h) ~~Annexure 1.18.8: Fitting out of Leased Premises~~
- i) Annexure 1.18.9: Debit Order Authorisation
- j) Annexure 1.18.10: Re - Building
- k) Annexure 1.18.11: Relocation of Tenant

This Lease Agreement together with the Annexures thereto is hereinafter collectively referred to as "the Lease Agreement".

2. LEASED PREMISES

- 2.1 The building in which the Leased Premises is located, is hereinafter referred to as "the Building", while the land on which the Building is located, is hereinafter referred to as "the Property".
- 2.2 The Building (including the Leased Premises) and the Property are herein jointly referred to as "the Complex".
- 2.3 Appurtenances, fixtures and fittings provided by the Landlord on the Leased Premises form part of the Leased Premises.
- 2.4 The Tenant confirms that the Leased Premises have been identified to it.
- 2.5 The Tenant will notify the Landlord of any defects or damage in the Leased Premises in writing within 14 (fourteen) days from the commencement of the Lease Period, failing which the Landlord shall not be obliged to rectify the defects in the Leased Premises.
- 2.6 The Tenant must satisfy itself that the Leased Premises are suitable for the purpose for which they are let. The Landlord does not warrant that the Leased Premises are fit for the purpose for which they are let or for any other purpose whatsoever

or that any form of exclusivity in respect of the use of the Leased Premises shall exist or be granted or that the Tenant shall be granted a licence or permit in respect of the Leased Premises for the conduct of any business, or that any licence or permits granted shall be renewed from time to time, and there shall be no obligation on the Landlord to do any work or make any alterations or repairs to the Leased Premises to comply with the requirements of any licensing authority or other authority.

- 2.7 Should the area of the Leased Premises be found to be less than the area stated in 1.4, the Tenant shall not be entitled to a remission or refund of any amount paid or payable by the Tenant, including the basic monthly rental, contribution to the marketing fund, rates and taxes, municipal charges and utilities. Any discrepancy between the stated measurement of the premises and the actual measurement of the Leased Premises shall not entitle the Tenant to cancel the Lease Agreement.

3. SERVICES AND CHARGES PAYABLE BY TENANT

- 3.1 In addition to basic monthly rental and other charges as set out in clause 1.7 of the Schedule (if applicable), the Tenant shall pay on demand without set-off or deduction, on a monthly basis on or before the first day of each calendar month of the Lease Period:

- 3.1.1 In respect of the Leased Premises:

- 3.1.1.1 the cost of all water and the cost of all electricity, including but not limited to, ~~electrical maximum demand charges~~, basic electrical charges, connection fees, reticulation costs and charges and all other electrical consumption, including but not limited to the Tenant's signage illumination, including all meter reading charges if metered and, if ~~not metered, the Tenant's proportionate share of the aforementioned charges, fees and costs.~~ For the avoidance of any doubt, the Tenant acknowledges that it shall pay the cost of all electricity to the Landlord as recorded in this clause 3, calculated at the same rate as the Tenant would pay to that authority or supplier had such electricity been supplied direct to the Tenant and irrespective of any different rate at which that authority or supplier has contracted or may contract with the Landlord on a bulk supply or any other basis. The onus of proving an inaccurate meter reading shall lie with the Tenant; **The landlord shall install one submetered for the leased premises at its own cost.**

- 3.1.1.2 the Tenant's proportionate share of sanitary fees, sewerage or effluent charges alternatively if calculated by the Local Authority on any method relating to the consumption of water on the Leased Premises, then on such basis;

- 3.1.1.3 the Tenant's proportionate share of refuse removal whether or not such services are utilised by the Tenant, provided that if the volume of refuse generated by the Tenant is higher per square metre of the space occupied than the average, the calculation will be weighted to take account thereof. Should any legislation or governing body prescribe a specific refuse removal, the cost thereof and if the use is shared by the Tenant, the cost will be proportionally shared by all users thereof;

- 3.1.1.4 the Tenant's metered cost of gas consumed and charges relating to the supply thereof (if applicable);

- 3.1.1.5 the total, alternatively the Tenant's share, of water and electricity consumed in respect of air-conditioning and if applicable, the maintenance cost of the air-conditioning plant serving the Leased Premises. The Tenant's share of costs shall be calculated as the area of the Leased Premises expressed as a percentage of the total area served by such air-conditioning plant serving multiple premises. The Tenant's share of such maintenance costs shall be certified by the Landlord's mechanical engineer, or suitably qualified facilities/technical advisor. The provisions of this clause shall with the necessary changes having been made (*mutatis mutandis*) apply with regard to fresh air ventilation;

- 3.1.1.6 the Tenant's metered costs, alternatively if not metered the Tenant's proportionate share of electricity and water consumed by the dedicated air-conditioning units and/or fresh air ventilation servicing the Leased Premises;

- 3.1.1.7 if applicable, the Tenant's proportionate share of the cost of diesel of any standby generator supplying power to the Leased Premises from time to time

- 3.1.2 ~~In respect of the common areas, including the parking areas and internal and external areas of the Building, Property and Complex:~~

- ~~3.1.2.1 the Tenant's proportionate share of electricity, water, sewerage and meter reading charges;~~

- ~~3.1.2.2 the Tenant's proportionate share of street cleaning, signage approval costs and signage levy (if applicable);~~

- 3.1.3 The Tenant's proportionate share of all rates and taxes as recorded in clause 1.7.2.

- 3.2 If at any time during the currency of the Lease Agreement, the charges in respect of assessment rates, improvement levies and imposts or taxes are increased, then with effect from the date upon which any such increases become effective the Tenant shall pay an additional amount equal to the Tenant's proportionate share of such increases.

- 3.3 Should the Local Authority or supplier impose any new form of tax or levies in respect of the Building and/or the Property, then the Tenant shall pay to the Landlord the Tenant's proportionate share thereof.

- 3.4 In the event of any interruption of any services or facilities or common services or facilities, or should any such services and conveniences or equipment become unusable, the Tenant shall not be entitled to a reduction of any amounts payable in

terms of this Lease Agreement, or withhold or defer payment of any amounts or have any claim of whatsoever nature against the Landlord or its agents and/or employees, except in such instances where the Landlord was grossly negligent and the Tenant may furthermore not cancel this Lease Agreement. The Landlord will however use its reasonable endeavours to fix and/or repair such services and/or equipment.

- 3.5 ~~The Landlord shall be entitled to recover from the Tenant, the Tenant's proportionate share of the Landlord's monthly instalment and special levies payable (whether such amounts are paid on a monthly basis or not) to the Body Corporate, Property Owners Association, City Improvement District Levy or any similar and/or related organisation, should such an organisation exist or be formed, as per clause 1.7.3.~~
- 3.6 Notwithstanding anything to the contrary contained in this Lease Agreement, and without granting the Tenant consent to do so, where the Tenant is required to pay any amounts directly to a Local Authority in respect of rates, taxes, levy/ies or other service charges, electricity, gas, water, sewerage or refuse removal the Tenant shall promptly pay such amounts in accordance with the payment terms of such Local Authority and submit copies of such accounts and receipts to the Landlord to serve as confirmation of such payment. Failure to comply with the provisions hereof shall constitute a breach of the Lease Agreement.
- 3.7 The Tenant hereby consents to the Local Authority informing the Landlord from time to time of details of the payments which have been made in terms of clause 3.6 above.
- 3.8 Should any future legislation introduce a penalty or an extra charge or levy on electricity and/or water consumption based on usage of electricity and/or water or as directed in such legislation, the Landlord shall be entitled to recover such penalty or extra charge or levy from the Tenant if such Tenant's usage of electricity and/or water results in a penalty or extra charge or levy. A certificate issued by the Landlord shall constitute evidence at first glance (*prima facie* proof) of the Tenant's liability and the amount stated therein.
- 3.9 ~~The Landlord shall be entitled to claim from the Tenant a deposit amount equal to the estimated consumption costs of electric current in respect of 2 (two) months.~~
- 3.10 The Tenant shall pay the Tenant's proportionate share of any costs which the Landlord may incur in an attempt to acquire a decrease in the valuation of the Building or Property from the local authority.

4. PAYMENT

- 4.1 All payments due by the Tenant in terms of the Lease Agreement will be made by one of the following means:
- 4.1.1 by debit order in accordance with the provisions of Annexure 1.18.9; or
- 4.1.2 by direct deposit into the Landlord's bank account, at any branch of the Landlord's banker, by making use of the deposit slip attached to the Tenant's invoice; or
- 4.1.3 by electronic transfer, at all times furnishing the correct tenant number as deposit reference.
- 4.2 Payments will be made without demand, free of exchange and without deduction or set off for any reason whatsoever, as follows:
- 4.2.1 the basic monthly rental, the Tenant's proportionate share of the improvement levy, the Tenant's proportionate share of rates and taxes, the Tenant's contribution to municipal charges, the Tenant's contribution to marketing fund and the Tenant proportionate share of common area electricity, monthly in advance on or before the first day of each month;
- 4.2.2 Lease administration costs and deposit on or before the earlier of the date on which the Tenant signs this Lease Agreement and the date on which the Tenant takes possession of the Leased Premises;
- 4.2.3 all future payments in respect of Stamp Duty which become payable after the execution of the Lease Agreement, will be paid by the Tenant upon demand;
- 4.2.4 any other amount owing on demand.
- 4.3 The Landlord may appropriate any payment received from or for the benefit of the Tenant in reduction of any amount or debt whatsoever payable by the Tenant to the Landlord in terms of the Lease Agreement.
- 4.4 If the Tenant fails to make payment to the Landlord of any amount payable by it in terms of the Lease Agreement, then the Landlord may (without prejudice to any other rights and remedies which it may have) recover interest from the Tenant on the amount outstanding at the mora interest rate as defined in the Prescribed Rate of Interest Act No. 55 of 1975 (as amended) and such interest shall be compounded monthly from the due date for payment of the amount in respect of which the interest is chargeable until the payment of such amount in full.
- 4.5 Without prejudice to any rights and remedies of the Landlord and notwithstanding any legal rule to the contrary, payments made by post will only have been validly made when the payment is received by the Landlord and if made in terms of any instrument, other than cash, when such instrument has been honoured. Furthermore the Tenant bears the risk of such payment not being delivered by post timeously or at all, whether as a result of loss, theft, delay or any other reason.

- 4.6 The parties record that the Landlord's bank account details are not likely to change, however, such change will be communicated by registered mail on an official letterhead from the Landlord signed by the Financial Director of the Managing Agent and addressed to the Tenant's address (*domicilium*). The authenticity of this registered letter shall, after receipt and before the Tenant takes action on such letter, be verified by the Tenant in writing as soon as possible and without causing any delay in payment of any amount on the due date in terms of this Lease Agreement. Without limiting the Landlord's rights, any payment, including payments not verified as stipulated herein, shall be at the Tenant's risk.

5. MAINTENANCE AND ALTERATIONS

- 5.1 The Tenant is liable for:

- 5.1.1 any damage caused to the Complex by it or for which it is vicariously liable;
- 5.1.2 any damage to the interior of the Leased Premises as well as to the inside and outside of its doors and windows (including, but not limited to frames, burglar-proofing, fluorescent tubes, light bulbs, choking-coils etc.) and shall be responsible to repair or replace at its own expense any damaged items, save and except for damage caused by the Landlord or by persons for which the Landlord is vicariously liable;
- 5.1.3 maintaining at its cost the interior of the Leased Premises (including but not limited to geysers, plumbing, grease traps, extraction canopies and fans) in good order and condition and where applicable, in accordance with the manufacturer's requirements;
- 5.1.4 maintaining any non-centralized air-conditioning unit serving the Leased Premises which the Tenant has installed itself, in good order and condition in accordance with the manufacturer's requirements.

In the event of a dispute as to whether the Tenant is liable in terms of 5.1.1, 5.1.2, 5.1.3 and 5.1.4 hereof, the onus is on the Tenant to prove that it is not so liable.

- 5.2 The Tenant shall at its cost, keep the interior of the Leased Premises as well as the inside and outside of its doors, door mechanisms and windows (including frames and burglar-proofing) operational, clean and hygienic at all times.
- 5.3 In order to comply with amongst other things, the manufacturer's warranties, insurance obligations, certificates issued and to ensure continuity, the Tenant shall not, without the Landlord's prior written consent, change or interfere with the electrical, lighting, heating installations, air-conditioning equipment or appliances in the Leased Premises.
- 5.4 On vacating the Leased Premises, the Tenant will at its cost, reinstate the Leased Premises in terms of the attached ANNEXURE.
- 5.5 In order to maintain the integrity of the Building, the Tenant may not make any alterations, additions or improvements to the Leased Premises without the prior written consent of the Landlord. The Tenant shall be liable for all costs occasioned by such alteration or addition, including but not limited to the cost of reconfiguring any installation or amenity, as well as the wasted water in re-commissioning any sprinkler system.
- 5.6 Without derogating from the other provisions of the Lease Agreement, the Landlord is not liable to compensate the Tenant for any alterations, additions or improvements made to the Leased Premises. The Tenant waives the right it may have during the currency of this Lease Agreement or after termination or cancellation of this Lease Agreement for any reason whatsoever to an enrichment or other lien for any alterations, additions or improvements of the Leased Premises.
- 5.7 In order to ensure conformity, no contractors may be employed by the Tenant to do any work in the Leased Premises other than contractors approved by the Landlord in writing.
- 5.8 The Tenant will at all reasonable times permit the Landlord to have access to the Leased Premises for the purpose of carrying out inspections or to carry out any repairs or building works which the Landlord deems necessary, and to recover the cost of such repairs from the Tenant.

6. RE-BUILDING AND RELOCATION

- 6.1 ~~The Landlord may terminate this Lease Agreement or any renewal thereof by giving the Tenant a minimum of 6 (six) months' written notice to such effect in all or any of the following circumstances;~~
- 6.1.1 ~~Should the Landlord or its successors in title wish to demolish the Complex, the Building or the Leased Premises;~~
- OR;
- 6.1.2 ~~Should the Landlord or its successors in title wish to reconstruct and/or redevelop and/or renovate the Complex, the Building or the Leased Premises;~~
- 6.2 ~~The Landlord, shall however, have the right at any time to commence the reconstruction and/or redevelopment and/or renovation of the Complex or the Building, other than the Leased Premises, and these operations may proceed while the Tenant is in occupation of the Leased Premises.~~

- 6.3 Notwithstanding the implementation of any work as contemplated in 6.2 above, the Tenant shall have no right to object to such work or to claim any rebate of rental during the period in which the said work may be in progress nor shall the Tenant have any claim for damages of whatsoever nature by reason of the earlier termination of this Lease Agreement as provided for in 6.1.
- 6.4 The Landlord reserves the right at any time to relocate the Tenant from the Leased Premises to any new premises of substantially the same size in the Building or the Complex. If the Landlord wishes to exercise this right it shall give the Tenant written notice to that effect, specifying:
- 6.4.1 the new location proposed for the Leased Premises;
- 6.4.2 the date upon which the relocation is to occur, which shall not be earlier than 60 (sixty) days after the Landlord gives the notice.
- 6.5 The Tenant shall be entitled, within 14 (fourteen) days after receipt of the Landlord's written notice as aforesaid, to refuse the proposed relocation (with the understanding that no notice from the Tenant within the time period referred to above shall also be deemed as a refusal of the proposed relocation). Should the Tenant accept the relocation, the Tenant shall be relocated in accordance with the notice given to the Tenant by the Landlord.
- 6.6 However should the Tenant refuse the proposed relocation, this Lease Agreement shall be terminated after 90 (ninety) days from receipt of the notice from the Landlord referred to clause 6.4 above.
- 6.7 The Landlord shall be entitled, irrespective of whether or not it elected to terminate this Lease Agreement in terms of clause 6.1 above or whether it gave the Tenant notice of relocation in terms of clause 6.4 above, at any and all times during the currency of this lease to affect any such repairs, alterations, improvements and/or additions to the Leased Premises or the Building or the Complex and/or erect such further buildings on the Property as the Landlord in its discretion may decide to carry out or erect and for any such purpose erect or cause to be erected scaffolding, hoardings and/or building equipment and also such devices as may be required by law or which the architects may certify to be reasonably necessary for the protection of any person against injury arising out of the building operations in such manner as may be reasonably necessary for the purpose of any of the works aforesaid, in, at, near or in front of the Leased Premises (including any and/or all parking areas, whether reserved, un-reserved, specified or un-specified).
- 6.8 The Landlord shall further be entitled by itself, its contractors and sub-contractors, its architects, its quantity surveyors, its engineers and all artisans and all other workman engaged on the works to such rights of access to the Leased Premises, parking areas or any other areas as maybe reasonably necessary for the purposes aforesaid.
- 6.9 The Landlord shall further be entitled to lead pipes and other services through the Leased Premises should it be necessary to link such pipes or other services with any other premises provided that in doing so that the Landlord does not unduly interfere with the Tenant's beneficial use of the Leased Premises. In exercising its above rights, the Landlord shall use its best endeavours to cause as little interference with the Tenant's beneficial use of the Leased Premises.
- 6.10 The Tenant shall have no claim against the Landlord for compensation, damages or otherwise, nor shall the Tenant have any right to remission or withholding of any amounts payable in terms of this Lease Agreement, by reason of any interference with its tenancy or its beneficial use of the Leased Premises occasioned by any such repairs or building works as are herein before contemplated or arising from any failure or interruption in the supply of water and/or electricity and/or heating and/or gas and/or any other amenities to the Leased Premises for the temporary cessation or interruption of the operation of any lifts, elevators and hoists in the Building.
- 6.11 It is specifically recorded that the purpose of these provisions, among other things, is to give the Landlord flexibility to control its investment in a competitive market in the Landlord's unfettered discretion.

7. MANAGEMENT AND USE OF THE COMPLEX

- 7.1 The Tenant will abide by all rules made by the Landlord in respect of the management and use of the Complex as advised by the Landlord to the Tenant from time to time. Such rules may among other things, be in respect of security, safety, fire, access, parking, common areas, the keeping or attaching of anything (also name boards) visible from outside the Leased Premises, waste management, delivery, refuse removal and other services. A breach of such rules will be deemed a breach of the Lease Agreement.
- 7.2 The Landlord may reasonably control, restrict or deny access to the Complex in the interest of security or safety and may secure the Complex as it sees fit. The Tenant is responsible for the security of the Leased Premises at its own cost. The Tenant's security shall comply with the rules made by the Landlord referred to in clause 7.1 above and shall abide by the decisions of the Landlord's security service provider (if any).
- 7.3 The Tenant will use the Leased Premises for the purpose referred to in 1.11 hereof and may not use it for any other purpose. The Landlord does not warrant that any other premises in the Building will not be let for the same or similar purposes.
- 7.4 The Tenant may not permit any unlawful use of the Leased Premises or any use which is contrary to the conditions of title, registered servitudes and the provisions of the town planning scheme, applicable in respect of the Property or in contravention of any laws applicable to the business conducted from the Leased Premises, such as but not limited to the Consumer Protection Act No. 68 of 2008.

- 7.5 The Landlord is not liable for any inconvenience or damage suffered by the Tenant on account of the interruption or temporary restriction of services to the Leased Premises, restriction or denial of access to the Complex, the application of security or safety measures, maintenance and repair work and work to effect alterations, additions or removals. The Landlord undertakes to use its best endeavours to solve such problems with regard to services, access, security measures and/or works as soon as reasonably possible and with as little inconvenience to the Tenant as possible.
- 7.6 The Tenant will keep the Leased Premises continuously open during the Trading Hours (referred to in 1.15 hereof) and will at all such times conduct its business from the Leased Premises on a normal basis. The Landlord may reasonably alter the Trading Hours referred to in 1.15 hereof with 30 (thirty) days written notice to the Tenant.
- 7.7 The Tenant will keep all display windows transparent. The Tenant may exhibit displays in the display windows which in the reasonable discretion of the Landlord are in accordance with the appearance and image of the Complex.
- 7.8 The Tenant shall not:
- 7.8.1 bring into or place any safe or other heavy machinery or equipment in the Leased Premises or Building which exceeds the floor design load of the Building or of the Leased Premises;
 - 7.8.2 display or sell any merchandise, goods, or objects on any part of the property outside the Leased Premises;
 - 7.8.3 not operate a wholesale or factory outlet, co-operative, army or navy store, or a Government surplus store;
 - 7.8.4 conduct an auction, closing down or insolvency sale or display such notices on the shopfront windows.
- 7.9 The Tenant may not overload the electricity supply to the Leased Premises and shall co-operate and comply with any Green Building and energy saving initiatives and measures imposed by the Landlord or any authority from time to time.
- 7.10 No heating or air-conditioning appliances (other than as supplied by the Landlord) may be used in the Leased Premises, without the Landlord's written consent.
- 7.11 The Landlord may at any time place any licence or business notice on the exterior of the Leased Premises. "To Let" signs may, unless agreed otherwise in writing, may be placed on the exterior of the Leased Premises during the last 3 (three) months of the Lease Period and upon cancellation of the Lease Agreement in event of breach by the Tenant. During this period the Landlord will be entitled to show the Leased Premises to any prospective tenant.
- 7.12 The Tenant, as far as is reasonably practicable, undertakes to comply with the Occupational Health and Safety Act (Act 85 of 1993) and to provide and maintain a working environment that is safe and without risk to the health of all its employees, clients, invitees, visitors and contractors. The Tenant hereby indemnifies the Landlord and/or its managing agents and hold them harmless against any claims by any third parties arising from any loss or injury which may occur within the Leased Premises.
- 7.13 The Tenant undertakes to comply with the provisions of the Environmental Conservation Act (No 73 of 1989) (with specific reference to the handling, storage, collection and disposal of waste).
- 7.14 The Tenant shall ensure that nothing shall be done, permitted or omitted contrary to the statutory provisions of the Tobacco Products Control Act No. 83 of 1993, as amended, from time to time, and/or any regulation, ordinance or by-law promulgated thereunder (the "**Tobacco Act**") which relates to the use of the Leased Premises by the Tenant and/or the Tenant's activities and occupation of the Leased Premises whereby the Tenant and/or the Landlord may be liable on conviction to a fine, penalty and/or imprisonment in terms of or under the Tobacco Act. In the event that the Landlord is found guilty of an offence and liable on conviction to a fine or a penalty, the Landlord shall be entitled to recover the amount of such fine or penalty from the Tenant on demand.
- 7.15 The Tenant shall in the following events at its cost furnish the Landlord with an electrical certificate of compliance in respect of the electrical installations on the Leased Premises:
- 7.15.1 where the fitting-out of the Leased Premises has been undertaken by contractors appointed by the Tenant, in which event the necessary certificate must be delivered to the Landlord within 7 (seven) days after the date of occupation of the Leased Premises by the Tenant; and
 - 7.15.2 within 7 (seven) days after vacating the Leased Premises, failing which the Landlord will be entitled to obtain the necessary certificate and recover the cost so incurred (including the cost of any work and equipment in order to obtain such certificate) from the Tenant.
- 7.16 The Tenant warrants that any information regarding goods or services, which are presented to the Landlord for any purpose, including but not limited to advertising, marketing or publishing, shall not be in contravention of the Consumer Protection Act No. 68 of 2008. The Tenant hereby indemnifies the Landlord and holds the Landlord harmless in respect of any claim whatsoever resulting from a breach of this warranty.
- 7.17 The parties record that, should the Tenant or its agents request assistance from the Landlord or its agents in case of an alleged shop lifting or other alleged crime committed by any party and such assistance is granted (without being obliged to do so), the Tenant hereby indemnifies and holds the Landlord or its agents harmless against any claims resulting from such assistance by the Landlord or its agents.

7.18 The Tenant undertakes to:

7.18.1 immediately inform the Landlord, in writing, of any industrial action and/or process where an order is sought or applied for in terms of which industrial action would be allowed in any location other than the Leased Premises, for example on the Property or the Complex. The Tenant shall not wilfully agree to and shall oppose any application in terms of which any industrial action would be allowed in any location other than the Leased Premises for example on the Property or the Complex (excluding the Leased Premises);

7.18.2 use its best endeavours to limit the noise levels and nuisance caused by any industrial action by its employees.

7.19 The Tenant indemnifies and holds the Landlord harmless against any protest, picketing, strike, unlawful occupancy, nuisance and disturbance carried out by any employees and/or third party/parties on the Leased Premises and/or the Property directed to or relating to the Tenant.

7.20 The Tenant shall:

7.20.1 prevent any blockage of sewerage or water pipes or drains in or used in connection with the Leased Premises and shall at the Tenant's own cost remove any obstruction or blockages in any sewer, water pipes or drains serving the Leased Premises and, where necessary, repair the sewer pipe or drain concerned;

7.20.2 ensure that the Leased Premises are kept pest free at all times at the Tenant's own cost.

8. EXCLUSION OF LANDLORD'S LIABILITY FOR DAMAGES

Neither the Landlord nor its agents or employees shall be liable for any loss of life or injury to person or damage which may be caused to any of the assets of the Tenant including stock-in-trade, fixtures, fittings, books, papers and otherwise in the Leased Premises or to the Tenant or its employees, invitees, customers or licencees in consequence of the overflow of water supply or any leakage or of any fault in the plumbing works or any electrical fault or by reason of the elements of the weather or of any work carried out on the part of the Landlord or its agents or employees in a proper manner or by reason of any latent or patent defects or as a result of any other cause whatsoever and the Tenant indemnifies the Landlord against liability for any damage or loss whatsoever which the Tenant's directors, employees, clients, servants, invitees, visitors or any other person may suffer on the premises, irrespective of the cause. No action by the Landlord, including in particular the provision of any security service to the Complex or Property, shall be construed in any way whatsoever as an acceptance by the Landlord of any responsibility whatsoever towards the Tenant or any other person.

9. CESSION AND SUBLETTING

In keeping with among other factors, the tenant mix of the Building, the Tenant may not cede any of its rights or delegate any of its obligations in terms of the Lease Agreement or sublet or give up occupation of the Leased Premises (or part thereof) to any person without the prior written consent of the Landlord, which consent shall not unreasonably be withheld, however may be granted subject to terms and conditions. The onus is on the Tenant to prove unreasonableness.

10. BREACH AND CANCELLATION

10.1 Should the Tenant:-**after 7 days written notice**

10.1.1 fail to pay rental or any other amounts owed to the Landlord in terms of the Lease Agreement on due date; and/or

10.1.2 be placed in liquidation (whether provisionally of final) or under business rescue; and/or

10.1.3 (if applicable) fail to keep any Franchise in respect of the business conducted in the Leased Premises, or be interdicted (permanent or temporarily) from conducting business under the name and style of any Franchise; and/or

10.1.4 breach any term (not specifically dealt with in clauses 10.1.1, 10.1.2 or 10.1.3 above) of the Lease Agreement and fail to remedy such breach within a period of 7 (seven) days of receipt of written notice from the Landlord to that effect; and/or

10.1.5 breach any term of the Lease Agreement on 2 (two) or more occasions and the Landlord having required the Tenant, in writing, to remedy such breach and the Tenant commits a subsequent breach of the Lease Agreement (whether or not the breach is the same) and without requiring the Tenant to remedy such breach;

then the Landlord may, without prejudice to its other rights and remedies against the Tenant:

10.1.6 cancel the Lease Agreement with immediate effect and ~~retake possession of the Leased Premises~~; or

10.1.7 convert the Lease Agreement to one in which the Landlord is, but not the Tenant which shall continue to be bound for the full period of the Lease Agreement, entitled to terminate the Lease Agreement by giving 7 (seven) business days' written notice of termination to the Tenant, the remaining terms and conditions being otherwise unaffected.

10.2 If the Tenant is a private company or close corporation and it intends to change the holdings of its shareholders or members so that the shareholders or members who held the controlling interest when the Lease Agreement was entered into, will no longer do so, then:

10.2.1 the Tenant will inform the Landlord in writing of such intended change; and

10.2.2 obtain the Landlord's written consent to such change, which consent shall not unreasonably be withheld by the Landlord. The onus is on the Tenant to prove unreasonableness,

~~provided that should the Tenant fail to inform the Landlord of an intended change as contemplated in 10.2.1 or should the Landlord withhold its consent to any such change and the Tenant nevertheless proceeds to change the holdings of its shareholders or members, the Landlord may terminate the Lease Agreement by giving the Tenant 4 (one) calendar month's written notice.~~

10.3 If the Tenant disputes any early termination of this Lease Agreement and remains in possession of the Leased Premises, it shall continue to pay the basic monthly rental and all other amounts payable by the Tenant to the Landlord in terms of the Lease Agreement on due date and will continue to fulfil its other obligations in terms of the Lease Agreement pending the determination of such dispute. The Landlord will be entitled to accept such payments without prejudice to any of its rights or remedies and shall not in any way whatsoever affect the Landlord's claim of cancellation or damages. If such dispute is resolved in favour of the Landlord, then any such payments made by the Tenant in terms hereof, will be deemed to have been paid on account of damages suffered by the Landlord as a result of the unlawful holding over by the Tenant of the Leased Premises.

10.4 If the Tenant remains in occupation of the Leased Premises after the expiry of the Lease Period (referred to in 1.6), then the Tenant's occupation of the Leased Premises shall be on a monthly basis, subject to a **7% (seven percent)** increase of the basic monthly rental, contribution to the marketing fund, improvement levy and parking rental payable by the Tenant in the month preceding the expiry of the Lease Period. The foregoing shall be without prejudice to any rights of the Landlord in terms of this Lease Agreement or in law and shall not constitute a tenancy other than a lease on a monthly basis as recorded herein.

11. INSURANCE, DAMAGE AND DESTRUCTION

11.1 The Tenant may not do or permit anything to be done which invalidates the Landlord's insurance policies in respect of the Building and/or Leased Premises or which causes insurance claims to be unenforceable or which increases the premiums of such insurance or any excess payable under it. Particulars of the insurance in respect of the Building and/or Leased Premises will be made available by the Landlord on written request from the Tenant.

11.2 The Tenant shall be responsible for the cost of repair of all damage to the glass doors and windows of the Leased Premises.

11.3 If the Leased Premises or the Building is damaged or destroyed to such an extent that it becomes substantially untenable and inaccessible, as determined by an independent registered assessor, for a period of at least one month, then either party may:

11.3.1 by written notice to the other, terminate the Lease Agreement from date of such damage or destruction; or

11.3.2 alternatively and by written agreement between both parties, the Landlord may rebuild or restore the Leased Premises or the Building, provided that during such rebuilding or restoration the basic monthly rental will be abated in accordance with the extent of any loss of beneficial use suffered by the Tenant.

11.4 In the event of either party terminating this Lease Agreement in terms of clause 11.3.1, then and in such an event, neither party shall have any claim of whatsoever nature against the other, arising out of such termination.

12. CREDIT VERIFICATION

The Tenant consents to the Landlord and/or its agents requesting any information available on any credit bureau regarding the Tenant and if applicable any sureties stipulated herein from time to time during the currency of this Lease Agreement as well as any extension thereof.

13. DEPOSIT OR BANK GUARANTEE

13.1 The Tenant shall, on signature of this Lease Agreement, elect to pay the deposit amount stipulated in clause 1.13 either in cash or by bank guarantee in a form acceptable to the Landlord as security for the Tenant's obligations to the Landlord in terms of the Lease Agreement.

13.2 Until the Tenant has paid the deposit or delivered a bank guarantee as required in terms of clause 13.1 above, it shall not be entitled to take occupation of the Leased Premises. Failure to submit a bank guarantee as recorded herein shall result in the deposit immediately becoming due and payable in cash.

13.3 The Landlord shall have the right to apply the whole or any portion of the deposit or bank guarantee towards the payment of any amount including, basic monthly rental, rates and taxes, contribution to marketing fund, municipal charges, assessment rates, improvement levy, electric current, key replacements, renovations, gas, water, sewer, effluent and refuse or any other liability of whatsoever nature for which the Tenant is responsible.

- 13.4 If any portion of the deposit or bank guarantee is so applied, the Tenant shall on written demand from the Landlord or its agents reinstate the deposit or bank guarantee it to its original amount.
- 13.5 The deposit paid by the Tenant (including interest thereon) or bank guarantee, as the case may be, will be security for the Tenant's obligations in terms of the Lease Agreement (including any cancellation thereof).
- 13.6 (Where applicable) the deposit (including interest thereon), but after deduction of all amounts owing by the Tenant to the Landlord, will be repaid to the Tenant within 90 (ninety) days after the Lease Agreement terminates for any reason whatsoever. The interest on the deposit will be calculated based on the prime link rate of the Landlord's banker at the time less 5 (five) percentage points per annum, compounded annually in arrears. For the avoidance of any doubt, and as an **example only**, the parties acknowledge and understand that if the prime link rate equals 11 (eleven) percentage points, the interest on the deposit will be calculated at 6 (six) percentage points (i.e. eleven percentage points less five percentage points, equals six percentage points). A certificate issued by any manager of the Landlord's bankers (whose authority and certification will not have to be proved) shall constitute evidence at first glance (*prima facie* proof) of such prime link rate.

14. SURETYSHIP

~~The person or persons named in clause 1.16 shall furnish personal suretyships together with the signing of this Lease Agreement. Should such person or persons fail to sign such suretyship(s), then it shall be deemed that the Tenant shall be in breach of the terms and conditions of this Lease Agreement, and the Landlord shall be entitled to exercise all its rights hereunder and consequent upon a breach by the Tenant of its obligations.~~

15. ADDRESS FOR SERVICE OF DOCUMENTS AND NOTICES (DOMICILIUM AND NOTICES)

- 15.1 The parties choose their address for service of documents and notices (*domicilium citandi et executandi*) for all purposes of the giving of any notice, the serving of any process and for any other purpose arising from this agreement, as follows:

- 15.1.1 The Landlord:

**VUKILE PROPERTY FUND LTD
C/O BROLL PROPERTY GROUP (PTY) LTD
ONE-ON-NINTH BUILDING
CORNER GLENHOVE ROAD AND NINTH STREET
MELROSE ESTATE**

- 15.1.2 The Tenant:

**OBC Head Office
1158 LOUWLARDIA DRIVE
LOUWLARDIA
CENTURION,1683**

- 15.2 Each party shall be entitled from time to time, by written notice to the other, to vary its address for service of documents and notices (*domicilium*) to any other physical address within the Republic of South Africa.

- 15.3 Any notice given by a party to the other party which is:

- 15.3.1 delivered by hand during the normal business hours of the addressee at the addressee's address for service of documents and notices (*domicilium*) shall be rebuttably presumed to have been received by the addressee at the time of delivery;

- 15.3.2 posted by prepaid registered post from an address within the Republic of South Africa to the addressee at the addressee's address for service of documents and notices (*domicilium*) shall be rebuttably presumed to have been received by the addressee on the seventh day after the date of posting.

- 15.4 Any notice given by a party to the other party by fax shall be rebuttably presumed to have been received by the addressee on the date of successful transmission thereof.

- 15.5 Notwithstanding anything to the contrary in this clause 15, a written notice or other communication actually received by a party shall be adequate notice to it notwithstanding that the notice was not delivered to its given address for service of documents and notices (*domicilium*).

16. EXERCISE OF RIGHTS

- 16.1 Each party hereby consents to the jurisdiction of the Magistrate's Court should either party institute legal proceedings out of that Court, notwithstanding that the amount in issue may exceed the jurisdiction of such Court.

- 16.2 Should the Landlord institute action against the Tenant pursuant to a breach by the Tenant of this Lease Agreement, then without prejudice to any other rights which the Landlord may have, the Landlord shall be entitled to recover all legal costs incurred by it, including attorney/client charges, tracing fees and such collection commission as the Landlord is obliged to pay to its attorneys, from the Tenant.

17. ARBITRATION

- 17.1 For the purposes of this clause 17, the term "dispute" will be interpreted in its widest sense and shall include any dispute or difference in connection with or in respect of the conclusion or existence of the Lease, the carrying into effect of this Lease, the interpretation or application of the provisions of this Lease, the Parties' respective rights and obligations in terms of and arising out of this Lease, including also (but not limited in any manner whatsoever) the Landlord's right to evict the Tenant, to claim payment of any amounts payable in accordance with the provisions of the Lease Agreement (including any holding-over), the determination of any amounts payable, to claim payment of recoveries, to relocate the Tenant, to terminate this Lease Agreement in case of redevelopment and/or renovation and/or upgrading of the Leased Premises or the building and to effect any alterations or additions to the Leased Premises or the Building, as well as in respect of the validity, enforceability, rectification, termination or cancellation, whether in whole or in part, of this Lease Agreement.
- 17.2 Any one of the Parties will be entitled to refer a dispute to arbitration in accordance with the provisions of this clause 17.
- 17.2.1 The referring Party shall notify the non-referring Party of its intention to refer such dispute to arbitration in terms of this clause 17 by notice in writing of its intention to do so ("the arbitration notice").
- 17.2.2 The arbitration notice must be delivered to the non-referring Party's domicilium (address for service of documents and notices). The arbitration shall be before one arbitrator. The arbitration notice shall include the names of three practicing advocates (with no less than 10 (ten) years' experience) proposed for appointment as arbitrator.
- 17.2.3 The non-referring Party shall have a period of 5 (five) calendar days from delivery of the arbitration notice to elect one of such advocates as arbitrator and to inform the referring Party thereof, alternatively propose 3 (three) practicing advocates with no less than 10 (ten) years' experience for appointment as arbitrator to the referring Party within such period of 5 (five) calendar days.
- 17.2.4 In the event of the non-referring Party failing to elect one of such advocates as arbitrator and informing the referring Party thereof (as alluded to in clause 17.2.3 above) within such period of 5 (five) calendar days or in the event of the non-referring Party failing to propose three practising advocates within a period of 5 (five) calendar days (as alluded to in clause 17.2.3 above) or in the event of the Parties failing to agree upon the identity of the arbitrator within 3 (three) calendar days from the date on which the non-referring Party proposed its 3 (three) names as alluded to in Clause 17.2.3 above, any one of the Parties will forthwith be entitled to request the Chairman of the Johannesburg Bar to appoint an advocate practising at the Johannesburg Bar (with no less than 10 (ten) years' experience) as arbitrator, and which appointment will be final and binding on the Parties.
- 17.3 Unless otherwise expressly agreed upon by the Parties in writing:
- 17.3.1 The arbitration proceedings shall be held in Johannesburg, and shall be conducted in terms of the Summary Procedure Rules of the Association of Arbitrators of Southern African, as amended from time to time, (the "Arbitration Rules") or, in the event of there, at that point in time, no longer being in existence the Association of Arbitrators of Southern Africa, or if no such rules are in existence, the arbitrator will determine and lay down the rules to be applicable to such arbitration.
- 17.3.2 The arbitration proceedings shall be conducted as expeditiously as possible and on the basis that the arbitration hearing be finalised within 30 (thirty) calendar days from the date of appointment of the arbitrator. As the aforesaid 30 (thirty) calendar days period must be met, the arbitrator will, at the outset, lay down the time periods so as to ensure that such 30 (thirty) calendar days period be met, and which then, in itself, entails that the arbitrator will amend the time periods, provided for in the Arbitration Rules, so as to meet this 30 (thirty) calendar days deadline.
- 17.3.3 The arbitrator shall make his/her award within 10 (ten) calendar days following the finalisation of the arbitration hearing.
- 17.3.4 The arbitrator shall be entitled, on the written application of any Party at any time (provided that such Party is then a Party to the proceedings), to be made in a manner acceptable to the arbitrator, to amend the Arbitration Rules or to supplement them in the interests of resolving the dispute effectively, efficiently and economically (provided that no such amendment or supplemental Rule shall operate retrospectively).
- 17.3.5 The arbitrator shall not be bound by the statutory or common law rules relating to proof and evidence.
- 17.3.6 The arbitrator shall also make a ruling regarding the costs of the arbitration proceedings.
- 17.3.7 The decision of the arbitrator shall be final and binding and there shall be no right of appeal (notwithstanding the provisions of the Arbitration Rules).
- 17.3.8 The arbitrator shall be entitled to determine his/her own jurisdiction and shall be entitled, on his or her own accord (*mero motu*), to raise matters with respective differences taken into account with the necessary changes having been made (*mutatis mutandis*) as if the dispute was heard before a Judge in the High Court.
- 17.4 The provisions of this clause 17 shall prevail to the extent of there being any conflict between the Arbitration Rules and this clause 17.
- 17.5 Subject to the other provisions of this clause 17, the arbitration proceedings contemplated herein shall be held in accordance with the provisions of the Arbitration Act, but in the event of there being any conflict, the provisions of this clause 17 will prevail in so far as legally tenable.
- 17.6 Without detracting from the effect (if any) of any other act taken by any Party which may affect the issue of prescription, the Parties irrevocably agree and acknowledge that the arbitration notice shall interrupt prescription and shall be deemed to constitute the service of a process for the purpose of interrupting prescription in terms of Section 13 of the Prescription Act,

No. 68 of 1969 (or, as the case may be, the corresponding provision in any amendment thereto or in any replacement legislation).

- 17.7 Any one of the Parties will be entitled to approach the Court to make the award an order of Court, and this includes that any Party may, on an urgent basis, approach the Court for this purpose and make the award an order of Court, and the Parties waive compliance with time periods and/or notices during or in respect of such process.
- 17.8 Pending finalisation of the arbitration, the normal provisions embodied in this Lease Agreement pertaining to holding-over will apply.
- 17.9 The provisions of this clause 17:
- 17.9.1 constitutes an irrevocable consent by the Parties to the arbitration proceedings provided for herein and none of the Parties shall be entitled to withdraw from the provisions of this clause or claim at any such proceedings that it is not bound by this clause or such proceedings;
- 17.9.2 are severable from the rest of this Lease Agreement and shall remain in effect despite the termination, cancellation, invalidity or alleged invalidity of this Lease Agreement for any reason whatsoever.
- 17.10 Nothing which is contained in this Arbitration clause shall preclude:
- 17.10.1 anyone of the Parties from seeking interim and/or urgent relief (including, but not limited to, an application to attach any items falling under the Landlords' hypothec, an interim interdict interdicting the removal of any items from the Premises or the property of which the Leased Premises form part) from the arbitrator;
- 17.10.2 anyone of the parties from seeking interim and/or urgent relief limited to what is stated hereunder, a rent interdict, rent interdict summons, a summons in respect of a claim for rental, other imposts, holding over, any loss relating to the Leased Premises being occupied, vacant or damaged, an application to attach any items falling under the Landlords' hypothec, an interim interdict interdicting the removal of any items from the Leased Premises or the Property of which the Leased Premises form part, a cancellation of this Lease Agreement and/or an eviction from a Court of competent jurisdiction, and insofar as the High Court is approached in respect of any such relief, the parties hereby consent to, insofar as it is legally permissible, the jurisdiction of the South Gauteng High Court.

18. GENERAL

- 18.1 Any letting or reservation of parking space in the Property, if available, for the benefit of the Tenant, is arranged in the attached ANNEXURE. In the absence of an ANNEXURE it will be expressly agreed upon in writing separately from this Lease Agreement.
- 18.2 The fitting out of the Leased Premises will be expressly agreed upon in writing separately from this Lease Agreement.
- 18.3 If the Tenant is a partnership then by signature hereto, the individual partners of the Tenant bind themselves, both as a partnership and jointly and severally, for all the Tenant's obligations to the Landlord under or arising out of this Lease Agreement. Similarly, joint Tenants shall be jointly and severally liable for all their obligations as Tenants under or arising out of this Lease Agreement.
- 18.4 The Landlord may assign its rights and obligations in terms of the Lease Agreement to any other person by written notice to that effect given to the Tenant, which notice must be countersigned by the assignee accepting such assignment and the Tenant hereby irrevocably consents to such assignment.
- 18.5 The Tenant shall take all reasonable steps to ensure that its visitors and/or its employees do not act in contravention of the Lease Agreement.
- 18.6 If the Landlord provides services to the Leased Premises or makes concessions which it is not obliged to provide or make, then the Tenant does not acquire rights in respect thereof and the Landlord is not obliged to continue providing such services or making such concessions.
- 18.7 No relaxation or indulgence which the Landlord may show to the Tenant, shall in any way prejudice the Landlord's rights hereunder, and in particular, without derogating from the generality of the foregoing, no acceptance by the Landlord of rent or any other amounts owed to the Landlord in terms of this Lease Agreement, shall preclude or estop it from exercising any rights enjoyed by it hereunder.
- 18.8 This Lease Agreement incorporates the entire agreement between the parties and no alteration, cancellation or variation shall be of any force or effect unless it is in writing and signed by both the Landlord and the Tenant who hereby acknowledge that no representations or warranties have been made by either the Landlord or the Tenant.
- 18.9 Within 7 (seven) days after the end of each month, the Tenant will give the Landlord a statement of gross turnover for such month. The gross turnover is the price (general sales tax, VAT or any similar substituting tax excluded) of all goods or services sold or distributed (also to staff) on or from the Leased Premises by the Tenant or any other person conducting business on or from the Leased Premises. A person authorised by the Tenant will sign the statement and confirm that it is correct to the best of his knowledge. The Landlord will use such information in confidence only for the purpose of determining trade trends.
- 18.10 Where necessary, in the Lease Agreement, a reference to the masculine gender includes the feminine and neuter.

- 18.11 Should any one or more of the provisions of this Lease Agreement be unenforceable, void or in contravention of any legislation for any reason whatsoever, then such provision(s) shall be severed from this Lease Agreement and the remaining provisions shall be of full force and affect.
- 18.12 The use of the word "including" followed by a specific example/s shall not be construed as limiting the meaning of the general wording preceding it and the rule of the same kind (*eiusdem generis*) shall not be applied in the interpretation of such general wording or such specific example/s.
- 18.13 A certificate signed by a director, manager, internal accountant of the Landlord or the Landlord's agent (whose authority need not be proved) shall for all purposes be evidence at first glance (*prima facie* proof) of the matters stated therein.
- 18.14 The Tenant shall comply with the requirements of the Financial Centre Intelligence Act 38 of 2001. Without limiting the generality of the foregoing, the Tenant shall furnish the Landlord with the documentation required by the Act, upon request by the Landlord.
- 18.15 The Landlord will not be bound by any representation or warranty not expressly recorded in this Lease Agreement. Purely by way of example and without in any way limiting the generality hereof, the Landlord records that it or its agent/s may have certain perceptions or opinions regarding pedestrian traffic, customer profile, location of premises or other factors relating to the viability of the Building. In the event that the Landlord or its agents may have conveyed those perceptions or opinions to the Tenant, the Tenant acknowledges that:
- 18.15.1 any statements conveyed to it concerning those matters constitutes nothing more than the honest opinion of the Landlord or its agents;
- 18.15.2 any statements thus conveyed to it do not amount to a representation concerning those matters or a warranty that what was told to it (the Tenant) would indeed eventuate and prove to be correct;
- 18.15.3 such statements did not induce the Tenant to conclude this Lease Agreement;
- 18.15.4 it (the Tenant) has formed its own independent view as to the viability of concluding this Lease Agreement.

19. LIMITATION OF LIABILITY

Notwithstanding any provision contained in this Lease Agreement, same shall not limit or exempt liability attributable to gross negligence **by landlord or tenant**.

20. VALUE ADDED TAX

Any amount charged by the Landlord to the Tenant in terms of any provision of this Lease Agreement which, in terms of any legislation in force from time to time is subject to Value Added Tax ("VAT") shall be charged together with the relevant VAT applicable to such amount and the Tenant shall pay to the Landlord not only the said amount but also the said VAT

21. SIGNATURE

Any signatory for the Tenant hereby warrants that he/she is authorised to sign this Lease Agreement on behalf of the Tenant and that the Tenant is empowered to enter into this Lease Agreement.

21.1 SIGNATURE(S) OF/FOR TENANT(S)

PLACE

DATE

- | | | | |
|-----|-------|-------|-------|
| (a) | ..... | ..... | ..... |
| (b) | ..... | ..... | ..... |
| (c) | ..... | ..... | ..... |
-

21.2 DETAILS OF SIGNATORY OF/FOR TENANT(S)

FULL NAME

- | | |
|-----|-------|
| (a) | ..... |
| (b) | ..... |
| (c) | ..... |
-

21.3	CAPACITY	REGISTRATION/ID/PERMIT NUMBER
(a)	.....	.....
(b)	.....	.....
(c)	.....	.....

21.4	SIGNATURE FOR LANDLORD	PLACE	DATE

21.5	FULL NAMES OF SIGNATORY FOR LANDLORD	CAPACITY

TENANT'S RESOLUTION**OBC GROUP (PTY) LTD**

(Registration Number 2000/022255/07)

(the "**Company**")**EXTRACT OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COMPANY PASSED AT**

.....<PLACE> ON<DATE>

RESOLVED :

- 1 THAT the Company enters into a Lease with **VUKILE PROPERTY FUND LIMITED**, substantially upon the terms and conditions of the agreement submitted to and approved by the board of directors of the Company.

RESOLVED FURTHER :

- 2 THAT _____ acting in his/her capacity as **MAIN MEMBER** of the Company, be and is hereby authorised and empowered to -

- 2.1 negotiate the final terms and conditions of the agreement referred to in the preceding resolution;
- 2.2 sign the said agreement and all other deeds or documents which may be necessary for the implementation of the abovementioned agreement; and
- 2.3 generally do everything that may be necessary for the implementation of the abovementioned agreement,

and any agreement, deeds or documents signed by the said _____ acting under authority of this and the preceding resolution, will conclusively be deemed to be the agreement, deeds and documents authorised by this and the preceding resolution.

CERTIFIED A TRUE COPY

CHAIRMAN

DEED OF SURETYSHIP

(the "DEED")

1. I/we, the undersigned, (**Identity Number:**), of, and , do hereby bind myself/ourselves, as surety and co-principal debtor/s in the true sense as more fully described in clause 4 hereunder, together as one with the tenant as identified below in whole (*in solidum*), unto and in favour of **VUKILE PROPERTY FUND LIMITED (Registration Number: 2002/027194/06)** (hereinafter referred to as the "**LANDLORD**") for the due and punctual payment of all monies and the performance of all obligations (including the payment of damages) which may hereafter become due, owing or payable to the LANDLORD by (**Registration Number:**) (hereafter referred to as the "**TENANT**") arising out of the TENANT's occupation, use, enjoyment and/or possession of the premises described as **SHOP: 23, GIYANI PLAZA, DANIE THERON STREET, GIYANI, LIMPOPO** the "**PREMISES**" or otherwise arising from the Lease entered into, or about to be entered into, including any extension, renewal or tacit relocation thereof, between the LANDLORD and the TENANT (the "**LEASE**") in respect of the PREMISES.
2. I/We agree furthermore as follows –
 - 2.1 All admissions or acknowledgements of indebtedness by the TENANT will bind me/us; and the LANDLORD may at any time, in its sole and absolute discretion, without reference to me/us, and without releasing me/us from any liability in terms hereof, do all or any of the following namely –
 - 2.1.1 give any extension of time to the TENANT;
 - 2.1.2 grant any indulgence whatsoever to the TENANT;
 - 2.1.3 compound or make any other arrangement, including any compromise, with the TENANT;
 - 2.1.4 release any one or more of us (if there is more than one) from any other surety, guarantee, indemnification or any security of whatever nature given to be LANDLORD by or on behalf of the TENANT;
 - 2.1.5 vary or supplement, by agreement with the TENANT, any of the terms of the LEASE, and any such variation or supplement will vary the obligations of me/us to the LANDLORD accordingly; and/or
 - 2.1.6 apply any amount received from the TENANT, in the LANDLORD's absolute discretion, to any debt of the TENANT to the LANDLORD.
3. I/We agree that in the event of the insolvency of the TENANT –
 - 3.1 I/We will not be entitled to prove a claim against the TENANT, whether actual or contingent, until such time as all amounts due to the LANDLORD, including capital and interest, will have been paid in full; but
 - 3.2 the LANDLORD will be entitled to prove a claim against the TENANT for the full amount of its indebtedness to it; and
 - 3.3 any payment of dividends of whatsoever nature to which I/we will become entitled will accrue and belong to the LANDLORD and this DEED will operate as a cession to the LANDLORD of such dividends.
4. I/We agree that I/we are co-principal debtors as well as sureties and therefore in the event of deregistration, liquidation and/or the placing of the TENANT under business rescue, I/we will at all times remain liable as co-principal debtor/s jointly and severally the one paying the other to be absolved notwithstanding any compromise, discount, indulgence, negotiation, settlement and/or acceptance, adoption and/or ratification of any business rescue plan whereby the TENANT's obligations, as confirmed in paragraph 1 above, towards the LANDLORD are reduced or diminished in whatsoever nature or form.
5. Should I/we at any time in defending any action based on this DEED, allege that –
 - 5.1 no money was paid over by the LANDLORD, and/or
 - 5.2 there is no reason or cause for the obligations of the TENANT and/or
 - 5.3 errors have been made in the calculation of the amount claimed,
 then the onus of proving such a defense will rest on me/us.
6. I/We hereby renounce the benefits of the legal exceptions stated below, the full force, meaning and effect of which I/we declare that I/we am/are fully acquainted with:
 - 6.1 excussion – by renouncing this benefit, I/we understand that the LANDLORD become/s entitled to sue me/us for the full amount owing under this DEED without first proceeding against the TENANT;
 - 6.2 division – by renouncing this benefit, I/we understand that where there is more than one surety for the TENANT'S obligations, the LANDLORD will be entitled to sue each surety for the full amount owing under this suretyship and not only for a pro rata share;
 - 6.3 cession of action – by renouncing this benefit, I/we understand that the LANDLORD become/s entitled to sue me/us without first ceding the LANDLORD'S right of action against the TENANT to me/us;
7. I/We hereby select as my/our address for the service of all notices, letters and legal process in terms of this DEED the address set out above; and all notices required to be given in terms of this DEED will be considered duly given if posted to my/our said address for service of documents and notices (*domicilium citandi et executandi*).
8. This DEED will remain of full force and effect until cancelled in writing by the LANDLORD.
9. I/We agree that a certificate under the hand of a financial manager of the LANDLORD or the LANDLORD's agent (either of whose appointment it will not be necessary to prove), certifying the indebtedness of the TENANT to the LANDLORD at that stage, (1) will be evidence at first glance (*prima facie* proof) of the amount certified therein (true at face value); and (2) will be sufficient to enable the LANDLORD to obtain provisional sentence or summary judgment against me/us in any competent

court.

- ~~10. I/We agree that the LANDLORD will be entitled, at its option, to institute any legal proceedings which may arise out of or in connection with this DEED in any magistrates' court having jurisdiction in respect of our persons; and I/we hereby consent to such jurisdiction notwithstanding that the amount or value of the claim may exceed the jurisdiction of the magistrates' court. In the event of the LANDLORD electing to institute action in the high court, then I/we will be responsible for payment of costs on the relevant scale, subject however to the provisions of clause 14 below.~~
- ~~11. I/We have a material interest in securing the indebtedness covered by this DEED which is entered into for my/our direct or indirect benefit.~~
- ~~12. The LEASE binds or will bind the TENANT in all respects, and all resolutions, signatures and powers of attorney with regard thereto have and/or will have been taken, given and executed properly.~~
- ~~13. Should there be any breach of the warranties contained in this DEED, I/we will assume all liabilities which the LEASE purported to impose on the TENANT, those relevant provisions of the LEASE equally applying to me/us as adjusted for the context (*mutatis mutandis*).~~
- ~~14. I/We hereby undertake to pay the legal costs of any action which the LANDLORD may institute against me/us in terms of this DEED on a full indemnification basis, failing which, on an attorney and client scale, together with collection costs and commission.~~
- ~~15. Should any of the persons intended to be sureties in terms of this DEED fail to sign, or having signed, not be bound or be released, then the remaining signatories will remain bound as if they are the sole sureties.~~
- ~~16. I/We agree that notwithstanding the possible insolvency of the TENANT, and any consequent termination by the liquidator/trustee of the TENANT of the LEASE that I/we will still remain bound in terms of this DEED.~~
- ~~17. I/We acknowledge that in the event of the TENANT being a company or a close corporation and converting from a company to a close corporation, or the other way around (*vice versa*), or at any time thereafter converting to either a company or a close corporation, as the case may be, I/we will still remain bound under this DEED.~~
- ~~18. In the event of any surety hereto being a natural person, they warrant that they are married out of community of property; or that, if married in community of property, their spouse has consented in writing hereto by the Matrimonial Property Act No. 88 of 1984.~~
- ~~19. If any dispute arises between the TENANT and the LANDLORD wherein the LANDLORD contends that any amount owing by the TENANT to the LANDLORD is due and owing, and the TENANT contends that the debt is not due or is not owing, I/we will accept the LANDLORD's written contention that such debt is due and owing. In such event I/we will forthwith pay to the LANDLORD the sum or sums which the LANDLORD contends is/are due and owing to the LANDLORD by the TENANT, on condition that the LANDLORD will repay to me/us such sum or sums if a court of competent jurisdiction finally determines (including, any appeals) that the TENANT'S contentions were correct, which payment/s will be repaid free of interest.~~
- ~~20. No cancellation, variation or modification of this DEED and no waiver of the LANDLORD's rights hereunder will be binding on the LANDLORD, unless reduced to writing and signed by the LANDLORD.~~
- ~~21. I/We record that this DEED was at the date of signature by me/us complete in all respects.~~
- ~~22. I/We agree that each provision and clause of this DEED is severable from the other and if any provision or clause is found to be defective or unenforceable for any reason the remaining provisions and clauses will be and continue to be of full force and effect.~~
- ~~23. I/We hereby grant permission to the LANDLORD to conduct credit checks in respect of me/us with any registered credit bureau in order to obtain consumer credit information relating to me/us, including, but not limited to mine/our credit history, financial history and identity, throughout the currency of this DEED or any renewal or negotiation thereof. I/We hereby indemnify and hold the LANDLORD harmless against all and any claims whatsoever and howsoever arising as a result of the aforesaid credit check.~~

SIGNATURE SURETY

Duly Authorised

Name:

Identity / Registration
Number:

Designation:

Date:

SIGNATURE WITNESS 1

Name:

Identity Number:

SIGNATURE SURETY'S SPOUSE (IF APPLICABLE)

Duly Authorised

Name:

Identity Number:

Date:

SIGNATURE WITNESS 2

Name:

Identity Number:

HOUSE RULES**1. CLEANING****1.1 Common Areas**

The Landlord is responsible for the cleaning of the common areas including toilets, parking areas, fire escapes, common kitchens, and back passages. Please refrain from placing any items in the common area

1.2 Tenant Premises

The tenant is responsible for the cleaning of the interior of his premises including the interior windows, doors, floors, dedicated kitchens inside of tenant premises and signage. Fire escapes, balconies, and terraces which are for the exclusive use of the tenant are also the tenant's responsibility for cleaning.

1.3 Refuse

With regards to refuse removal, clauses of the lease agreement apply.

Tenants are to place refuse only in dedicated collection areas. Please do not mix wet waste with cardboard boxes, but deposit it into the allocated areas where applicable.

The tenant shall not permit the accumulation of refuse in or outside its premises and or common areas.

Disposal of extraordinary rubbish such as building materials and shop fittings is the responsibility of the tenant. Please obtain authorization before skips are brought on site.

On no account is anything to be placed in the fire escape passages, balconies, patios, and other common areas.

Tenants with canteen and/or kitchen facilities should ensure that no oil or fat is thrown down the drains as this could cause blockage.

Tenants will be fined should they not adhere to the latter and the cost of cleaning the drain will be for their account. All canteen facilities should have working fat trap which are to be cleaned at least once a week or more as needed and removed debris disposed of in a suitable manner as prescribed by local and municipal by-laws.

All food waste is to be removed from stores or stored in the deep freezer overnight. It keeps the vermin at bay.

The basic guideline will apply as follows:

- Wet waste must be DOUBLE Bagged
- Wet waste to be disposed in the covered bin, UNDER the removable cover.
- All waste to be placed in the bins provided. No refuse to be left on the floor at any time.

1.4 Deliveries

Inform the suppliers of the correct parking areas. Fines will be imposed if loading and unloading takes place on undesignated areas.

Avoid damage to the floors, walls, doors, lifts and other common areas. If you need to move heavy items, please contact your Centre Manager in advance as same may need to be arranged with the lift company.

All delivery trucks to be directed to the delivery gate behind Shoprite. Truck drivers are requested to fill-in their contact details with the security guard.

2. EXTERIOR OF PREMISES

2.1 The exterior of the premises (other than the entrance door to the tenant premises) shall be under the absolute control of the Centre Manager. The tenant shall not in any way obstruct or permit the obstruction of any walkways, pavements, entrances, passages, stairways, fire or escape doors or other parts of the common area.

2.2 The common area shall not be used for any purposes other than those for which it was designed

Under no circumstances will the common area be used for the display and/or sale of advertising boards, company branding, merchandise,

3. ILLUMINATION/ SIGNAGES

- 3.1 The tenant shall not in any way cover or obstruct any lights, sky lights, windows or other means of illumination of the common area or the premises generally.
- 3.2 The tenant shall not be permitted to utilize flashing lights in the name signs and windows. All signage must be approved by the Centre Manager prior to installation.
- 3.3 All light boxes (internal signage) to remain illuminated during the Centre's trading hours.
- 3.4 Tenants to remain responsible for the up keep of both internal and external signage. All faulty light boxes (signage) to be fixed within 7 days of notification.

4. ANIMALS, BIRDS AND REPTILES

No animals, birds or reptiles shall be kept in or about the business premises unless they constitute stock in trade of the business carried out by the tenant, pursuant to his lease or unless the written consent of the Centre Manager has been obtained beforehand.

5. ADDRESS OF TENANT

The tenant shall advise the Centre Manager of his/her private address and telephone number, or, if the tenant is a corporation, the address and telephone number of the manager/s or proprietor/s. The Centre Manager shall be informed promptly of any change of address and/or telephone number.

This information is necessary to enable the Centre Manager to contact the tenant or his/her manager/s in the event of emergencies such as fires, burglaries etc. outside trading hours.

6. BICYCLES ETC.

No bicycles, motorcycles, scooters, roller-blades, skate boards and roller-skates are to be ridden in the building, or left in the common area, ramps, fire escapes, and walkways.

7. LANDLORD'S POWER TO CHANGE RULES AND REGULATIONS

- 7.1 The landlord has power at all times to alter and add to the rules and regulations, should they consider it necessary or desirable to do so for the purpose of regulating the use of the property generally or any part thereof, or for the purpose of maintaining the safety, care and cleanliness of the property generally or any part thereof.
- 7.2 The landlord shall notify the tenant of any repeal or amendment of any of the rules and regulations and shall furnish the tenant with a copy of such amendment or addition to the rules and regulations.
- 7.3 This manual in no way substitutes or replaces the lease agreement. The manual is purely to affect understanding of the lease agreement and assist in the running of the Building and should be read in conjunction with the Lease agreement.

8. TRADING HOURS

The business hours of the building are per regular Centre hours unless arranged in the lease otherwise. Central aircons will be timed to switch off outside of these times.

Kindly ensure when you leave your leased premises, that all lights, equipment, and internal aircons are switched off. If you note that you are the last person leaving the building or block, please inform the security on your way out so they may ensure all common areas are switched off. Unless otherwise notified security will switch off common area lights and aircon (where applicable) in line with their site instructions for the sake of energy conservation.

Monday to Friday : 09h00 to 18h00
Saturday : 09h00 to 17h00
Sun/Public Holiday : 09h00 to 14h00

9. INSURANCE

Tenants are required to insure against: window panels and doors - breakage or damage after beneficial handover date. All internal furniture, fittings, fixtures, and apperatures are to be insured by the tenant.

Articles which may result in an increase in the premiums of any insurance of the building must not be kept at the leased premises. If any breach of this requirement results in a premium increase, the tenant will be required to pay the Landlord the full amount of the increase.

10. OHS Act

Tenants are responsible for ensuring that their premises is OHS Act compliant and that they have conformed to all Health and Safety Regulations including, but not limited to, provision of first aid kits, nominated health and safety representatives, provision and signage of fire equipment, evacuation plans for the staff in the premises are provided, stacking heights in storerooms are compliant, etc.

The Landlord shall ensure that the building has evacuation plans, and will hold regular OHS Act meetings at which tenants are required to send a representative. Any concerns which the tenant has with regard to health and safety should be brought to the Centre Manager's attention immediately when identified, as compliance with OHS Act and safety standards are the responsibility of all of us.

Current procedures in regard to security events on site are an Annexure to these house rules and may be amended from time to time.

Appendix L of the OHS Act - Hot Work Away

Please ensure that the precautions detailed in Appendix L of the OHS Act are adhered to and that the Hot Work Permit is completed by all contractors prior to carrying out the hot work in your premises.

11. KEYS

The Centre Manager does not have keys to tenant's premises. If you or your staff lose them or arrive without them, we cannot help you.

The Centre Manager will provide keys for locks and doors and other openings of the premises and the tenant shall return to the Centre Manager, on the termination of the lease, all such keys and shall not permit such keys at any time to come into the possession or control of any other person other than the tenant, its officials, employees or agents.

Access control systems (where applicable) are provided for the security of the building. The security of tenant premises is the responsibility of the tenants. Should you need additional tags/cards for new staff or to replace lost cards, please contact your Centre Manager. Same may result in a cost for the tenant.

12. MAINTENANCE

12.1 All tenants have full internal repairing leases. However, if the Centre Manager can help by effecting minor repairs, they will do so at the tenant's cost.

12.2 If repair contractors working in your premises need access to service points (e.g. electricity distribution boards, water mains) in other parts of the building, please tell them to contact the Centre Manager before taking any action. No electrician without prior approval may do any work on the building's boards.

12.3 No access will be granted to contractors on week-ends unless prior arrangements have been made one week in advance.

12.4 All contractors that are required to work outside the tenants' premises, employed by tenants, should confirm the requirements to the Centre Manager before commencing work.

12.5 All contractors employed by tenants must comply with all OHS ACT regulations under the management of the tenant and tenants should ensure that the relevant indemnity forms are completed by contractors prior to commencement of any work in their premises.

13. TENANT PARKING (where applicable) AND VEHICLE USE

Monthly paid parking may be arranged with the Centre Manager.

Tenants are required to use their designated parking areas. Tenants, who park in areas designated for loading and/or disabled persons or not in tenant parking areas, will be liable for a fine, and the wheels of the vehicle will be clamped by the security guards, until the fine has been paid.

Vehicles are operated and parked at owners' risk. No vehicles are to be left in property for extended periods of time without prior written consent being obtained from Centre Management.

All vehicles operated on the property must be operated in an acceptable manner and no reckless or dangerous driving will be tolerated.

14. PUBLIC UTILITY SERVICES

Tenants must provide their own replacement lamps, fluorescent light tubes, starters and ballasts.

If you intend to install additional electrical equipment, The Centre Manager must be informed in order to establish whether or not the existing power supply can bear the additional load.

15. RENTAL

The terms and conditions with regard to payment of rental are very clearly set out in your lease agreement.

16. SECURITY

Security Officers (where applicable) are on duty twenty four (24) hours per day all year round. Tenants are requested to report any suspicious persons, objects etc. to the Building Centre Manager or the Security Controller in order to assist in maintaining a crime free Building. You are, however, responsible for your own premises security.

No drawn or exposed firearm to be carried in the Building. "Long rifles" are prohibited. Please ensure that your security contractor adheres to this rule as they will be banned offsite if they contravene the rules.

17. TELEPHONE NUMBERS

A listing of IMPORTANT NUMBERS can be obtained from the Centre Manager or Security in the event of an emergency.

The Centre Manager and the security officers keep a record of the business and emergency telephone numbers of all tenants.

Please remember to notify us of any changes.

18. SMOKING

This is a non-smoking building and in terms of Government legislature, smoking is also not allowed. Government legislation with regard to smoking laws, as amended from time to time, shall be distributed as an annexure to these House Rules. When legislative changes are made, these rules will be amended in line with same.

No smoking is allowed in the, stores, passages, toilets or anywhere inside the building. Persons caught contravening the above will be liable to a fine.

19. FIRE ESCAPES

Please ensure that fire escape doors remain accessible to the public in accordance with the local by-laws. Fire escapes are not storage areas and no refuse, old furniture, boxes, files, etc are to be placed or left in the fire escapes. Same is an offence under the OHSAct and will be dealt with accordingly. All locking mechanisms on tenant dedicated escape doors must be fully compliant in terms of legislation.

20. GENERAL OBLIGATIONS

The tenant shall at all times ensure that no nuisance or noise emanates from the premises, and shall not permit any acts or things which may become an annoyance or cause damage or disturbance to the occupiers of any adjacent office within the building and/or properties adjacent to the building.

TURNOVER RENTAL

1. Subject to the provisions of this clause, the Tenant shall pay turnover rental at the rate(s) prescribed within clause 1.9, which clause shall be read at all times in conjunction with this Annexure.
 - 1.1 Definitions of "net turnover"
 - 1.1.1 For the purposes hereof the expression "net turnover of the Tenant" shall mean in regard to any period, the net selling price (excluding interest, finance and other charges, and any VAT or other tax or imposition levied in connection with the sale of goods) of all goods sold by the Tenant and/or any licensee, concessionaire or sub-tenant of the Tenant, upon or from the Leased Premises, and whether sold for cash, on credit, hire purchase, consignment or any other terms, and shall include any charges for services performed on or at the Leased Premises by the Tenant or any such licensee, concessionaire or sub-tenant, together with the amount of all orders taken or received at the Leased Premises, whether such order be executed from the Leased Premises or elsewhere, minus –
 - 1.1.2 any refunds given, credits passed or allowances made, on goods claimed to be defective or unsatisfactory, or for any other reason (provided that the sale of any such goods in respect of which the refund, credit or allowance is given or made shall have previously been included in the net turnover of the Tenant);
 - 1.1.3 any discounts allowed;
 - 1.1.4 the sales price of any goods returned for exchange, provided that the sales price of the goods exchanged for the returned goods shall be included in the net turnover of the Tenant;
 - 1.1.5 any amounts reasonably written off during the relevant period as bad debts, provided that should any bad debts which have been written off be subsequently recovered by the Tenant, then the amount or amounts so recovered shall be included in and form part of the net turnover of the Tenant for the relevant period during which the recovery of such bad debts has taken place;
 2. and provided further that each charge or sale upon instalment or credit shall be treated as a sale for the full price in the month during which such charge or sale shall be effected, irrespective as to when the Tenant shall receive payment (whether full or partial) therefore.
 - 2.1 Should, in any particular year, or portion thereof, during the currency of this Lease Agreement or any extension thereof, or during any period that the Tenant remains in unlawful occupation of the Leased Premises, the amount equal to the percentage as specified in item 1.9 of the net turnover of the Tenant of that year or portion thereof exceeds the sum of the basic monthly rental payable during that year or portion thereof (the excess being hereinafter referred to as "the turnover rental"), then the Tenant shall pay to the Landlord as additional rental in respect of that year or portion thereof an amount equivalent to the turnover rental in respect of that year or portion thereof.
 - 2.2 Statements of net turnover
 - 2.2.1 The Tenant shall at its own cost furnish the Landlord each month, within 7 (seven) days of the preceding month end, with an unaudited statement/figure
 - 2.2.2 The Tenant shall at its own cost furnish the Landlord once yearly, within 3 (three) months after the date of the financial year end of the Tenant as set out in clause 1.10 with a statement, in each case certified as being correct by the Tenant's auditors for the time being, reflecting the net turnover of the Tenant in the applicable 12 (twelve) month period (ending on the financial year end of the Tenant, or as the case may be, commencing on the first day after the said financial year end) or where applicable, in respect of the portion concerned of the applicable preceding period; provided that the Tenant shall be obliged, within 3 (three) months after the date of termination of this Lease Agreement, to furnish the Landlord with a statement reflecting the net turnover of the Tenant for the period from the due date for the last statement until the termination date. Each such statement shall clearly set forth separately –
 - 2.2.2.1 all items comprised in the definition of the net turnover, referred to in clause 1.1 of the Tenant as set forth above whether as additions or deductions thereto or therefore; and
 - 2.2.2.2 the net turnover (or where applicable, portion thereof) in the applicable preceding 12 (twelve) months.
 - 2.3 Payment of turnover rental
 - 2.3.1 On the same date as any statement as provided for in clause 2.2.2 aforesaid is, or is due to be, furnished to the Landlord, the Tenant shall pay to the Landlord any turnover rental that may be payable in terms of clause 2.1 above.
 - 2.4 Rights of inspection
 - 2.4.1 The Landlord or its nominated representative/s shall have the right at all reasonable times to inspect at the Landlord's cost and expense the books and records of the Tenant and/or any licensee and/or concessionaire and/or sub-tenant whose turnover is included in the net turnover of the Tenant as aforesaid, in so far as such books and records in fact relate to the net turnover of the Tenant and the Tenant undertakes that all such books and records of any such licensee, concessionaire and sub tenant shall be made so available for such inspection/s, on a strictly confidential basis.
 - 2.5 Dispute
 - 2.5.1 Should the Landlord dispute any of the amounts comprising the net turnover of the Tenant, as reflected in any such statement furnished to it as aforesaid, then the unanimous decision of the Landlord's and Tenant's auditors ("the

auditors”), acting jointly, as to the accuracy of the Tenant’s net turnover during a period shall be final and binding upon the parties. Should such auditors fail to arrive at a unanimous decision, then they shall jointly appoint another practicing auditor, being a chartered accountant with at least 10 (ten) years’ experience, to act as an umpire (“the umpire”) whose decision as to any such dispute shall be final and binding on the parties. The reference of any such dispute to an umpire shall not be regarded as a reference to arbitration proceedings, and neither the auditors nor such umpire shall be bound to follow any laws or rules of procedure or equity in arriving at their decision. The said auditors or the umpire, as the case may be, shall be entitled to make such order as to the payment of their and/or his costs and charges in connection with their or his decision as to the dispute as they or he may deem fit but, failing any such order, the costs and charges of the said auditor and/or the umpire shall be borne and paid by the tenant.

MARKETING FUND

~~In addition to the Monthly Rental referred to in clause 1.7.1 of the Lease Agreement, the Tenant will also be liable for the amounts set out in clause 1.7.4 which will be paid towards an Advertising and Promotional Fund which will be administered by or on behalf of the Landlord. The object of the fund will be to promote the business of the complex through expanding its marketing position by promotions and advertising.~~

FRANCHISOR BUSINESS CONTINUATION

Should the Tenant occupy the Leased Premises and conduct the business as a franchisee, the parties agree as follows:

1. ~~Notwithstanding the provisions of clause 10 (Breach and Cancellation) of the Lease Agreement, upon the Tenant committing a breach of the Lease Agreement and the Landlord elect to cancel this Lease Agreement and with effect from such date, the Franchisor shall take over the business as conducted in the Leased Premises and such occupancy will be on the same terms and conditions as this then cancelled agreement of lease. The Franchisor shall sign, simultaneously with such take-over of the business, an agreement reflecting the same terms and conditions of the cancelled Lease Agreement except that such Lease Agreement will be limited to the unexpired period of the Lease Agreement;~~
2. ~~The Franchisor will be entitled to consider prospective new franchisees and the Landlord will in respect of new franchisees recommended by the Franchisor, in its sole and absolute discretion, approve (with or without additional terms and conditions) a new franchisee for the Leased Premises or any franchisee conducting the franchise business from the Leased Premises. With effect from the date on which the Landlord approves the new franchisee for the Leased Premises in writing, the Franchisor's rights, title and interest in and to the Lease Agreement will be ceded and the Franchisor's obligations in and to the Lease Agreement will be delegated and assigned to such new franchisee, and the Landlord and Franchisor hereby accept such a cession and assignment from such date;~~
3. ~~The Franchisor shall not give any party or potential franchisee occupation of the Leased Premises prior to written approval by the Landlord as stipulated in 2 above.~~
4. ~~Should any approved new franchisee commit a breach in terms of the agreement of lease, the provisions of 1 to 3 above shall apply as adjusted for the context with the necessary changes having been made (*mutatis mutandis*).~~
5. ~~The Franchisor undertakes to give the Landlord all information with regard to the franchisee and specifically the performance of the business conducted by the franchisee from the Leased Premises which shall include all financial information, graphs, trends as well as the application and key to such trends or graphs to enable the Landlord to be in the same position as the Franchisor with regards to the assessment of the performance of any franchisee at any given time. This information will be given with or without the Franchisor's consent and a similar provision of this nature will be contained in the franchise agreement.~~

Signed by:

TENANT	FRANCHISOR	LANDLORD
NAME (IN PRINT)	NAME (IN PRINT) DULY AUTHORISED	NAME (IN PRINT) DULY AUTHORISED
DATE	DATE	DATE

PENALTY FOR FAILURE TO DELIVER TURNOVER STATEMENTS

INITIAL

Should the Tenant at any time fail to submit:

1. the monthly turnover statement of gross turnover referred to in clause 18.9 of the Lease Agreement to the Landlord;
and/or
2. the annual turnover statements as referred to in clause 2.2.2 of Annexure 1.18.4 of the Lease Agreement to the Landlord,

the Landlord will be entitled (in any of the circumstances set out above) to recover from the Tenant a penalty equal to 10% (ten percent) of the Monthly Rental for the first Rental Period. In addition, the Tenant will pay to the Landlord any VAT which the Landlord is obliged to pay in respect of any such payment made by the Tenant to the Landlord.

FITTING OUT OF LEASED PREMISES

1. Definitions

1.1. In this annexure, unless inconsistent with or otherwise indicated by the context –

Shop 9A +9B

1.1.1. Fitting Out Date means : 01 September 2018 – 30 September 2018

1.1.2. Fitting Out Period means : 30 Days

1.1.3. Trading Date : 01 October 2018

Shop 7

1.1.4. Fitting Out Date means : 01 October 2019 – 31 October 2019

1.1.5. Fitting Out Period means : 31 Days

1.1.6. Trading Date : 01 November 2019

1.1.7. Tenant Installation Allowance: is a monetary contribution made by the Landlord to the Tenant in order to refurbish or alter the Leased Premises.

1.1.8. Tenant Installation : means the refurbishment or altering of the Leased Premises during the Fit Out Period to suit the Tenant's requirements.

2. Fitting out of leased premises

2.1. Subject to clause 2.3 below, the parties agree that the Tenant shall effect the refurbishment to the Leased Premises itself and the Landlord further agrees, as a gesture of goodwill, to contribute a certain amount towards the aforesaid refurbishment on the following basis:

2.1.1. The Tenant Installation Allowance granted by the Landlord to the Tenant in respect of the refurbishment of the Leased Premises is a maximum amount of **R 0.00** (exclusive of VAT). This amount is granted solely to compensate the Tenant for monies spent in respect of the refurbishing or altering the Leased Premises and shall be limited to items such as partitioning, finishes, flooring, ceilings, electrical installations, kitchens, shop fronts, air-conditioning and pre-cleaning ("the Tenant Items").

2.1.2. The Tenant Installation Allowance will be paid to the Tenant by the Landlord upon inspection by the Landlord of the Leased Premises and upon the Landlord's receipt of -

2.1.2.1. proof that the Tenant Installation has been effected;

2.1.2.2. as-built plans being delivered to the Landlord;

2.1.2.3. invoice/s from the Tenant referring to tenant installation which must be certified and approved by the Landlord;

2.1.2.4. electrical compliance and occupancy certificates; and

2.1.3. copies of contractor's invoices specifying the costs of each item installed at the Leased Premises.

2.2. In the event that the amount spent by the Tenant toward the Tenant Installation is less than the Tenant Installation Allowance, then the Landlord shall enjoy this benefit and the Tenant shall not be entitled to receive the difference between the Tenant Installation Allowance and the amount actually spent by the Tenant on the Tenant Installation. For the sake of clarity herein, this means that the Tenant shall not be entitled to receive any benefit in cash or in any other manner whatsoever in respect of any balance of the Tenant Installation Allowance not spent by the Tenant on the Tenant Installation.

2.3. It is specifically recorded that in the event that the whole Tenant Installation Allowance is not utilised by the Tenant by _n/a_ **[insert date 6 months from date of signature of Lease Agreement]**, the Tenant shall forfeit the Tenant Installation Allowance and the Landlord shall not pay all or any balance of the Tenant Installation Allowance, as the case may be, to the Tenant.

2.4. The Tenant's Installation shall be executed in accordance with drawings and specifications (including but not limited to a shop layout, artist impression, plans and specification as well as council approved plans, if applicable) approved by the Landlord in writing, prior to any Tenant Installation being executed. Such drawings are to be of a suitably high standard and if electronic, in a format accessible to the Landlord and the Landlord's architect. In order to ensure quality of workmanship and conformity, the Tenant Installation shall be carried out by contractors and subcontractors nominated by the Tenant and approved by the Landlord in writing. The Tenant shall ensure that the aforesaid contractors and subcontractors shall comply with the Landlord's reasonable rules and regulations regarding safety, administration and co-ordination of the Tenant Installation.

- 2.5. The Tenant acknowledges that it must ensure that both the Landlord and the relevant local authorities approve such design drawings prior to the Fitting Out Date.
- 2.6. It is specifically recorded that the Tenant will employ a qualified architect and/or interior designer to design the layout of the Leased Premises and prepare drawings for the Landlord's written approval prior to the fit-out of the Leased Premises. Any delays in this regard shall constitute a material breach.
- 2.7. The Tenant will not be granted access to the Leased Premises, at the discretion of the Landlord until the Tenant has signed the Lease Agreement and the deposit and/or Bank Guarantee (if applicable) has been paid / provided.
- 2.8. The Tenant will be granted a period for fitting out the Leased Premises from the Fitting Out Date to the Trading Date (referred to herein as the "Fitting Out Period"). The purpose of the Fitting Out Period is to allow the Tenant, *inter alia*, to prepare the Leased Premises to commence trading on the Trading Date.
- 2.9. Should the Landlord be unable to give the Tenant occupation of the Leased Premises for any reason whatsoever, then the Tenant shall have no claim for cancellation of this Contract or damages or other right of action against the Landlord. The Tenant shall accept occupation of the Leased Premises on the date upon which the premises becomes available for occupation.
- 2.10. Should a dispute arise as to when the Leased Premises are in fact ready for occupation or as to the Commencement Date of this Lease Agreement, then a certificate issued by the Landlord's architect in regard to such a dispute shall be final and binding on the parties.
- 2.11. The Tenant undertakes to commence with the actual and physical fit-out of the Leased Premises within the guidelines of the approved design drawings within 72 (Seventy Two) hours after being granted access to the Leased Premises.
- 2.12. The Tenant:
- 2.12.1. shall ensure that the Leased Premises shall be fitted out and completed in accordance with the approved design drawings referred to in 2.4, it being acknowledged that the scope of the work shall be only as expressly set forth in the said design drawings (hereinafter referred to as "the work");
- 2.12.2. shall only employ such contractors and/or sub-contractors as approved by the Landlord prior to commencement of the work;
- 2.12.3. acknowledges that the express or implied approval by the Landlord of the design drawings shall not amount to a warranty or representation of the adequacy or suitability thereof and the Landlord shall not be responsible for any faults or defects therein;
- 2.12.4. shall ensure that the Tenant's work shall be executed in accordance with any applicable law or requirement of any public or controlling authority;
- 2.12.5. undertakes that all the Tenant's work shall be effected with new materials. Materials and workmanship shall be of a uniformly high quality used and/or performed in accordance with the very best standards of practice
- 2.12.6. shall effect insurance to the Landlord's requirements indemnifying the Landlord and the Tenant against any damage however caused to any of the work referred to in or to any third party as a result of the building operations in connection with the work. The Tenant shall, if called upon by the Landlord to do so, furnish written proof of such insurance cover;
- 2.12.7. shall be liable to pay to the Landlord any additional municipal rates and taxes and/or fire insurance premiums and/or any other additional costs levied or charged as a result of the work;
- 2.12.8. shall be responsible for the security of the Leased Premises.
- 2.13. Should any dispute arise as to whether any alteration, renovation and/or addition is structural, non-structural or merely a fixture or fitting, a certificate of the Landlord's architect shall be final and binding on both the Landlord and the Tenant.
- 2.14. The Tenant hereby expressly waives and abandons any and all claims which it may have, whether arising during the existence of this Contract or after its termination, for whatsoever reason, including but not limited to claims:
- 2.14.1. for payment of any compensation whatsoever, for any alterations, additions or improvements effected by it to the Leased Premises, whether or not such alterations, addition or improvements were effected with the Landlord's consent or have been removed; and/or
- 2.14.2. to retain possession of the Leased Premises on the basis of a lien arising out of any alterations, additions or improvements effected by it or on its behalf to the Leased Premises, either during the existence of this Lease, its renewal (if applicable) or after its termination.
- 2.15. The Tenant shall comply with all the statutory requirements, including but not limited to the Occupational Health and Safety Act (as amended) during the Fitting Out Period, any installation and while occupying the Leased Premises. The Tenant shall, at its cost, procure a Certificate of Electrical Compliance and Occupation Certificate.
- 2.16. The Tenant shall be obliged to commence trading in the Leased Premises from and pay rental and other amounts due from the Trading Date. Should the Tenant commence trading prior to the Trading Date, pro-rata rental and other amounts due shall be payable for the period between the date of such trading date and the actual Trading Date as set out above.

3. Should the fit out of the Leased Premises not comply with the scope of the work as expressly set forth in the approved design drawings and a certified by the Landlord's architect, which certificate shall be final and binding on both the Landlord and the Tenant, the Landlord may in its sole and absolute discretion and without prejudice to any other remedy it may have in law, cancel the Lease Agreement.

4. **EARLY TERMINATION**

- 4.1. In the event that the Tenant commits a breach of this Lease Agreement leading to its cancellation or early termination, the Tenant shall be required, on demand, to pay to the Landlord a portion of the Tenant Installation Allowance. Such portion shall be determined as follows:-

$A \times (B \div C) = D$ where:-

"A" is the Tenant Installation Allowance and if applicable the monetary equivalent of the rent-free period given to the Tenant in lieu of the Tenant Installation;

"B" is the unexpired portion of this Lease (in months) as at the date of the of the Tenant's breach of this Agreement;

"C" the duration of this Lease in months; and

"D" is the amount the Tenant must pay to the Landlord upon termination or cancellation of the Agreement

REVAMP OF LEASED PREMISES

The Tenant acknowledges that the renewal of the Lease Agreement is subject to the Tenant undertaking and completing a revamp, at its own cost, of the Leases Premises within 60 (sixty) days after signature of this Contract. The provisions of clauses 2 and 3 of Annexure 1.18.8 shall apply with the necessary changes having been made (*mutatis mutandis*).

DEBIT ORDER AUTHORISATION

INSTRUCTION FROM

ENTITY NAME:	OBC GROUP (PTY) LTD
TRADE NAME:	OBC CHICKEN AND MEAT
PHYSICAL ADDRESS:	SHOP 6-9 GIYANI PLAZA DANIE THERON STREET GIYANI, LIMPOPO
TENANT TELEPHONE NUMBER:	083 718 9195
TENANT NUMBER:	
REFERENCE NUMBER FOR PAYMENTS:	
DATE OF INSTRUCTION:	

INSTRUCTION TO

ENTITY NAME:	VUKILE PROPERTY FUND LIMITED
	C/O BROLL PROPERTY _____

Dear Sirs

With reference to my/our Lease dated with **VUKILE PROPERTY FUND LIMITED** (the "**Landlord**"), I/We, as Tenant, hereby agree to pay all amounts due in terms of my/our Lease by means of a debit order according to the terms set out hereunder.

1. The details of my/our current bank account are as follows:

Name of Account Holder: _____

Name of Bank: _____

Name of Branch: _____

Branch Code: _____

Account Number: _____

Type of Account: _____

2. **The Tenant hereby irrevocably and in rem suam for the entire period of the Lease authorises the Landlord (and/or its duly authorised managing agents from time to time, if applicable), to claim against its current/savings account**

with the deposit taking institution detailed above or any other deposit to which the Tenant transfers to its account or opens an account for any amount equal to the basic rental together with any and/or all other charges payable in respect of this Lease, on the first day of each and every month commencing on the Lease Commencement Date.

3. All such withdrawals from the Tenant's account by the Landlord will be treated as though they had been signed by the Tenant personally.
4. The Tenant acknowledges that the withdrawals hereby authorised may be processed by computer through any system used at the time by the abovementioned institution.
5. The Tenant will pay any bank charges relating to this institution.
6. The Tenant undertakes to deliver to the Landlord on demand a cancelled cheque or any other documents necessary to enable the Landlord to act under this authority.
7. The Tenant will not be entitled to close the bank account without advising and furnishing the Landlord with proof that the Tenant has opened another current/savings account with the same or another deposit taking institution.
8. If the Landlord elects not to act in terms of this authority, it will notify the Tenant in writing, whereupon the Tenant will be obliged to make payment of the rent and other amounts payable in terms of the Lease in such other reasonable form as the Landlord may stipulate for so long as the Landlord so stipulates.
9. The Tenant acknowledges that its bank will be and remain its agent.
10. The Landlord will not be obliged to accept payment in terms of this authority after the due date of payment.
11. The Tenant undertakes to deposit to the aforesaid account sufficient funds from time to time to cover the amount payable by it to the Landlord in terms of the Lease.
12. The Tenant acknowledges that this instruction will not in any way be construed as overriding the terms of the Lease. If there is any conflict between the terms of the Lease and this order, the Lease will prevail.
13. **The Tenant hereby agrees that, should it enter into a further agreement of lease with the Landlord in respect of premises within the same building of which it was a Tenant at the date of signature hereof and subsequently relocates to or occupies such premises, the terms of this instruction will apply with the necessary changes having been made (*mutatis mutandis*).**

ACCOUNT SIGNATORY/IES

Duly Authorised

Name:

Identity
Number:

Designation:

Date:

WITNESS

Name:

Identity Number: