# **AGREEMENT OF LEASE**

#### Between

# **ROSEHIP PROPERTIES 16 (PTY) LTD**

Registration Number: 2008/003 186/07 VAT No. 4010252387

and

# **SAMPADA SHOPPING CENTRE (PTY) LTD**

Registration Number: 2016/3304 86/07 VAT No:

(including its successors in title and assigns Hereinafter called "the Lessor"

and

# **OBC GROUP (PTY) LTD**

Registration No: 2000/022 255/07 VAT No: 4500170958

(the "Lessee")

Trading as

**OBC CHICKEN & MEAT** 

IMPORTANT NOTE: Please read and consider this agreement and its annexures carefully as it shall constitute a binding agreement. You will be requested to declare that you understood the content of this entire agreement and its annexures and more specifically the fact, nature and effect of clauses (terms) next to which you were requested to specifically initial. Please note that initialling next to any clause (term) would not affect the enforceability of any of the other terms of this agreement. Please do not disregard any terms not so emphasised as such terms will be binding and enforceable.

# **SCHEDULE**

#### A. The Leased Premises

- A (a) "the site" means: **DIEPSLOOT WEST X10**
- A (b) the "building" means: THE BUILDING CONSTRUCTED ON THE PROPERTY KNOWN AS BAMBANANI SHOPPING CENTRE WHERE PREMISES ARE LOCATED AND OWNED BY ROSEHIP PROPERTIES 16 (PTY) LTD AND SAMPADA SHOPPING CENTRE (PTY) LTD

the building known as **BAMBANANI SHOPPING CENTRE** which is erected on the site situated at **CNR R114 AND APPLE STREET, DIEPSLOOT WEST** 

With a Gross Lettable Area (GLA) of 18 443m<sup>2</sup>

- A (c) the "premises" means: **SHOP 33**
- A (c) (i) 1. measuring approximately **800** (550 FRONT OF HOUSE AND 250 BACK OF HOUSE) square meters in area situated on the Ground Floor of the building which parts are identified in colour on the attached plan which is Annexure "B" to the Agreement. Any variation in the aforesaid approximate area/s of the leased premises, as certified by the lessor's architect in terms of 2.2 of Annexure A shall be used to adjust the amount of the monthly rental and any other amounts payable by the lessee to the lessor in terms of the lease retrospectively for the period involved. (This excludes any additional space taken up or reduced space given up by the lessee which increases / decreases the leased area).
- A (c) (ii) Parking bay: N/A
- A (d) The leased premises described under A (c) (i) above shall:
- A (d) (i) comply with the specifications set out in Annexure "K" which specifications, together with the terms and conditions contained in the said annexures hereto, shall be regarded as if incorporated herein;
- A (d) (ii) Be used for the sole purpose as recorded hereunder and for no other purpose whatsoever:

# OBC CHICKEN AND MEAT FRANCHISE AND RELATED ACTIVITIES ONLY.

# **B.** Agreement of Lease

The lessor hereby lets the leased premises to the lessee, who hereby hires the same from the lessor on the terms and conditions set out in this lease and in the general terms and conditions annexed hereto marked "A" and any other annexures hereto, which shall be regarded as if incorporated herein.

#### C. The Commencement and Duration of the lease

The lease shall:

C (a) Commence on: - 01 December 2017

C (b) Expire on: - **30 November 2020** 

C (c) Duration: - (5) five years

C (d) 1 Option Periods: - of (5) five years

It is specifically recorded that the Lessor will host a grand opening of the building on the **23 November 2017** from which date the Lessee will commence trading. Pro-rata rental will be payable from the 23 November 2017 until the 30 November 2017.

Notwithstanding the aforegoing, the lessee shall be given beneficial occupation of the premises from 24 October 2017 until 22 November 2017.

All terms and conditions of the lease shall apply during the above period of beneficial occupation save for the payment of the rental as shown in Clause D, Marketing Fund as shown in Clause E and monthly operating and maintenance costs in Clause G (b).

It is specifically recorded that the lessee shall be responsible for the payment of electricity, water and charges in respect of rates and taxes, refuse and sewerage charges during the beneficial occupation period.

Should the lease be cancelled or terminate at any time prior to the expiry date, for any reason whatsoever, the lessee shall refund to the lessor a pro rata portion of the rent not paid, whether during the beneficial occupation period or during the rent free period after commencement of the lease, if applicable, calculated at the ratio that the unexpired period of the lease bears to the total period of the lease, within 7 (seven) business days of the date of such cancellation or termination.

## D. Monthly Rental

The monthly rent hereunder payable by the lessee for the hire of the leased premises shall, subject to the provisions of Annexure A be:

Shop 33

Monthly	Vat Amount	Vat	Total	Esc	Period		
Rental		Rate		Rate			
R84 000.00	R11 760.00	14%	R95 760.00	7%	01 December	to	30 November
					2017		2018
R89 880.00	R12 583.20	14%	R102463.20	7%	01 December	to	30 November
					2018		2019
R96 171.60	R13 464.02	14%	R109 635.62	7%	01 December	to	30 November
					2019		2020
R102 903.61	R14 406.51	14%	R117 310.12	7%	01 December	to	30 November
					2020		2021
R110 106.86	R15 414.96	14%	R125 521.82	7%	01 December	to	30 November
					2021		2022

# E. Monthly Contribution to the Marketing Fund

The amounts excluding VAT set out below are payable by the lessee towards the advertising and promotions fund which will be/has been established for the centre, and which will be administered by the lessor. The objective of the fund will be to promote the business of all the lessees in the centre by sales promotions and countrywide advertising.

Percentage of basic Rent: 3%

## F. Turnover rental for lease period

% of nett turnover.

#### **G.** Recovery of Costs

G (a) With effect from the commencement date the lessee shall also pay to the lessor:

A monthly contribution towards the recovery by the lessor of municipal rates and taxes and any other such levies presently in force and/or which may come into force at any time during the currency of this lease or any extension hereof, by the municipality or any other legal body, and any increases thereon, equal to one twelfth, monthly, of the lessee's proportionate share of the annual municipal rates and taxes in respect of the site and/or the building from time to time during the currency of this lease and any renewal thereof. It is recorded that the lessee's monthly contribution in terms of this clause as at the commencement date shall be as reflected hereunder.

G (b) A basic amount as recorded below to the lessor as a monthly contribution towards the recovery by the lessor of the operating and maintenance costs of the building and/or the site

- G (c) the pro-rata or metered cost, plus a charge for meter reading of electricity, water, gas and sewerage including the basic and service charges in respect of these services consumed by it in or on the leased premises.
- G (d) Refuse: Lessee's pro rata share provided that if the volume of refuse generated by Lessee is higher per square meter of the space occupied than that the average, the calculation will be weighed as per clause 7.3 of the General Terms and Conditions of Lease.

Commencing refuse (at date of signature hereof) shall be **[To be advised]** per month (excl VAT).

- G (e) Refuse removal as charged by the supplier in respect of the Lessee's premises: Direct costs as per clause 7.3 of the General Conditions of Lease.
- G (f) As metered and if not metered the pro rata cost of electricity and water consumed by the air-conditioning systems serving the premises including the lessee's share of these services provided in the common areas of the building and/or property.
- G (g) the cost of drawing and executing this lease (R2, 500) excluding VAT.

#### H. Financial Guarantees

On the date that the lessee signs this lease, the lessee shall furnish the lessor with the following which shall remain in full force and effect until 3 (three) months after the expiry of this lease and any renewal thereof:-

A non interest bearing cash deposit or irrevocable and unconditional bank guarantee as set out below as security for the due compliance by the lessee with the terms and conditions of this lease, and any renewal thereof. Where the lessee has undertaken to provide an irrevocable and unconditional bank guarantee and fails to deliver such guarantee to the lessor on being requested to do so, the lessor shall thereupon be entitled to call immediately for a cash deposit as aforesaid for security.

Deposit- R102 903.60

H (b) Such suretyship(s) as may be required by the lessor guaranteeing the due compliance by the lessee with the terms and conditions of this lease - See Annexure "D"

Full names	<del>ID</del>	Address for service of
		documents and notices
		(Domicilium address)

H (c) The lessor shall have the right at any time during the currency of this lease upon 30 (thirty) days written notice to the lessee to require the lessee to furnish the lessor with such further deposits or suretyships in addition to those referred to in H (a) and H (b) above as the lessor may at its discretion reasonably require.

# I. Address for service of documents and notices (Domicilia and Notices)

I (a) The lessor chooses its address for service of documents and notices (domicilium et executandi) for all purposes hereunder at:-

UNIT 8, BLOCK B, 1ST FLOOR 34 IMPALA ROAD, CHISELHURSTON SANDTON

I (b) The lessee chooses its address from service of documents and notices (domicilium et executandi) for all purposes hereunder at:-

96 15<sup>th</sup> Road Randjespark Midrand 1685

- I (c) Any notice or communication between the parties given in terms of the lease:-
- I (c) (i) by the lessor, shall be in writing and addressed to the lessee at its address for service of documents and notices (domicilium citandi et executandi) OR:-

96 15<sup>th</sup> Road Randjespark Midrand 1685

I (c) (ii) by the lessee shall be in writing and addressed to the lessor at its address for service of documents and notices (domicilium citandi et executandi) OR:-

UNIT 8,BLOCK B, 1<sup>ST</sup> FLOOR 34 IMPALA ROAD CHISELHURSTON SANDTON

P O BOX 4442 RANDBURG

#### 2125

I (c) (iii) Lessee's monthly statements from the lessor to be addressed to the lessee at:-

96 15<sup>th</sup> Road Randjespark Midrand 1685

- I (c) (iv) shall be deemed to have been received by the respective addressee on the seventh day after posting if sent by prepaid registered post.
- I (c) (v) shall be deemed to have been received by the respective addressee on the date of delivery if delivered by hand to the address for service of documents and notices (domicilium citandi et executandi).
- I (c) (vi) shall be deemed to have been received by the respective addressee, if sent by telefax, on the first business day following the day on which the notice was transmitted, provided, however, that such transmission is complete and legible in the addressee's hands.
- I (d) The lessor and lessee shall each be entitled, by notice in writing to the other, to change the address set out above respectively chosen by each of them, provided that any new address shall be a physical address in the Republic of South Africa.

## J. Leasing Agents Commission

Should the lease be cancelled or terminated at any time prior to the expiry date, for any reason whatsoever, the lessee shall refund to the lessor a pro rata portion of the leasing agent's commission as well as any TI payments made, calculated at the ratio that the unexpired period of the lease bears to the total period of the lease, which sums shall be paid within 7 (seven) business days of the date of such cancellation.

#### K. Resolution

The representative of the lessee shall in all cases, other than in the case where the lessee is an individual provide a resolution confirming that such representative is duly authorised to sign the lease on behalf of the lessee. See Annexure "F".

# Annexures forming part of this lease

- A GENERAL CONDITIONS OF LEASE
- B PLAN
- C TRADING HOURS
- D DEED OF SURETYSHIP
- **E** HEALTH AUDIT
- F RESOLUTION
- **G** RIGHT OF RENEWAL
- H DEBIT ORDER INSTRUCTION
- I TENANT INSTALLATION
- J IRREVOCABLE BANK GUARANTEE
- K STANDARD SPECIFICATIONS
- L LEASE CRITERIA
- M HOUSE RULES AND REGULATIONS
- N TURNOVER RENTAL
- O CERTIFICATE BY CONSUMER
- P SPECIAL CONDITION

# **Execution**

FOR THE LESSEE:		
Dated at witnessed at	on the	day of
As witnesses:		
1		
2.		The Lessee Name of authorised signatory:
Dated at witnessed at	on the	day of
As witnesses:		
1		
2.		The Lessee Name of authorised signatory:

FOR THE LESSOR:		
Dated at witnessed at	_ on the	_ day of
As witnesses:		
1.		
2.		The Lessor  Duly authorised  Name of signatory
Dated at witnessed at As witnesses:	on the	day of
As witnesses:		
1.		
2.		
		The Lessor
		Duly authorised  Name of signatory

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#### **GENERAL CONDITIONS OF LEASE**

# 1. **DEFINITIONS AND INTERPRETATION**

In this Agreement:

- 1.1 "the / this Agreement" shall mean the Schedule to General Conditions of Lease, the General Conditions of Lease and all Annexures thereto:
- 1.2 "the monthly rent" shall mean the gross monthly rental payable by the Lessee to the Lessor as set out in Item D of the Schedule;
- 1.3 "beneficial occupation" shall mean (where applicable) the granting of access to the premises for purposes of fit-out thereof in accordance with the Lessee Criteria Document attached hereto marked Annexure "L";
- 1.4 "the building" shall mean the building of which the premises form part as extended and altered from time to time, together with any parking area forming part thereof erected on the property;
- 1.5 "the commencement date" shall mean the date as stipulated in Item C of the Schedule;
- 1.6 "common area" shall mean those portions of the building and the property not designed or intended to form part of the rentable area of the building or property, including, but without derogating from the generality of the aforegoing, lifts, staircases, escalators, gardens, toilets, loading zones, public parking areas, service roads, kitchens, malls, passages, service corridors and yards. Nothing contained in this definition shall be construed as imposing any obligation on the Lessee to provide any such conveniences as are specifically mentioned above, unless stipulated otherwise in this Agreement;
- 1.7 **"the date of signature"** shall mean the date on which the last party to this Agreement signs the agreement;
- 1.8 "the expiry date" shall mean the date as stipulated in Item C of the Schedule;
- 1.9 "the general conditions of lease" shall mean the General Conditions of Lease as contained in this Agreement and its annexures;
- 1.10 "insurance of the building" shall mean the insurance policy or the contract documents relating to the insurance policy in terms of which the Lessor has insured the building;

- 1.11 "the Lessee's pro rata share" shall mean the Lessee's share of the rentable area expressed as a percentage of the rentable area of the premises in relation to the total rentable area of the building from time to time as recorded in Item G of the Schedule, being the percentage at the commencement date;
- 1.12 "Lessor" shall mean the Lessor as more fully described on page 1 of the Schedule, including, where applicable, the Lessor's agents appointed from time to time:
- 1.13 "Lessor's auditor" shall mean the auditors of the Lessor from time to time nominated and appointed by the Lessor;
- 1.14 "the parties" shall means the Lessor and the Lessee collectively;
- 1.15 "the premises" shall mean that portion of the building as demarcated on the plan attached hereto marked Annexure "B". The plan only serves to identify the position of the premises and no warranties are given in regard thereto;
- 1.16 "the prime rate" shall mean the public quoted prime overdraft rate of interest (compounded monthly in arrear) published from time to time by the Lessor's bankers as being the prime overdraft rate as certified by any manager of such bank, whose appointment and designation need not be proved;
- 1.17 "the property" shall mean the property as described in Item A(b) of the Schedule;
- 1.18 "rentable area of the premises" shall mean the gross lettable area of the premises as measured in accordance with the South African Property Owners' Association (hereinafter referred to as "SAPOA") method for measuring floor areas and certified by the Lessor's architect;
- 1.19 "the standard specification" shall means the Lessor's standard specification of finishes for the retail premises as set out in the attached Annexure "K";
- 1.20 the terms and conditions contained in the Annexures hereto will take preference over any terms and conditions that is contained in the Agreement in the event of conflicting interpretation;
- 1.21 words importing any one gender shall include the other, and words importing the singular shall include the plural and the other way around (vice versa);
- 1.22 the headings of paragraphs are used for reference only and are in no way to be deemed to explain, modify, amplify or aid in the interpretation of the Agreement;
- 1.23 reference to the Lessor shall at all times include reference to the Lessor's duly appointed and authorised agents from time to time;
- 1.24 reference to persons shall include natural persons, juristic persons and trusts;

- 1.25 any clauses which are deleted in this Agreement and initialled by the parties for the purpose of identification, and remains legible thereafter, shall be regarded as not written (*pro non scripto*) in the interpretation and implementation of this Agreement;
- 1.26 the parties to this Agreement shall not have any authority to bind each other to any agreement or undertaking. No provision in this Agreement shall be construed as creating any partnership or joint venture between the parties;
- 1.27 all signatories to this Agreement warrant that they are duly authorised to sign this Agreement. A copy of a resolution containing such authorisation is attached hereto marked Annexure "F", alternatively in possession of the person(s) signing this Agreement, failing the existence of such authorisation, it will also be deemed that such signatory(ies) signed the Agreement in their personal capacity despite any other remedies available in law to the party whose signatory(ies) are authorised.
- 1.28 this Agreement shall, upon being duly signed by the parties, replace the Offer to Lease in its entirety.

## 2. PREMISES

- 2.1 The Lessor hereby lets to the Lessee, which hires the premises described in Item A(c) of the Schedule, with a rentable area with the approximate square meterage as described in Item A(c) of the Schedule;
- 2.2 Upon completion of the premises, the Lessor may at its sole election choose to provide an architect's or quantity surveyor's certificate in respect of the rentable area of the premises and should such measurement vary by 2% (two percent) or more from the area stipulated in Item A(c) of the Schedule, then an adjustment shall be made to Items D, E, A(C) and G of the Schedule and thereafter recorded in an Addendum to this Agreement.

# 3. **LEASE PERIOD**

- 3.1 This Agreement shall endure from the commencement date to the expiry date as recorded in Items C(a) and C(b) of the Schedule.
- 3.2 If the premises are not ready for occupation by the Lessee on the commencement date of this Agreement for any reason whatsoever, the Lessee shall have no claim for cancellation of this Agreement or for damages or any other right of action against the Lessor or its agents. In such event the Lessee shall accept occupation of the premises on the date on which they become available, which date shall then be the date on which this Agreement commences. The expiry date of this Agreement will automatically be extended to ensure that the Lessee occupies the

premises for the lease period provided for in Items C(a) and C(b) of the Schedule. The gross rental and other amounts due in terms of this Agreement will then escalate on the anniversary of the commencement date as provided for in Item C(a) of the Schedule and at the escalation rate provided for in Items D and E of the Schedule respectively despite the pre-recorded amounts and periods set out under Items D and E of the Schedule;

- 3.3 Any contribution payable by the Lessor to the Lessee for fitting out the premises will only be made at the later of:
  - 3.3.1 the Lessee trading from the premises, or
  - 3.3.2 the Lessee having paid all amounts due to the Lessor in terms of the Offer to Lease or this Agreement, or
  - 3.3.3 the Lessee accepting the premises as complete, or
  - 3.3.4 the Agreement being signed.
- 3.5 If the Lessor is unable to give the Lessee beneficial occupation of the premises as stipulated herein, for any reason whatsoever, the Lessee shall have no claim for damages or right of cancellation and shall accept beneficial occupation on such later date on which the premises are available;
- 3.6 If any delay in the commencement of this Agreement or the completion or erection of the building or the premises is caused amongst other things (*inter alia*) by the Lessee's failure to timeously give any notice or information which it is required or entitled to give or to carry out any work for which it is responsible, the Lessee shall be liable for such damages as the Lessor may suffer as a result of the delay, including but not limited to loss of rental and increases in building and other costs;
- 3.7 Should the Lessee fails to open the premises for business fully fixtured, stocked and staffed on the commencement date, then it shall constitute a breach of this Agreement and the Lessor shall have the right to any and all remedies herein provided, including but not limited to the right to:-
  - 3.7.1 collect all amounts payable in terms of this Agreement without prejudice to its rights in respect of a cancellation of the Agreement; and
  - 3.7.2 claim payment from the Lessee of an amount equivalent to twice the gross monthly rental payable by it in terms of Item D of the Schedule, calculated on a pro-rata basis for each day from the commencement date until such date upon which the Lessee commences trading in the premises.

# 4. **RENT AND TURNOVER RENT**

- 4.1 For and in consideration of the use of the premises, the Lessee shall pay to the Lessor monthly in advance on or before the first business day of each month, from the commencement date, or the date trading commences from the premises, whichever is the earlier, the gross monthly rent and all other rental and charges as stipulated in this Agreement and the Schedule, in South African currency, free of any deduction or set-off whatsoever and free of bank charges and/or commission by way of debit order.
- 4.2 The Lessee shall complete and sign in favour of the Lessor the letters of authorisation attached to this Agreement as Annexure H simultaneously with the signing of this Agreement;
- 4.3 Notwithstanding the provisions of this Agreement, if the commencement date is not the 1<sup>st</sup> (first) day of a calendar month, a pro rata amount of rental and other charges shall be payable by the Lessee as stipulated herein, calculated from the commencement date to the end of the calendar month in which the commencement date occurred (pro rata amount);
- 4.4 The rent payable by the Lessee during the period of this Agreement shall be the greater of the gross monthly rent as specified in Item D of the Schedule;
- 4.5 The percentage of annual turnover rent payable by the Lessee for the lease year is recorded in Item F of the Schedule and the calculation of turnover rent and items pertaining thereto as recorded in Annexure "N" attached hereto, if applicable
- 4.6 Unless otherwise stated by the Lessor in writing, the receipt by the Lessor or its agents of any rent, other payment or tendering of statements shall in no way whatsoever prejudice or operate as a waiver, rescission or abandonment of any cancellation or right of cancellation effected or acquired prior to such receipt be construed to create any agreement be it tacit or implied between the parties. The Lessor shall be entitled in its sole and absolute discretion to appropriate and reappropriate any amounts received from the Lessee or amounts to which the Lessee is entitled towards the payment of any cause of debt or amount owing by the Lessee to the Lessor whatsoever.

#### 5. **DEPOSIT**

5.1 The Lessee shall upon signing of this Agreement by the Lessee pay cash or present an acceptable Bank Guarantee, as per Annexure "J" to the Lessor in the amount as stipulated in Item H of the Schedule, as a rental deposit in addition to all other amounts due in terms of this Agreement, which amount the Lessor or its agent, shall retain as security for the due compliance by the Lessee of its obligations arising from the Agreement and/or occupancy of the premises and furthermore which amount the Lessor or its agents may appropriate as such. The

- Lessee shall not be entitled to any interest on such deposit held by the Lessor and interest on such deposit shall accrue to the Lessor;
- 5.2 If the Lessee is unable to present an acceptable Bank Guarantee as set out in clause 5.1 above, the Lessee will pay on the date as stipulated in clause 5.1, the deposit in cash to the Lessor. The Lessor will refund the cash deposit (without interest) to the Lessee upon the Lessee presenting an acceptable Bank Guarantee. This provision is for the benefit of the Lessor and may be waived by it in writing at any time;
- 5.3 When the Lessee provides a cash deposit, such deposit shall be retained by the Lessor until 3 (three) months after the expiry of this Agreement and the premises having been vacated by the Lessee and the complete discharge of the Lessee's obligations to the Lessor as recorded in this Agreement whereafter the deposit, less amounts utilised by the Lessor to fulfil the Lessee's obligations, shall be paid to the Lessee without interest.
- 5.4 Notwithstanding the provisions of clauses 5.1 and 5.3 and upon receipt of a notice in terms of Item H of the Schedule, the Lessee shall be liable and furnish to the Lessor any such shortfall in the deposit, a Deed of Suretyship/s, Bank Guarantee or further additional security as the Lessor may require in such notice
- 5.5 The Lessor may apply the whole or portion of the deposit towards payment of the rent, water, electric current, gas or other charges, key replacements, renovations or any other liability of whatsoever nature for which the Lessee is responsible including damages arising on cancellation. If any portion of the deposit is so applied, the Lessee shall forthwith reinstate the deposit to its original amount or the amount contemplated as per any notice in terms of Item H of the Schedule as stipulated in clause 5.4 above. The Lessee shall not be entitled to set off against the deposit any rent or any other amount payable by it to the Lessor.

#### 6. ASSESSMENT RATES AND OTHER TAXES

- 6.1 The Lessee's share of assessment rates payable shall be the amount as stipulated in Item (a) of the Schedule per month, excluding VAT, as well as the Lessee's pro rata share as stipulated in Item G(a) of the Schedule of any increase or decrease thereon payable upon demand, which shall escalate or be reduced when the assessment rates are increased or decreased by the local authority;
- 6.2 The Lessee shall be liable for the Lessee's pro rata share of any new tax or levy introduced by any local or other authority in respect of and/or relating to the premises, building or signage erected thereon.

#### 7. FEES AND CHARGES PAYABLE BY THE LESSEE

In addition to the gross monthly rent and assessment rates, the following monthly charges, excluding VAT, will be for the Lessee's account:

- 7.1 An electricity and water consumption deposit, equal to an amount of 3 (three) months' consumption shall be payable upon demand from the Lessor in the event of the Lessee failing to make prompt payments on the due dates in terms of this clause, and which deposit shall be held by the Lessor on the same terms as recorded in clause 5 above:
- 7.2 The Lessee's share of sewerage and effluent disposal charges levied against the property calculated in accordance with the local supply authorities tariffs, if metered, alternatively the Lessee's pro rata share of such charges;
- 7.3 The Lessee's pro-rata share (which for purposes of clause 7.3 shall exclude from the calculation of pro rata the lettable area of any Lessee exceeding 2 000m² (two thousand square meters) or any lessee which may utilise its own refuse collection disposal and compaction) of refuse collection, disposal and compaction of its refuse and the cost of refuse removal bins and other containers that may from time to time be specified by the local authority or the Lessor. If the Lessee's use of the refuse facility results in an increase in the amounts payable to the local authority the Lessee shall be obliged, upon written request from the Lessor, to arrange and pay for such refuse collection, disposal and/or compaction charges.
- 7.4 The Lessee shall be liable to the Lessor for all charges in respect of electricity and water actually consumed upon the premises itself including external signage and air-conditioning based on consumption as metered and calculated according to the official tariffs, applicable to the Lessee, from the supply authority concerned as well as the Lessee's pro rata share of electricity and water consumed by signage and air-conditioning servicing the common area.
- 7.5 Should a meter metering the electricity and water consumption be shared between lessees, the charges will be shared on a pro rata basis (i.e. the metered charges divided by the area of the premises expressed as a percentage of the total area which such meter for electricity and water consumption serves). The said costs will be calculated according to the official tariffs, levies and costs which would have applied to the Lessee as if the supplier had supplied the water and electricity directly to the premises. The reading of the meter shall be conclusive proof of the electricity and water consumption on the premises. The onus of proving an inaccurate meter reading shall lie with the Lessee. Should at any time any meter fail, then the Lessee will be liable for his average electricity and water charges, calculated over the preceding 6 (Six) months however at the rates applicable during such failure. The Lessee shall be notified immediately upon the discovery of such a metering defect.
- 7.6 The Lessee shall be liable for the water and electricity consumed by an air-conditioning unit and fire protection equipment as metered, if dedicated to the premises. However, should the unit service the premises but also be shared by any other premises in the building, then the metered charges divided by the area

of the premises expressed as a percentage of the total area which such air conditioning and fire protection equipment serves. If not metered, the Lessee's share of such water and electricity consumption as calculated as the size of the premises expressed as a percentage of the total area which the air-conditioning unit and fire protection equipment serves. The installation of sub-meters shall be at the Lessor's discretion and at its costs:

- 7.7 The Lessee shall furthermore be liable for the costs of repairing, servicing and maintaining any dedicated air conditioning unit, alternatively in case of a shared unit such costs divided by the area of the premises expressed as a percentage of the total area the air conditioning unit serve, excluding common areas;
- 7.8 The Lessee shall furthermore be liable for the costs of purchase, installation, maintenance and repair of any and all hand held fire fighting equipment and hose reels in its premises;
- 7.9 If the Lessor is entitled in terms of any legislation or regulation or related statutory requirement promulgated from time to time, to recover utility costs of whatsoever nature from the Lessee, then the Lessor shall be entitled to recover and the Lessee shall be obliged to pay those costs at the tariffs prescribed from time to time;
- 7.10 Any electrical charges, refuse removal, water or any other such charges shall be paid for by the Lessee from the beneficial occupation date, whether or not the Lessee trades from the premises;
- 7.11 The Lessee shall comply with all house rules and regulations established by the Lessor from time to time.
- 7.12 The Lessee shall be responsible for the replacement cost of any bins or containers used by or in connection with the premises which may be stolen, lost or unlawfully removed.
- 7.13 The Lessee shall be liable for the Lessee's pro rata share of all meter reading charges.

# 8. **MARKETING**

- 8.1 The Lessor shall establish a marketing fund, or similar body, for the marketing and promotion of the building of which the premises form part of and the Lessee shall pay monthly, upon being invoiced, an amount as stated in Item E of the Schedule;
- 8.2 The Lessee undertakes to comply with the rules and regulations of the marketing fund, or similar body.

- 8.3 The Lessee hereby waives any claim of whatsoever nature against the Lessor that it may have arising out of the collection, application and appropriation of the monthly contribution referred to in clause 8.1 above.
- 8.4 The Lessee warrants that any information regarding goods or services, which are presented to the Lessor for any purpose, including but not limited to advertising, marketing or publishing, shall not be in contravention of the Consumer Protection Act 68 of 2008. The Lessee hereby indemnifies the Lessor and holds the Lessor harmless in respect of any claim whatsoever resulting from a breach of this warranty.

# 9. **CONDITION OF PREMISES**

The Lessee acknowledges that he has acquainted himself with the situation, nature and condition of the leased premises and the locality of the property and the Lessee shall within 14 (fourteen) days notify the Lessor in writing of any defects in the premises, failing which the Lessor shall not be obliged to rectify such defects.

#### 10. **USE OF PREMISES**

- 10.1 The Lessee shall use the premises, strictly limited to the purpose set out in Item A(d) of the Schedule and acknowledge that it shall not have an exclusive right to any particular type of business, or portion thereof, being conducted in the building. The Lessor shall be entitled to let premises in the building to third parties that may conduct the same or similar business as that of the Lessee;
- 10.2 The Lessee shall utilise the premises for no other purpose whatsoever, without the prior written consent of the Lessor being obtained, and which consent shall also be obtained for installation and operation of all forms of vending machines, whether inside or outside the premises;
- 10.3 The Lessee acknowledges that it has satisfied itself that the premises are suitable for the purpose of the Lessee and further acknowledges that the lessor does not warrant that the lessee will be granted any license or consent in respect of its business or that any such license or consent will be renewed or extended.
- 10.4 The Lessee shall only have access to the premises during such hours as may be agreed to in writing from time to time by the Lessor or its agents.
- 10.5 The Lessee shall comply with any regulations agreed to between the Lessor and any amenity service provider, including but not limited to any requirements regarding the use of water, electricity and sewerage.

10.6 The Lessee shall carry on in the premises a business of high standing and in any event of no lesser standing and standard than those of other lessees in the building so as to maintain the quality and standing of the property and the building.

#### 11. LESSEE'S GENERAL OBLIGATIONS

- 11.1 The Lessee shall comply with all laws, by-laws and regulations relating to lessees or occupiers of business premises for the conduct of any business carried on in the premises, including but not limited to obtaining an occupation certificate from the local authority at its cost.
- 11.2 The Lessee shall not contravene or permit the contravention of any of the conditions of title under which the property is held by the Lessor or any of the provisions of the town planning or similar scheme applicable to the property.
- 11.3 The Lessee shall not do or permit or cause anything to be done in or about the premises anything which, in the reasonable opinion of the Lessor, constitutes a nuisance or disturbance or may cause inconvenience to, or in any way disturb the peace of the Lessor or other lessees in the building or on the property, or occupiers of neighbouring premises or which may detract from the general neat appearance of the property or the premises. Nothing in this Agreement shall entitle any Lessee or person or other party to demand from the Lessor to take action in terms of this clause, nor shall any Lessee or other party derive any rights from the provision of this clause.
- 11.4 The Lessee shall, in conducting its business upon the premises in terms of this Agreement, give due consideration to the use and enjoyment of the building by other lessees, customers and employees.
- 11.5 If the Lessee is a restaurant or fast food outlet, the Lessee will, at its cost, install and maintain an extraction system in the food preparation area with filters, and shall maintain and regularly service, at its cost, these filters, to reduce odours and smoke to a minimum, together with a grease trap or similar equipment leading to the drainage in the premises, and the Lessor will have the right to order the Lessee, at the Lessee's cost, to change any system to meet the requirement of the Lessor or of any authority, including but not limited to the Department of Agriculture, Conservation and Environment.
- 11.6 The Lessee shall have the reasonable use of common areas, service roads, loading facilities, toilets and conveniences provided.
- 11.7 The Lessee shall ensure that all activities on the premises comply in all respects with the Occupational Health and Safety Act No. 85 of 1993, as amended (or its successor (this/the Act)) and the regulations found thereunder. The Lessee confirms that with effect from the beneficial occupation date or commencement date (whichever is the earlier) of this Agreement it has acquired and assumed full control in respect of the use of the premises for purpose of the Act. The Lessee

hereby indemnifies the Lessor or any duly appointed agent against any claims arising from the Lessee's non-compliance with the provisions of this Act in respect of the premises.

- 11.8 In particular, the Lessee, as the user of the electrical installations in the premises, shall be responsible for ensuring compliance with the Electrical Installations Regulations of the Occupational Health and Safety Act, 1993 as amended. The Lessee shall provide a certificate of compliance in regard to the electrical installation on the premises, in terms of the regulations of the Occupational Health and Safety Act, 1993 as amended, to the Lessor on the commencement date.
- 11.9 The Lessee shall not contravene or allow the contravention of the Tobacco Products Control Act 83 of 1993 (including regulations thereunder) by members of its staff or any person on the premises. The Lessee further indemnifies and holds the Lessor harmless against any penalty imposed by any local, provincial, national or other authority as a result of the Lessee's failure to comply with the provisions of such Act and/or the regulations.
- 11.10The Lessee shall be obliged to erect signage at the premises subject to the prior written approval of the Lessor and shall at all times comply with the requirements of the Lessor and/or its additional requirements as set out in Annexure "M" and/or any other annexures (where applicable) hereto. The Lessee will not be granted beneficial occupation of the premises until such written approval for its signage has been obtained from the Lessor.
- 11.11The Lessee shall furthermore not commence trading from the premises until the approved signage has been installed. The Lessor may in its sole and absolute discretion allow the Lessee to take occupation of the premises without prejudice to any of the Lessor's rights.
- 11.12The Lessee is obliged to submit the internal layout plans of the premises to the local authority for approval. The Lessor may refuse beneficial occupation to the Lessee until such plans have been approved by the local authority, and written proof of such approval is submitted to the Lessor.

#### 11.13 The Lessee:

- 11.13.1 hereby promises and undertakes to care for and maintain the premises, including shop fronts, fittings, doors, door mechanisms, equipment and appurtenances of whatsoever nature for the duration of this Agreement and on the termination or expiry thereof for whatever reason, to return and deliver the same to the Lessor as provided for in this Agreement;
- 11.13.2 shall, on the termination or expiry of this Agreement, return all the keys, duplicate keys, access cards and/or devices appertaining to the premises or parking which are in the possession of the Lessee to the Lessor. Such items will be delivered in good order and the Lessee will be liable for any cost or loss of or damage to the keys and/or the locks and/or access cards

and/or other devices appertaining to the premises and shall, at the request of the Lessor, replace the keys and/or locks and/or access cards and/or other devices, as the case may be, failing which the Lessor, in its sole and absolute discretion, shall be entitled to have same replaced and/or the lock mechanism and/or the lock combination changed (as the Lessor may elect) in addition to providing new keys for the premises and replace access cares and devices at the Lessee's cost.;

- 11.13.3 furthermore undertakes not to do or permit any act or deed, which may or shall obstruct the sewerage pipes, water pipes, storm water drainage system and/or drains. Should such an incident occur, the Lessor will be entitled to recover the cost of unblocking same and/or any damages resulting from such blockage from the Lessee and should the Lessor's contractor find that more than one Lessee has attributed to the blockage, the costs and damages will be recovered from the responsible parties on an equal basis;
- 11.13.4 shall in no way obstruct, or leave any item(s), whether by storage or otherwise and whether temporarily or permanently on the pavements alongside the building, staircases, passages or fire escape routes of the building or the yards or any other portion of the building or the property;
- 11.13.5 shall be vicariously liable to the Lessor for all costs incurred by the Lessor in repairing any damage to the building caused by Lessee, its employees and all other parties;
- 11.13.6 shall not be entitled to interfere with existing or provide additional electrical, air conditioning, plumbing and/or other fittings for the premises without the prior written consent of the Lessor and if such approval is forthcoming, provide such fittings and install the same at the cost of the Lessee through a contractor approved and as directed in writing by the Lessor;
- 11.13.7 shall, where the Lessee requires the use of gas, apply to the Lessor's selected gas supplier for such supply and pay all charges in connection therewith. All internal reticulation, including but not limited to connection, gas flow sensor, solenoid unit and gas detection sensor unit, shall be the responsibility of the Lessee at its costs, however at all times to the approval of the Lessor's selected gas supplier;
- 11.13.8 shall ensure the window and shop displays are bright, clean and aesthetically pleasing;
- 11.13.9 shall be responsible for the repair of any damage to the exterior and interior of the premises, as a result from burglary or attempted burglary of the premises;
- 11.13.10 Shall be liable and responsible for the maintenance, cleaning and

- upkeep of any glass, both internal and external, and mirrors and window panels in or on the premises and shall be obliged at its expense to replace such glass, mirrors or window panels as may be damaged however and by whomsoever such damage shall be caused;
- 11.13.11 Shall maintain a degree of lighting so as to ensure the premises are inviting to customers;
- 11.13.12 Shall ensure that the premises are adequately stocked and properly staffed and shall not obscure windows in any manner;
- 11.13.13 Shall pay for the replacement and repair of any lamps, starters, ballast and any lamps used in the premises and shall not interfere with the electrical installation or any other installation or equipment belonging to the Lessor and shall not overload the electrical system or any other service;
- 11.13.14 Shall not attach to the walls, ceilings and/or place on any part of the premises fittings or equipment which may be too heavy a load therefore;
- 11.13.15 Shall be responsible for maintenance and repair of electrical installations in the premises, including but not limited to the distribution board and furthermore furnish the Lessor with an electrical compliance certificate if requested in writing by the Lessor from time to time, and should the Lessee fail to do so the Lessor shall be entitled but not obliged to instruct its agents to obtain such certificate and the Lessee shall be liable for all costs relating thereto including but not limited to costs in respect of work to be performed;
- 11.13.16 shall provide and use bins or containers for refuse removal at its cost as may be necessary or specified by the local authority or the Lessor and keep the bins and containers in a neat and tidy condition and replace them from time to time:
- 11.13.17 shall not hold or permit to be hold, any auction in or upon the premises without the Lessor's prior written consent;
  - shall refrain from any conduct and furthermore not allow any item on the premises, which may affect the validation of the Lessor's insurance policy;
- 11.13.18 shall be obliged at the Lessee's sole cost and expense to take out, through an insurance company approved in writing by the Lessor, such adequate Lessee's public liability insurance and plate glass insurance for such amount of cover acceptable to the Lessor and in accordance with sound business practice and to maintain such insurance in full force

throughout the currency of this Agreement and any renewal thereof if applicable and furnish the Lessor with proof thereof upon written request;

shall under no circumstances be entitled to cancel this Agreement or have any claim or right of action whatsoever against the Lessor for any damages, loss or otherwise, nor be entitled to withhold or defer payment of rent by reason of the premises or any appliances or other installation, fittings and fixtures or services in the premises or the building being in a defective condition or falling into disrepair or any particular repairs not being attended to by the Lessor or being discontinued or interrupted, or for any other reason whatsoever. The Lessee shall not have any right of cancellation or claim for damages, abatement of rent or otherwise against the Lessor by reason of the amenities in or on the premises or anywhere in the building in which the leased premises are situate being out of order or not available for any reason whatsoever;

shall ensure that vehicles of its employees and agents are parked in the designated areas;

11.13.19 shall expedite the loading and unloading of vehicles to ensure that vehicles do not wait in the unloading area for unreasonably long periods;

shall not be entitled to exclusive use of any yards or toilets ithe building;

shall not obstruct or interfere or tamper with any thermostats or air conditioning apparatus in the premises;

shall insofar as possible only unpack stock in the back of the premises;

shall display emergency numbers on the premises as directed by the Lessor in writing.

- 11.14The nature of the delivery services in the premises by the servants of the Lessor or its agents shall be at the sole discretion of the Lessor. Neither the Lessor nor its employees shall be liable for the receipt or non-receipt or the delivery or non-delivery of goods, postal matter or correspondence, nor shall they be liable for anything which the Lessee or any employee or any client, licensee, visitors or invitees of the Lessee may have deposited or left in the premises or in any part of the building. All goods brought by the Lessee into the premises, shall be placed there at its sole risk, and no responsibility whatsoever therefore is undertaken by the Lessor, its agents or employees.
- 11.15In the event of any fine or penalty being imposed on the Lessor as a result of the Lessee's contravention of or in terms of any Act, the Lessor shall be entitled without prejudice to any other right or remedy to recover such fine or penalty from the Lessee together with any other damages or costs arising from such contravention and/or fine.

11.16The Lessee shall submit to the Lessor on or before the 14<sup>th</sup> (fourteenth) day of each calendar month a written statement executed and certified by the Lessee as true and correct, showing the net turnover during the preceding month. The Lessor shall treat this information as confidential, and shall use it only for the purpose of determining trading trends. The Lessor shall be entitled to charge administration expenses of R500-00 (Five Hundred Rand) (excluding VAT) for each failure by the Lessee after demand by the Lessor to comply with the provisions of this clause.

## 12. **LESSOR'S RIGHTS**

- 12.1 The Lessor shall have the right:
  - 12.1.1 at all times (including business hours) to carry out maintenance work in and on the premises and maintenance or building work and alterations, whether structural or otherwise, to the property and building or any amenities or services therein, and the Lessee shall have no claim of any nature against the Lessor, nor a remission of rental and other charges, in respect of any loss, damage, nuisance or disturbance whatsoever which it may suffer from or as a result thereof. In exercising this right the Lessor shall at all times have due regard to the Lessee's business and will endeavour that such work does not unduly interfere with the Lessee's business and is executed as expeditiously as may be expected in the circumstances;
  - 12.1.2 in case of an emergency at any time, alternatively, at all reasonable times inspect the premises and have access thereto for any other lawful purpose;
  - 12.1.3 to affix a "TO LET" notice or any other notice required by any license or by law on the premises 6 (six) months prior to the expiry of this Agreement, and the Lessee shall permit, at all reasonable times, during the said 6 (six) months period, any prospective lessees or purchasers of the building, of which the premises form part, or of the share capital of the Lessor to view the premises;
  - 12.1.4 in the event of the Lessee failing to carry out its obligations in regard to maintenance and/or repairs of the premises, as provided for in clause 11.14, within 7 (seven) days after being requested by the Lessor to do so, the Lessor shall be entitled to carry out such work and to be reimbursed by the Lessee forthwith for the reasonable costs incurred by the Lessor in doing so.
  - 12.1.5 to prescribe, implement and exercise such reasonable measures in respect of the premises, building and property as it may in its sole discretion deem necessary to ensure the safety thereof;

- 12.1.6 to cede or assign any of its rights or delegate its obligations to a third party/(ies) at any time during the currency of this Agreement or any renewal thereof without the consent of the Lessee:
- 12.1.7 to sell or otherwise dispose of the property forming the subject matter of this Agreement. The terms of this Agreement shall be binding on the parties thereto, their heirs, executors, successors in title or assigns and the Lessee hereby waives in so far as it may be necessary any rights which it may have to cancel this Agreement in the event that the property is so disposed of by the Lessor. The Lessee undertakes to remain in occupation and fulfil its obligations in terms of this Agreement;
- 12.1.8 to conduct a credit or similar verification on the Lessee and/or Surety(ies) from time to time:
- 12.2 During the duration of this Agreement, the Lessor may at any time take electric wires, air conditioning equipment, water pipes, telephone cables or any other equipment, conduit or wiring through the premises, should it be necessary for the supply of electricity, air conditioning, water or any other services to any other part of the building. The Lessor shall, however, endeavour to ensure that as little convenience as reasonably possible is caused to the Lessee. The Lessee shall not reduce the rental or withhold or defer payment of rental or any other amount or terminate this Agreement as a result of any such inconvenience or an interference with the Lessee's business activities:
- 12.3 The Lessor shall be entitled from time to time to issue written house rules and regulations and shall furthermore have the right from time to time to make or vary house rules and regulations that govern the relationship between the Lessor, the Lessee and the remaining lessees in the building in which the leased premises are situate and generally the use of the building and common areas and the Lessee undertakes to abide by and comply with these rules and regulations as amended from time to time, as if they were terms and conditions of this agreement. The Lessee agrees to be bound by such house rules and regulations as if they were terms and conditions of this Agreement.
- 12.4 The Lessor shall be entitled, in its sole and absolute discretion, to appoint third parties for the purpose of the management, safety, care, cleaning, utility services and the management of parking areas as it in its discretion may deem fit.

#### 13. **LESSOR'S DUTIES**

The Lessor shall:

- 13.1 Clean and maintain the common areas, which will include the parking areas;
- 13.2 Keep and maintain the exterior walls and roof of the building in good order, repair and condition, fair wear and tear excepted;

- 13.3 Insure the building structure against normal eventualities as well as take out SASRIA insurance against political riot eventualities, and shall maintain such insurance policy for the duration of the Agreement;
- 13.4 In the event of the premises being served by means of an air conditioning plant controlled by the Lessor, determine rules in respect of switching on and off of the air conditioning plant;
- 13.5 Keep the building and common areas insured against the risk of fire, explosion, and riots and maintain such insurance for the duration of this Agreement;
- 13.6 The Lessor shall take all reasonable steps to ensure the supply of water, electricity and air conditioning where applicable, to the premises, but the Lessor shall not be liable for any damage arising from any delay, inconvenience or damage, whether direct or consequential, suffered by the Lessee as a result of an interruption in the supply of these or other services. The Lessee shall notify the Lessor immediately of any interruption in the supply of water, electricity or air conditioning and the Lessor shall take all reasonable steps to ensure that the interruption, if within the Lessor's control, is rectified as soon as possible. The Lessee shall not be entitled to reduce the rental or withhold or defer payment of rental or any other amounts payable in terms of this Agreement or terminate the Agreement by reason of such interruption;

# 14. **LESSOR'S LIABILITIES**

- 14.1 The Lessor shall not be responsible to the Lessee or its servants, agents, employees, members, clients or invitees:
  - 14.1.1 by reason of the premises or the building or property or any part thereof or any installation or appurtenance being in a defective condition or in a state of disrepair or any particular repair not being effected by the Lessor for which the Lessor is liable in terms of this Agreement or the Lessor, and/or the designated person, causing damage to the premises or the building or the property; and/or
  - 14.1.2 for any loss or damage caused by or as a result of any fire, theft, flooding, riot, burglary, pilferage or similar cause, including the cost of malicious damages to the perimeter walls, shopfront, ceilings and roof sheeting of the premises as a result of any break-in or attempted break-in; and/or
  - 14.1.3 for any accident, injury, loss of life or damage caused to them from whatsoever cause arising, including any failure in the premises, building and common area (or any part or portion thereof), through or while upon or while using the staircases, passages or any other portion of the premises, building or common areas, whatsoever and/or howsoever such accident, injury, loss of life or damage may be caused, notwithstanding

that any accident, loss of life or damage be occasioned by or arise from or be accountable to the negligence and/or act and/or omission of the Lessor, its principals, directors, servants or agents. The Lessee indemnifies the Lessor against any claim of whatsoever nature which may be made against the Lessor by any agent or servant, employee, member or invitees of the Lessee, for any loss or damage to the property of such claimant or any injuries suffered by such claimant or any injuries suffered by such claimant in, on or about the premises, building and common area, provided that the liability of the Lessor shall not be excluded in the event of such a claim arising from wilful conduct; and/or

- 14.1.4 for any damage which may be done to any of the assets of the Lessee including stocks-in-trade, fixtures, fittings, books, papers and otherwise, which may be in the premises, or to the Lessee, it's employees, invitees, or licensees, which may occur in consequence of the overflow of water supply or any leakage or any plumbing works or any electrical fault or by reason of any of the elements of the weather or the failure on the part of the Lessor or its servants to carry out any work required of any of them in a proper manner or by reason of any defect in the premises or any portion thereof or any of the equipment of the Lessor, or as a result of any other cause whatsoever; and/or
- 14.1.5 for any damage or inconvenience which the Lessee may suffer owing to any difficulties from time to time in the supply of electrical current, water, gas, or other amenities or the complete cessation of such amenities, nor shall the Lessee be entitled to cancel this Agreement nor be entitled to an abatement of rent in respect of any such occurrence, provided that the Lessor shall within a reasonable time rectify such damage or defective condition, provided further that it is within the reasonable control of the Lessor to do so, and such damages or defective condition is not caused by the Lessor's wilful conduct;
- 14.1.6 The parties record that, should the Lessee or its agents request assistance from the Lessor 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 Lessee hereby indemnifies and holds the Lessor or its agents harmless against any claims resulting from such assistance by the Lessor or its agents.
- 14.2 Should the building still be in the course of construction at commencement of this Agreement, the Lessee acknowledges that occupants must necessarily suffer a certain amount of inconvenience from building operations and from noise and dust resulting therefrom as well as from interruption in the supply of electricity, gas, water, air conditioning installation and/or other amenities and that it will have no claim against the Lessor for compensation or damages or for a remission of rental and charges by reason of any such inconvenience during the period of completion.

14.3 The Lessor shall not be liable for the failure of lifts, escalators, hoists, or of the electricity or water supply, or air conditioning, or by reason of any defect in any equipment of the Lessor servicing the premises or building from any cause whatsoever, and the Lessee shall not have any claim for any damages, nor be entitled to cancel this Agreement or to receive any abatement or remission of rental by reason of the fact that any of the services have failed or been interrupted, nor shall the Lessor be responsible for any delays occasioned by the breakdown of any escalators, lifts, hoists or other services mentioned. The Lessor shall, however be liable to take reasonable steps if within the Lessor's control to have the disruption of such services repaired and / or remedied as expeditiously as possible after having received notice of such failure or disruption.

# 15. **FIRE HAZARDS**

The Lessee shall not at any time bring or allow to be brought or kept on the premises, any matter or thing or explosive or highly flammable goods or conduct any activity whereby the fire or any other insurance policy of the building may be liable to become void or voidable or whereby the premium for or excess of any such insurance may be increased. If the premium or excess for such insurance is increased as a result of a contravention of this clause, whether with the Lessor's written consent or not, the Lessor, without prejudice to any of its rights hereunder and without being obliged thereto may recover from the Lessee the amount due in respect of any additional premium or excess and the Lessee shall pay such amount immediately on notification from the Lessor. If the Lessor in writing elects not to collect such increase the Lessee shall nevertheless immediately refrain from such conduct resulting in such increase failing which the Lessor shall be entitled but not obliged to forthwith cancel this Agreement.

#### 16. PUBLIC PARKING AT THE BUILDING

- 16.1 The Lessor does not warrant or undertake that the local authority or itself will not levy a charge for such parking.
- 16.2 The Lessor shall at times have the right to control the parking areas of the building and to change the allocation and arrangements, to restrict parking by Lessee's, their officers, agents and employees, to close temporarily all or any portion of the parking areas, to discourage and restrict non-customer parking and generally control and do such acts in regard to the said areas as in the sole discretion of the Lessor shall be advisable and/or beneficial to the lessees of the building as a whole and for the improvement, convenience and use thereof by lessees and customers.
- 16.3 The Lessor shall furthermore be entitled to make and enforce rules and regulations in regard to the proper operation, maintenance and control of such parking areas.
- 16.4 The Lessee further undertakes that it shall not cause or permit vehicles belonging to it, or used by its directors, principals, employees, contractors, suppliers or

servants to be parked in the customers' parking areas and no obstruction shall be placed, or be permitted to be placed by him or his directors, principals, employees, contractors, suppliers or servants in the said parking areas which may in any way interfere with their use.

- 16.5 In addition to clause 16.4, the Lessee and its directors, principals and employees shall park their cars only in those portions of the parking area as may be designated for that purpose by the Lessor, and the Lessee shall furnish the Lessor with its and its directors, principals and employees cars' registration numbers within 21 (Twenty One) days of signature hereof and thereafter notify the Lessor of any changes thereof within 5 (five) days after such changes occur or if requested by the Lessor in writing. If the Lessee or its employees park their cars other than in the designated parking areas, then the Lessor may charge the Lessee and administration expense of R300-00 (Three Hundred Rand) per day per parking bay or part thereof for each car parked in any areas other than those designated and the Lessee hereby authorises the Lessor to remove from the property any of the Lessee's cars, or cars belonging to the Lessee's directors, principals or employees and/or to attach violation stickers or notices to such cars. The Lessee hereby indemnifies the Lessor against any claims in this regard.
- 16.6 The Lessee or his invitees shall park any vehicle in the parking area at their own risk, and the Lessor shall not be liable for any loss or damage whatever (whether due to his negligence or not) to any vehicle, its accessories or contents while it is thus parked. Moreover, the Lessor shall not be liable in any respect whatsoever arising from any accident or third party claim, which may arise from the use by the Lessee of such parking facilities.

# 17. DRIVEWAYS AND LOADING ZONES

- 17.1 All loading, delivery and unloading of goods, merchandise, supplies and fixtures to and from the premises shall be done only at such times, in the areas and through the entrances designated for these purposes by the Lessor from time to time and shall be subject to such rules and regulations as in the discretion of the Lessor are necessary for the proper administration of the premises or the building;
- 17.2 The Lessee shall ensure that vehicles driven or used by it or its principles, servants, directors, licences, contractors, suppliers or invitees shall not obstruct the free flow of traffic, the entrances or exits of the driveway(s) or the pedestrian entrances to the property, the building or any premises therein;
- 17.3 The Lessee or his invitees shall not place, or permit to be placed, any sign, object or any obstruction whatsoever in or on the driveways and loading zones which may impede their proper use. The loading zones shall be used solely for the loading or unloading of goods. Vehicles shall not be parked in a loading zone except for the loading and unloading of goods.

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#### 18. COMMON AREAS, JOINT FACILITIES AND ACCESS TO THE BUILDING

- 18.1 The Lessee shall have the right of reasonable use having regard to the right of other lessees, of the common areas, service roads, loading facilities, sidewalks and yards, foyers, malls, arcades, passages, parking areas, entrances, exits, loading docks, stairways, toilets and other conveniences and facilities provided by the Lessor on the property and in the building. The Lessee undertakes that its employees shall use only such spaces, toilets, conveniences and facilities as may be allocated from time to time in respect of the employees and the Lessee generally. Should any of the above become unusable, for any reason whatsoever, then the Lessee shall not have any claim for any remission of rental or for any damages nor any right of cancellation of this Agreement;
- 18.2 The Lessee shall have no right to entry to the roof or machine rooms of the building and operating areas of the Lessor;
- 18.3 The Lessor shall have the right from time to time to make or vary rules and regulations governing the relationship between lessees of the property or building in regard to all joint facilities and common or open areas within the property or building as recorded in clause 12.3 above;
- 18.4 Should the Lessee be prevented from having access to the premises as a result of any fire, riot, organised labour strikes, natural peril disaster, or any other reason whatsoever, then the Lessee shall not have any claim against the Lessor nor its agents or employees for any remission in rental or for any other damages, nor any right of cancellation of the this Agreement;
- 18.5 The Lessor shall be entitled in its absolute discretion from time to time to alter and change the size or layout and/or to relocate the parking areas and the common areas in the property or building or extensions thereof;
- 18.6 Common areas such as the backyard, loading zones, passages, malls and service corridors shall not be used by the Lessee for storage, display or sale of goods, supplying of services, the parking of vehicles or for any other purpose not permitted by the Lessor. The Lessee shall procure that the common areas shall not be misused by his invitees in any way;
- 18.7 No goods, packing cases, furniture, safes or other similar items, shall be taken onto the escalators or into the passenger lifts of the building, without the prior consent of the Lessor. No vehicles of whatever nature shall be brought through any of the entrances to the property, except through appropriate vehicle entrances;
- 18.8 The Lessee shall ensure that the common areas and facilities are not used as eating-places or general resting places by its directors and/or employees and/or invitees and the Lessee shall procure that none of its directors and/or employees and/or its invitees misuse the areas and facilities in any other way;

18.9 The parties agreed that building and facilities are used at the user's own risk, and the Lessor shall not be liable for injury to any person or for any damage or loss, however caused.

#### 19. ADVERTISING SIGNS

- 19.1 The Lessee shall not affix to and/or place, hang or erect on any part of the premises and/or the building in which the leased premises are situate and/or the property, any sign, nameplate, notice or "sandwich"-board, advertising sign, flagpole, antenna or sun-blind, not do or cause to be done any painting, writing or printing on any part of the premises or of the property without the Lessor's prior written consent. If the Lessor consents, the work shall be done strictly in accordance with the Lessor's specifications. If the Lessee commits a breach of this provision, the Lessor shall be entitled, without notice or order of court, to remove the offending matter at the Lessee's expense;
- 19.2 The Lessee shall be required to provide a sign in compliance with the provisions of the Lessor's sign and shopfront specifications. The Lessee shall be obliged to obtain the prior written approval of the Lessor for any signage it wishes to erect in or on the premises;
- 19.3 If the signage is approved by the Lessor in terms of clause 18.2 the Lessee's right to place a sign on a portion of the premises and/or building and/or property, shall be by virtue of a license and such license may be revoked at any time;
- 19.4 During this Agreement and/or any renewal and/or extension hereof, the Lessee shall maintain the good appearance of any advertising sign and keep it in proper working order and shall, at the expiration or earlier termination of this Agreement, remove any sign so placed and reinstate the relevant part of the premises and/or building to the same good order and conditions as it was prior to the installation of such sign.
- 19.5 Should an advertising pylon be erected in a prominent position on the property for the purpose of advertising the building and the Lessee be offered and accept signage space on such pylon, then the Lessee's shall be charged in proportion to the rental, running and maintenance expenses of such pylon, equal to the proportion that the Lessee's signage bears to the total signage on the pylon excluding any portion taken by advertising the building.

## 20. ALTERATIONS, ADDITIONS AND REINSTATEMENT

20.1 The Lessor shall not be under any obligation or liability to make any applications in respect of, do any work or make any alterations or repairs to the premises in order to comply with the requirements of any local authority or other applicable laws and regulations. The Lessor shall not however, unreasonably withhold its consent to the Lessee to, at its own expense, carrying out such alterations,

- additions or renovations provided that the Lessor's prior written consent is obtained and if the Lessor so requires, the work must be carried out by a contractor approved by the Lessor and under the supervision of an architect approved by the Lessor, with all costs for the Lessee's account;
- 20.2 The Lessee shall not effect or cause to allow to be effected to the premises or the building any alterations or additions, whether external, internal, structural, nonstructural or of any other nature whatsoever, without the prior written consent of the Lessor;
- 20.3 Should the Lessee request the Lessor, in writing, permission to carry out any alterations or additions, then it shall be in the sole and absolute discretion of the Lessor whether or not to agree to such request and should the Lessor so agree, the work shall be effected within a reasonable period from the date of receipt by the Lessor of such written request, provided that:
  - 20.3.1 the plans and specifications for the work shall be prepared by the Lessor's architect or an architect approved by the Lessor in writing and submitted to the Lessor for approval;
  - 20.3.2 the work shall be carried out by the Lessor or by such contractor(s) as may be nominated by the Lessor under the supervision of the Lessor's architect and/or other professional consultant(s);
  - 20.3.3 the professional fees and charges of the Lessor's architect, quantity surveyor, consulting engineer and/or other professional consultant(s) shall be borne by the Lessee;
  - 20.3.4 should the Lessor so require, the Lessee shall pay to the Lessor prior to the commencement of the alterations or additions an amount equivalent to the estimated cost of such alterations or additions, as determined by the Lessor in consultation with the Lessor's architect, quantity surveyor, consulting engineer and/or other professional consultant(s) subject to such amount being adjustment between the parties after completion of the alterations or additions, as the case may be, once the final cost thereof has been determined:
  - 20.3.5 in the event of the Lessee not being required by the Lessor, as provided for in 19.3.4 above, to pay the estimated cost of the alterations or additions to the Lessor in advance, then the Lessee shall within 7 (Seven) days after the issue of a certificate by the Lessor's architect or quantity surveyor, pay to the Lessor an amount equal to the amount certified in the relevant certificate. Such certificate shall have similar status to a certificate issued in terms of clause 31.1; and
  - 20.3.6 in the event that the Lessee is permitted to utilise its own contractor to carry out the alterations, additions or reinstatement of the premises, the Lessee shall be obliged to arrange appropriate and adequate insurance

cover from the date of access to the leased premises on behalf of the contractor in order to ensure that its contractor is insured for appropriate "contractors all risks", SASRIA (riot) and public liability covers, at its sole costs, and hereby indemnifies the Lessor against any claim or claims in this regard during the contract period.

- 20.4 The Lessee shall pay to the Lessor on demand any additional municipal rates and taxes levied from time to time during the currency of this Agreement in respect of or by virtue of the additions and alterations effected in terms of this clause. In the event of the premiums payable by the Lessor in respect of any insurance policy relating to the building being increased by reason of any such alterations and additions then, as and when the Lessor shall be obliged to make payment of such additional premiums, the Lessee shall be obliged to forthwith refund to the Lessor the amount of such increase/s;
- 20.5 The Lessee shall on cancellation, or prior to termination or expiry of this Agreement, at the Lessee's cost and expense reinstate the premises in:
  - 20.5.1 the same good order and condition, as at the commencement date; alternatively, in the Lessor's sole and absolute discretion,
  - 20.5.2 a basic whitebox condition consisting of a screed floor, white painted walls, standard ceiling, an updated COC, all glazing to be intact, all partitioning to be removed, all signage to be removed a set of keys; alternatively, in the Lessor's sole and absolute discretion,
  - 20.5.3 any combination of the conditions described in clauses 19.5.1 and 19.5.2, as directed by the Lessor in writing;

in all instances, fair wear and tear excepted, and to make good and repair at the Lessee's cost and expense any disrepair, damage or breakage, or at the Lessor's written option, to reimburse the Lessor for the cost of so doing and/or the cost of replacing any broken or damaged articles;

- 20.6 It is expressly recorded that the Lessee shall have no claim of whatsoever nature against the Lessor for the value or cost of any alterations or additions or other improvements effected to the premises of the building or the property, whether or not such alterations, additions or improvements are effected at the cost of the Lessee, and if the Lessor does not direct otherwise in terms of clause 19.5 it will be deemed that the Lessor became the owner thereof upon installation. The Lessee furthermore hereby expressly waives and abandons any improvement lien that it may have in respect of any alterations or additions made to the premises and expressly acknowledges that it shall have no right to occupy the premises pending the outcome of any legal or other dispute that may arise between the parties in respect of any alleged improvement lien;
- 20.7 Should the Lessee be called upon by the Lessor prior to, on, or after the termination of this Agreement, to repair and/or reinstate the premises to the

condition as stated in clause 19.5, and for the purpose of so doing, the Lessee remains in occupation of the premises after expiry of the Agreement and/or the Lessor effects such repairs and/or reinstatement to the premises as contemplated in clause 19.5, after the termination of the Agreement, which results in the Lessor being prevented from letting and/or the Lessee is in occupation of the premises, due to the fact that, inter alia, work is being done to the premises, the Lessee shall be liable, without prejudice to any other claims for damages or otherwise which the Lessor has or may have in terms of this Agreement or in law, to pay the Lessee any further damages which may be sustained by the Lessor, including but not limited to:-

- 20.7.1 making payment to the Lessor, as liquidated damages, of an amount equivalent to the rental payable in the last month of the Agreement, prior to the termination, as recorded in Items 3 and 5 of the Schedule, together with all other charges as referred to in clauses 4, 6, 7 and 8 of the Agreement for each month or portion thereof that the Lessee remains in occupation, until such time as the premises are returned to the Lessor; and/or
- 20.7.2 the loss of additional rentals which would have been payable by the new lessee; and/or
- 20.7.3 the loss of future rental resulting from any prospective new lessee cancelling its Agreement with the Lessor in respect of the premises, and/or not entering into an agreement of lease in respect thereof.
- 20.8 In the event of the Lessor having contributed towards the actual cost of the installations at the premises, directly or indirectly, either by paying such costs or by tendering a rent-free period to the Lessee or having reimbursed the Lessee for the costs of installations as the case may be, the Lessee shall, if the Agreement is cancelled or terminated for any reason whatsoever prior to the expiry of the full period thereof, refund to the Lessor, upon demand, an amount calculated in accordance with the following formula:-

#### A x B ÷C Where:-

- A = is the amount paid by the Lessor to the Lessee or the amount that the Lessor has contributed on behalf of the Lessee and/or the monetary equivalent of the rent-free period tendered to the Lessee;
- B = is the number of months, or part thereof, reckoned from the cancellation or termination dates to the expiry date of the Agreement;
- C is the number of months contained in the full period of the Agreement.
- 20.9 The Lessee shall not be entitled, either during or after the termination or expiry of this Agreement, to remove any alterations, additions or other improvements to the premises, the building or the property, unless directed by the Lessor in terms of clause 20.5.

## 21. **LESSOR'S RIGHT TO ADD TO BUILDING**

- 21.1 The Lessor shall be entitled at all times during the currency of this Agreement and/or any extensions hereof, to complete and/or add to and/or extend the buildings on the property and to effect any repairs, alterations, improvements and additions to the said buildings and for such purpose to erect building equipment anywhere on the property or in the building (including the premises) and also such devices as may be required by law or which the architect 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;
- 21.2 The Lessor shall further be entitled by itself or through its workmen, contractors, or agent to all such rights of access to any portion of the premises as may be reasonably necessary for the purpose aforesaid;
- 21.3 In exercising its above rights the Lessor shall use its best endeavours to cause as little as possible interference with the Lessee's occupation of the premises. The Lessee shall not be entitled to any remission of rental or compensation or damage or cancellation of the Agreement by reason of the exercise by the Lessor of its rights under this clause.

#### 22. SUBLETTING, CESSION, CHANGE IN CONTROL AND SALE OF BUSINESS

- 22.1 The Lessee shall not be entitled to sublet the whole or any part of the premises, save as follows:
  - 22.1.1 the Lessee shall apply to the Lessor in writing for its consent to the subletting of the premises or part thereof giving, in regard to the proposed sublease, the name of the sub-lessee, the guarantor/s, if any, of the sub-lessee's obligations, the proposed date of commencement (which shall not be later than 60 (sixty) days from the date on which the Lessor receives the Lessee's application), the duration of the proposed sub-lease, a copy of the proposed Sub-Lease Agreement, details of the exact premises to be sub-let and the rental and any other considerations payable thereunder;
  - 22.1.2 the Lessee shall not give up occupation or possession of the premises or any portion thereof to any person whether as licensee, agent, occupier, custodian or otherwise, without the Lessor's prior written consent;
  - 22.1.3 the Lessor, at its option, may either consent to the sub-lease in which case:

- 22.1.3.1 the Lessee may on receipt of written confirmation by the Lessor sublet the premises or part thereof as the case may be in accordance with the written application submitted to the Lessor in terms of 22.1.1 hereof and upon terms and conditions directed in writing by the Lessor;
- 22.1.3.2 the Lessee shall be obliged to account to and pay over on demand to the Lessor, any profit made arising out of any sublease entered into in respect of the premises;

or alternatively, the Lessor may give the Lessee written notice of its intention to enter into a direct written Agreement of Lease with the proposed sub-lessee, in which event on the commencement date of the new written Agreement of Lease entered into between the Lessor and the proposed sub-lessee and upon the sub-lessee taking occupation of the premises, whichever is the later, this Agreement shall be cancelled and/or amended, as the case may be, in order to make provision for the new written Agreement of Lease. This cancellation shall, however, in no way detract from the Lessor's right to recover from the Lessee any amounts which may have arisen in terms of this Agreement and which are still outstanding as at the date of such cancellation and/or variation, as the case may be, or to enforce any obligations arising before the cancellation and/or variation, as the case may be;

- 22.2 The Lessee shall not, without the Lessor's prior written consent, cede, assign, transfer, alienate, or otherwise dispose of its rights and/or obligations under this Agreement or pledge, hypothecate or encumber its rights in terms of this Agreement;
- 22.3 Notwithstanding the provisions stipulated in this clause 21, should the Lessee formally request permission to assign and/or sub-let the leased premises, the Lessor, at its option, may treat such request by the Lessee as an offer by the Lessee to terminate this Agreement on 3 (three) calendar month's notice commencing from the first of the month following that in which the request to assign or sub-let Is made, and the Lessor shall have a period of 30 (thirty) days (during which the offer shall be irrevocable) in which to accept the offer;
- 22.4 If the Lessee is a company, no shares therein shall be transferred from its shareholders, which were shareholders at the date of signature by the Lessee, nor may any shares be allotted to any person other than such shareholders, without the Lessor's prior written consent. In the case of an allotment or transfer of shares which will still leave the control of the Lessee with the existing shareholders as at the date of signature hereof by the Lessee, or of a transfer of shares to a deceased shareholder's heirs such consent by the Lessor, shall not be unreasonably withheld. Similarly, if the Lessee is a close corporation, no member's interest in such close corporation is to be allotted to any person other than another member of the close corporation without the Lessor's prior written consent, which shall (as if the necessary changes have been made) mutatis mutandis apply. Any transfer

- or allotment of shares or member's interest effected without such consent shall constitute a breach of the terms of this Agreement by the Lessee, justifying cancellation of the Agreement by the Lessor;
- 22.5 The Lessee shall not be entitled to sell its business conducted from the premises without the prior written consent of the Lessor, which consent shall be granted in the sole and absolute discretion of the Lessor and on conditions determined by the Lessor at the time:
  - 22.5.1 Should the Lessee anticipate the possible sale of its business or any portion thereof, and prior to entering into or concluding any Agreement with a potential purchaser, the Lessee shall notify the Lessor in writing, which notice shall contain the following minimum information:-
    - 22.5.1.1 The name and identity number of the potential purchaser;
    - 22.5.1.2 The name and registration number of the proposed purchaser in the event of a juristic person;
    - 22.5.1.3 The proposed sureties and their identity numbers;
    - 22.5.1.4 The experience, curriculum vitae and résumé of the potential purchaser and of any individuals that will conduct the business;
    - 22.5.1.5 The amount of Lessee installation allowances to be granted by the Lessee to the potential purchaser;
    - 22.5.1.6 A copy of the proposed Agreement of Sale;
    - 22.5.1.7 Confirmation that no amounts are payable to the Lessor by the Lessee at the time of making such request. Should monies be outstanding and the Lessee requests the Lessor to accept payment from the purchaser of the business conducted from the premises the following shall apply:
      - 22.5.1.7.1 the Lessor shall be under no obligation to accept such proposal and shall be at liberty to enforce its rights in terms of this Agreement at any time alternatively accept such proposal upon terms and conditions acceptable to the Lessor;
  - 22.5.2 The surety(ies) to this Agreement shall remain liable, and where necessary, shall be obliged to resign any and all documentation as required by the Lessor, in order to record the continuance of their liability/ies for the duration of the unexpired portion of the Agreement, despite and notwithstanding an approval of the sale of the business;

22.5.3 In the event of the Lessee having received an installation allowance from the Lessor, the installation allowance shall be repaid to the Lessor, prior to the purchaser of the business taking occupation of the premises alternatively at signing an assignment of this Agreement or upon the signing a new agreement of lease in respect of the premises by such purchaser, on the basis of the following formula:

Amount of Allowance x <u>Unexpired Period of The Initial Period</u>

The Initial Period

- = Amount to be repaid by the Lessee to the Lessor
- 22.5.4 Such repayment shall be payable upon demand from the Lessor;
- 22.5.5 The Lessee shall notify the "prospective purchaser" of the content of this Agreement and specifically but not limited to the usage clause and shall furthermore make no representation that such usage clause or any other term of this Agreement may alter or be amended or that such amendment shall be favourably considered by the Lessor.

#### 23. PREMISES TO BE KEPT OPEN

- 23.1 The Lessee shall, and it is a material term of this Agreement, keep the premises open continuously during business hours and carry on its business during the whole term of this Agreement or any extension or renewal thereof, subject to its right to close the premises on special occasions or when general conditions render it reasonably appropriate to do and then with the written consent of the Lessor. The Lessee agrees to the minimum business hours and conditions thereto as set out in Annexure "C" of the Lease Agreement;
- 23.2 The Lessee shall ensure that it commences trading on the opening date of the centre.

## 24. **DAMAGE OR DESTRUCTION OF PROPERTY**

The Lessor may cancel this Agreement if:

- 24.1 the premises are destroyed or are damaged to such an extent as to be substantially unleaseable; or
- 24.2 there is destruction or damage to the building or parts thereof, whether or not the premises are involved and the Lessor decides to put an end to the tenancies in the building in order to engage in reconstruction, renovation or rebuilding;

- 24.3 The cancellation under clause 24.1 and 24.2 above shall be by written notice given by the Lessor within 60 (sixty) days of the taking place of the event giving rise to the cancellation:
- 24.4 If there is damage to the premises or to the building so as to affect the enjoyment of the premises, but not to such extent as to entitle the Lessor to cancel, then the Lessee shall be entitled to a remission of rental and imposts for the period during which and to the extent to which it is deprived of beneficial occupation and enjoyment of the premises, provided that such damage was not occasioned by any act or omission by the Lessee, it agents, representatives, invitees, contractors or employees.
- 24.5 If there is any dispute as to:
  - 24.5.1 whether the premises have been rendered inoperable; or
  - 24.5.2 the amount of the remission of rental and/or the extent to which the Lessee is deprived of beneficial occupation and enjoyment of the premises,

the decision of architects appointed by the Lessor, who will act as experts and not as arbitrators (who shall also determine the liability for their fees and disbursements which shall be paid accordingly) shall be final and binding upon the parties.

23.6 In the event that the total or partial destruction referred to in sub-clauses 23.1 to 23.4 above is caused by any wilful or negligent act or omission of the Lessee, then sub-clauses 23.1 to 23.4 shall be of no force and effect and the Lessee shall be liable to the Lessor for the full sum of damages sustained by it as a result of the foresaid wilful or negligent act or omission.

#### 25. **RE-BUILDING**

- 25.1 The Lessor may terminate this Agreement or any renewal thereof by giving the Lessee 6 (six) calendar months' written notice to such effect in all or any of the following circumstances:
  - 25.1.1 should the Lessor wish to demolish the building or the premises; or
  - 25.1.2 should the Lessor wish to reconstruct and/or redevelop and/or renovate the building or the premises, provided always that such reconstruction and/or redevelopment and/or renovation be of a substantial or major nature.
- 25.2 The Lessor shall, however, have the right at any time to commence the reconstruction's and/or redevelopment and/or renovation of the building, other than the premises, and these operations may proceed while the Lessee is in occupation of the premises;

- 25.3 Notwithstanding the implementation of any work as contemplated in clause 25.2 above, the Lessee shall have no right to object to such work or to claim a rebate of rental and imposts during the period in which the said work may be in progress, nor shall the Lessee have any claim for damages of whatsoever nature by reason of the earlier termination of this Agreement as provided for in clause 25.1 above.
- 25.4 The Lessor may extend or change the building at any time without giving the Lessee notice to such effect. The Lessee may under no circumstances object to the proposed extension or any rezoning application or other application by the Lessor to extend or change the building.
- 25.5 It is specifically recorded that the purpose of this provision, amongst other things, is to give the Lessor flexibility to control its investment in a competitive market in the Lessor's unfettered discretion.

#### 26. **RELOCATION**

- 26.1 The Lessor reserves the right at any time to relocate the Lessee from the premises to new premises of substantially the same size in the building. If the Lessor wishes to exercise this right it shall give the Lessee 6 (six) calendar months prior written notice to that effect, specifying:
  - 26.1.1 the new location proposed for the premises;
  - 26.1.2 the date upon which the relocation is to occur, which shall not be earlier than 60 (Sixty) days after the Lessor gives the notice.
- 26.2 The Lessee shall be entitled, within 14 (Fourteen) days after receipt of the Lessor's written notice, as stipulated in clause 26.1, to refuse the proposed relocation (no notice from the Lessee within the time period referred to above shall be deemed as a refusal of the proposed relocation) in which event the Lessor has the option to cancel this Agreement with effect from the expiry of the calendar month immediately succeeding that during which the Lessee gives notice of its refusal as aforesaid;
- 26.3 The remaining terms and conditions of this Agreement shall be of full force and effect. If the Lessee, within 14 (Fourteen) days after receipt of the Lessor's written notice aforesaid, gives notice to that effect to the Lessor, this Agreement shall be cancelled upon the expiry of the calendar month immediately succeeding that during which the Lessee gives the notice of cancellation aforesaid. Notwithstanding such cancellation, the Lessor shall be entitled to recover from the Lessee any amounts then outstanding under this Agreement but save as aforesaid, neither party shall have any claims against the other.

- 26.4 If the Lessee applies for relocation and this is accepted by the Lessor, the cost of such relocation is for the Lessee's account. If the Lessor applies for the relocation and this is accepted by the Lessor, the reasonable cost of such relocation shall be for the Lessor's account excluding any upgrade and/or additional and/or new specification.
- 26.5 It is specifically recorded that the purpose of this provision, amongst other things, is to give the Lessor flexibility to control its investment in a competitive market in the Lessor's unfettered discretion.

## 27. BREACH OF LEASE BY THE LESSEE

#### 27.1 Should:

- 27.1.1 the Lessee fail to pay any amount due by the Lessee in terms of this Agreement on the due date thereof and fails to remedy such breach within a period of 7 (seven) days after receipt of a written notice from the Lessor calling on it to do so; and/or
- 27.1.2 the Lessee commits a breach of any of the terms of this Agreement, other than a breach referred to in clause 27.1.1 above, and fails to remedy such breach within a period of 14 (Fourteen) days after receipt of a notice from the Lessor calling on it to do so; and/or
- 27.1.3 the Lessee repeatedly breaches any of the terms of this Agreement in such manner as to justify the Lessor holding that the Lessee's conduct is inconsistent with the intention or ability of the Lessee to carry out the terms of this Agreement; and/or
- 27.1.4 the Lessee reaches or attempt to reach a compromise with its creditors; and/or
- 27.1.5 the Lessee permits any of its goods and fails to be attached pursuant to a Court judgement and fails to take the necessary steps to have such judgment rescinded and such attachment set aside; and/or
- 27.1.6 the Lessee suffers any final judgement to be entered against it and fails to satisfy that judgement and/or fail to have same rescinded within 21 (twenty one) days of knowledge thereof, and provided further that the Lessee has not noted an appeal or made an application for rescission of the said judgement (provided that such appeal or application is properly pursued); and/or
- 27.1.7 the Lessee being a company or close corporation, being placed under business rescue proceedings or provisional or final winding-up, whether voluntary or compulsory; and/or

- 27.1.8 the Lessee being a franchisee and its franchise agreement is cancelled or terminate or is interdicted on a temporary or permanent basis from trading as a franchisee in any respect; and/or
- 27.1.9 the Lessee holds any license to conduct its business or part thereof and such license is revoked or not renewed or extended:
- 27.1.10 any surety in terms of any suretyship granted in favour of the Lessor with respect to any of the Lessee's obligations under this Agreement should -
  - 27.1.10.1 being an individual, die or be sequestrated whether provisionally or finally or cease to reside permanently in the Republic of South Africa or, in the case of a company or any other corporate entity, be wound up or placed under business rescue proceedings, (in either case whether provisionally or otherwise); or,
  - 27.1.10.2 lawfully withdraw such suretyship;

and the Lessee has not, within 21 (twenty one) business days after notice to it by the Lessor, furnished the Lessor with a suretyship in replacement to the satisfaction of the Lessor;

then, in any of such events, the Lessor shall be entitled, but not obliged, notwithstanding any previous waiver or anything to the contrary herein contained and without prejudice to its claims for any arrear rent or other sums payable hereunder or for any damages which it may suffer by reason of such breach and/or cancellation, including but not limited to costs of reinstatement of the premises at the Lessor's election in terms of clause 20.5, and commissions in respect of reletting of the premises, or to any other remedy which it may have against the Lessee arising out of this Agreement or in law, to either:

- 27.1.11 forthwith cancel this Agreement and to resume possession of the premises and upon so doing, to remove from the premises any goods situated therein. Any goods removed from the premises in terms of this clause shall be stored at the cost and risk of the Lessee; or
- 27.1.12 vary the terms of this Agreement by making it thereafter terminable by one months' written notice given by the Lessor;
- 27.2 Should the Lessee, at any time during the currency of this Agreement, commit a breach of clause 27.1.1, then the Lessor shall be entitled, but not obliged, to only accept future payments by way of cash, bank guaranteed cheque or electronic transfer and payment in any other way or form may, at the Lessor's discretion, be refused and not regarded as valid in terms of this Agreement;
- 27.3 If for any reason or on any ground the Lessee occupies the premises and the Lessor disputes its right to do so, or the Lessee fails to reinstate the premises as

directed by the Lessor and/or in terms of this Agreement, then, for the duration of such dispute or failure, the Lessee shall (notwithstanding that the Lessor may contend that this Agreement is no longer in force) continue to pay (without prejudice to its rights) an amount equivalent to the monthly basic rent and any other amounts due in terms of this Agreement (as escalated, if applicable), monthly in advance on the 1st (first) day of each month and the Lessor shall be entitled to accept, render statements and recover such payments and such acceptance of payment and rendering of statements shall not in any way whatsoever affect the Lessor's claim then in dispute. If the dispute is resolved in favour of the Lessor, the payments made and received in terms of this clause shall be deemed to be amounts paid by the Lessee on account of damages suffered by the Lessor by reason of the unlawful occupation or holding over by the Lessee. The failure by the Lessee to pay an amount stipulated in this clause shall itself constitute a material breach by the Lessee of its obligations. Should the Lessee unlawfully remain in the premises after early termination of this Agreement, the rental and operating costs payable as holding over shall escalate at a rate of 20% (twenty percent) per annum and compounded from the date of such unlawful occupation. Nothing in this provision will give the Lessee the right to occupy the premises if the premises are occupied unlawfully, nor would it give the Lessee the right should the Lessee's occupation be lawful to occupy other than on a calendar monthly basis;

- 27.4 Should the Lessee lawfully remain in the premises after the expiry date, then without prejudice to any rights of the Lessor, the rental, operating costs and other charges shall automatically escalate, by the escalation rates as set out in Items D and E of the Schedule, on the day following the expiry date and again escalate on each anniversary of the commencement date. Nothing in this provision will give the Lessee the right to occupy the premises if the premises are occupied unlawfully, nor would it give the Lessee the right should the Lessee's occupation be lawful to occupancy other than on a calendar monthly basis.
- 27.5 Where the goods on the premises form the object of the Lessor's tacit hypothec, and where such hypothec is perfected by the Lessor, the Lessee shall be entitled to the proceeds from the sale of such goods should such goods be sold by the Lessee and such proceeds shall be used towards the payment of the indebtedness to the Lessor. Nothing contained in this clause shall afford the Lessee the right to sell, dispose of or alienate any of the assets or goods forming part of the Lessor's hypothec.
- 27.6 Should any amount of rental not be paid in terms of clause 27.1.1, the Lessor shall be entitled, without prejudice to any of its rights in terms of this Agreement or in law, to display a notice that goods in the premises are judicially attached in perfection of the Lessor's hypothec.

## 28. **INTEREST AND COSTS**

- 28.1 In addition to the amount outstanding, the Lessee shall pay interest at the rate of 2% (Two Percent) above prime rate compounded per month or part thereof, during the period while any payment is outstanding on all amounts due by it to the Lessor in terms or arising out of this Agreement. This right to charge interest on overdue amounts shall not, in any way, detract from any other rights of the Lessor in terms of this Agreement;
- 28.2 The Lessor shall furthermore be entitled to debit the Lessee's account and recover from the Lessee, the costs of tracing agents, and legal costs on the attorney and own client scale, should any steps be taken by the Lessor pursuant to a breach of this Agreement by the Lessee.
- 28.3 The Lessee shall not be entitled to attach a condition to any payment submitted to the Lessor to the effect that it is being tendered in full and final settlement of the Lessee's obligations. Any such condition purporting to be in full and final settlement shall not be binding on the Lessor who may accept the amount tendered and further claim payment of any amount which is owing in excess kof the amount tendered.

### 29. VALUE ADDED TAX ("VAT")

All payments to be made in terms of this Agreement excludes value added tax payable in terms of the Value Added Tax Act, No. 89 of 1991, as amended and any other rates, taxed or imposts which may be payable thereon. If any rates, taxes, imposts or value added tax in terms of the Value Added Tax Act, No. 89 of 1991 as amended, or any other national, provincial or local legislation, practice or directive be imposed on any payments to be made in terms of this Agreement, such payment shall increase by the fact itself (*ipso facto*) with an amount equal to the value added tax or any other rates, taxes or imposts payable in respect hereof.

## 30. AGENT'S COMMISSION

The Lessee warrants that it has had no negotiations with any leasing agent other than an employee of the Lessor with regard to this Agreement. The Lessee hereby indemnifies the Lessor against any claim for commission which, as a result of the Lessee's action, may be brought against the Lessor.

#### 31. **COSTS**

The Lessee shall pay on demand, the costs of drawing up this Agreement.

#### 32. **CERTIFICATES**

- 31.1 Any dispute in terms of this Agreement regarding the calculation of any amount outstanding by the Lessee to the Lessor and/or the date upon which the outstanding amount is due by the Lessee to the Lessor shall be referred to the Lessor's auditors or financial manager for computation, in their capacity as experts, and a certificate issued by the Lessor's auditors or financial manager setting out the amount outstanding and/or the date upon which the outstanding amount is due, shall be (at first face) *prima facie* proof thereof. Such certificate shall be valid as a liquid document in any Court of competent jurisdiction for the purposes of obtaining provisional sentence or summary judgement against the Lessee;
- 31.2 A certificate signed by any management employee of the Lessor (whose authority, qualification or appointment need not be proved) stating that any act or omission has occurred on the part of the Lessee, shall be *prima facie* proof that such act or omission has occurred.

#### 33. CHANGE OF BUILDING NAME

The Lessor shall have the right to change the name of the building. The Lessor shall not be liable for any losses or damages suffered by the Lessee from or incidental to such change of name.

## 34. REASONABLENESS OF WITHHOLDING CONSENT

If there is any dispute between the Lessor and the Lessee as to whether the Lessor has unreasonably withheld its consent or approval in any case where this Agreement precludes the Lessor from withholding its consent or approval unreasonably, the onus shall be on the Lessee to prove that the Lessor has withheld its consent or approval unreasonably.

#### 35. **SURETYSHIPS**

- 35.1 If the Lessee is a juristic person, the Lessee shall procure that the person(s) in Item H of the Schedule executes and delivers to the Lessor simultaneously with signature of this Agreement, a Deed of Suretyship as per Annexure "D" attached hereto in terms of which the person(s) binds him/themselves, as the case may be, as surety and co-principal debtor, jointly and severally with all other sureties on behalf of the Lessee in favour of the Lessor for all the obligations of the Lessee in terms of this Agreement, its cancellation or any obligation originating from the occupation of the premises;
- 35.2 As and when a new director is appointed to the board of directors or, as the case may be, any new person becomes a member or a trustee of the Lessee during the currency of this Agreement, the Lessee shall notify the Lessor within 7 (seven) days of such event. The Lessee at all times shall comply with its obligations as set

- out in clause 22 above, on the basis, inter alia, that such notice shall contain the name and address of the director, member or trustee concerned and the Lessor may then and shall be entitled to require such director, member or trustee to sign a Deed of Suretyship similar to the Deed attached hereto marked Annexure "D";
- 35.3 If the Lessee is a partnership or any other unincorporated association of persons, all the partners or members, as the case may be, shall sign this Agreement on behalf of the said partnership or association and shall, by their signatures hereto, bind themselves as sureties and co-principal debtors with the Lessee for all its obligations in terms of this Agreement as per the Deed of Suretyship marked Annexure "D".

## 36. WHOLE AGREEMENT AND NON-VARIATION

- 36.1 This Agreement consisting of this Schedule to General Conditions of Lease, General Conditions of Lease and Annexures thereto constitutes the whole agreement between the parties and no warranties or representations, whether expressed or implied, not stated herein shall be binding on the parties. No agreement at variance with the terms and conditions of this Agreement shall be binding on the parties unless reduced to a written agreement signed by or on behalf of both parties;
- 36.2 No relaxation or indulgence which the Lessor may show to the Lessee shall in any way prejudice its rights hereunder, in particular, no acceptance by the Lessor of rent and other imposts after due date (whether on 1 [one] or more occasions) shall preclude or stop it from exercising any rights enjoyed by it hereunder by reason of any subsequent payment not being made strictly on due date.

## 37. JURISDICTION OF MAGISTRATE'S COURT

At the option of either party, any action or application arising out of this Agreement may be brought before the Magistrate's Court having jurisdiction in respect of the other party, notwithstanding that the amount in issue may exceed the jurisdiction of such Court.

# 38. ADDRESS FOR SERVICE OF DOCUMENTS AND NOTICES (DOMICILIUM CITANDI) ET EXECUTANDI)

- 38.1 The Lessor chooses as its address for service of documents and notices (domicilium citandi et executandi) and for service of any notices under this Agreement, at the address stipulated in Item I(a) of the Schedule;
- 38.2 The Lessee chooses as it address for service of documents and notices (domicilium citandi et executandi) as referred to in Item I(b) of the Schedule;

- 38.3 All notices which are given by the Lessor to the Lessee hereunder shall be given to it at the premises or at such other address in the Republic of South Africa of which the Lessee may advise the Lessor by written notice duly received by the Lessor;
- 38.4 All notices given by the Lessee to the Lessor hereunder shall be given to it at the address specified in clause 38.1 of this Agreement, or at such other address in the Republic of South Africa of which the Lessor may advise the Lessee by written notice duly received by the Lessee;
- 38.5 All notices sent by either party to the other shall be delivered by hand or sent by prepaid registered mail;
- 38.6 All notices delivered or sent as aforesaid to the respective addresses provided for in this clause shall be deemed to have been received by the addressee on the date of delivery or on the 7 (seventh) business day after posting, as the case may be.

## 39. **COMPANY TO BE FORMED**

If this Agreement is entered into by a person/s acting as a trustee/s on behalf of a company or close corporation to be formed, then:

- 39.1 Such person and/or the trustee/s personally jointly and severally warrant/s to the Lessor that the company or close corporation or trust to be incorporated or formed will, within 60 (Sixty) days from the date of this Agreement;
  - 39.1.1 be duly formed and incorporated; and
  - 39.1.2 duly adopt, ratify and confirm without modification this Agreement; and
  - 39.1.3 pass a resolution adopting this Agreement without modification;
  - 39.1.4 take all other steps necessary to render this Agreement binding on it; and
  - 39.1.5 deliver to the Lessor its Certificate of Incorporation and Memorandum and Articles of Association in the case of a company, its Founding Statement and Association Agreement (if any) in the case of a Close Corporation together with a true copy of the resolution duly certified by the chairman of the meeting.
- 39.2 the person/s and/or the trustee/s, as the case may be, personally hereby jointly and severally bind themselves to the Lessor that, failing compliance with the provisions of 39.1 hereof, they shall personally be bound by all the obligations and entitled to all the rights of the Lessee in terms and arising out of this Agreement;

39.3 In the event of proper compliance with the provisions of 39.1 hereof the person/s and/or the trustee/s shall be bound by all the terms of the Deed of Suretyship incorporated herein and signed by them in their personal capacities but in the event that they shall be personally bound by all the obligations and entitled to all the rights of the Lessee by virtue of non-compliance with the provisions of 39.1hereof, then the Deed of Suretyship shall be regarded *pro non scripto*.

## 40. LIABILITY OF PARTNERS AND JOINT LESSEES

If the Lessee is a partnership then by their signature hereto, the individual partners of the Lessee bind themselves, both as a partnership and jointly and severally as individuals, for all the Lessee's obligations to the Lessor under or arising out of this Agreement. Similarly joint Lessees shall be jointly and severally liable for all their obligations as Lessee's under or arising out of this Agreement.

#### 41. FICA REQUIREMENTS

The Lessee acknowledges the Lessor's duty to comply with the Financial Intelligence Centre Act, 38 of 2001, as amended, and agrees to provide the Lessor with the relevant documents as required by law.

#### 42. **SEVERABILITY**

Should any one or more of the provisions of this Agreement be unenforceable then such provision(s) shall be severed from this Agreement and the remaining provisions shall be of full force and effect.

#### 43. <u>LIMITATION OF LIABILITY – GROSS NEGLIGENCE</u>

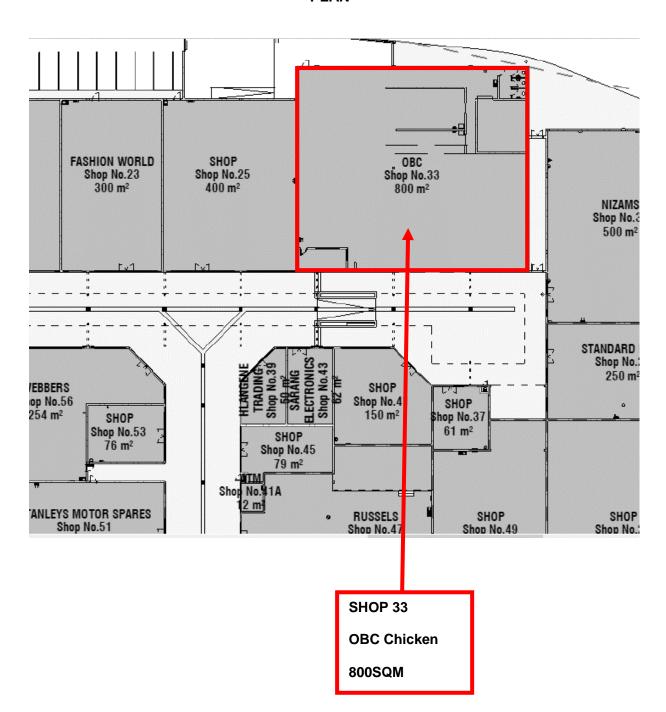
Notwithstanding any provision in this Agreement, same shall not limit or exempt liability attributable to gross negligence.

Notwithstanding anything contained in this Lease Agreement, the Lessor will have the right to terminate this Agreement by giving the Lessee 30 (thirty) days' written notice without being liable for any damage or payment of compensation of any kind whatsoever.

The terms of this Agreement shall be binding on the parties hereto, their heirs, executors, administrators', successors' in title or assigns.

## **ANNEXURE "B"**

## **PLAN**



## **ANNEXURE "C"**

## **TRADING HOURS**

In this lease, "minimum trading hours", means the times listed below from Mondays to Sundays:

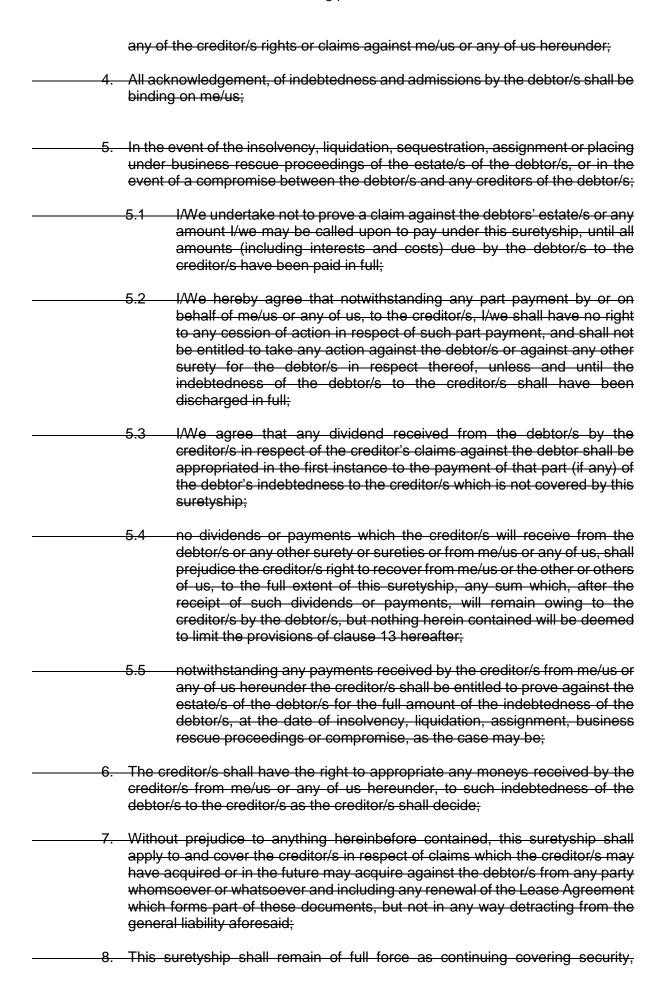
Days	Hours				
Monday - Friday	09h00	am	-	18h00	pm
Saturday	09h00	am	-	15h00	pm
Sunday and Public Holidays	09h00	am	-	13h00	pm

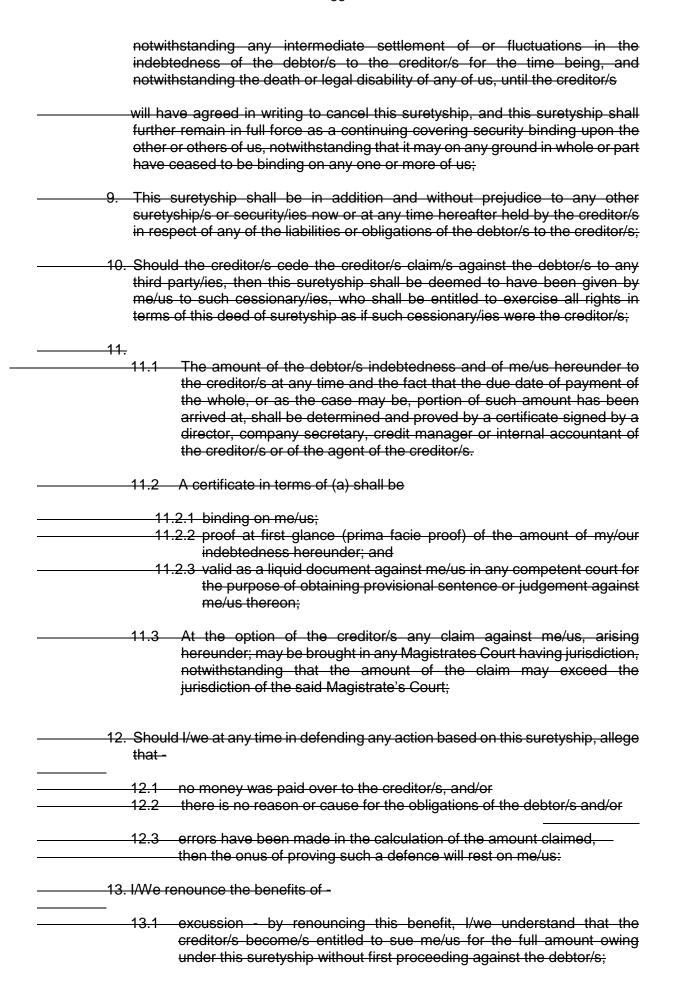
Such trading hours shall apply throughout the year or otherwise as amended from time to time in terms of Clause 10.4 of Annexure "A" of this lease.

Non-compliance with the above trading hours shall constitute a material breach of this lease.

## **DEED OF SURETYSHIP**

I/We, the undersigned,
Name :
Identity/Passport Numbers:
Marital Status :
(If married state if married in or out of community of property)
Residential Address:
do hereby bind myself/ourselves jointly and severally, as surety/ies and co-principal debtor/s in solidus, to and in favour of
ROSEHIP PROPERTIES 16 (PTY) LTD
Registration Number: 2008/003 186/07
SAMPADA SHOPPING CENTRE (PTY) LTD
Registration Number: 2016/3304-86/07
(hereinafter styled "the creditor/s"), AND
for the payment on demand of all sums of money which
Registration Number:
(hereinafter styled "the debtor/s")
(Hereinatter styled the debtors)
may now and from time to time hereafter owe or be indebted to the creditor/s, from whatsoever cause arising, together with any interest and/or any other charges and costs (including attorney and client costs) which the debtor/s may be or may become liable from time to time to pay the creditor/s, whether such indebtedness be incurred by the debtor/s solely or jointly or in partnership with any other person or persons, company or companies, and for the due and punctual performance of all obligations howsoever
I/We jointly and severally agree that
<ol> <li>This suretyship shall apply to, cover and secure the creditor's respective successors in title, orders or assigns;</li> </ol>
2. It shall always be in the discretion of the creditor/s to determine the extent, nature and duration of the facilities (if any) to be allowed to the debtor/s;
3. The creditor/s shall be at liberty to release securities for the debtor/s, or to extend any leniency or extension of time, or compound or make other arrangements with, the debtor/s or me/us or any of us, or any other surety or sureties for the debtor/s, and no such action on the part of the creditor/s shall affect or in any way be construed or operate as a waiver or abandonment of





division - by renouncing this benefit, I/we understand that where there is no more than one surety for the debtor/s obligations, the creditor/s will be entitled to sue each such surety for the full amount owing under this suretyship and not only for a pro rata share; 13.3 cession of action - by renouncing this benefit I/we understand that the creditor/s become/s entitled to sue me/us without first ceding the creditors right of action against the debtor/s to me/us; 14. In as much as any signatory/ies hereto is/are a company/ies or a close corporation/s, then such company or close corporation does hereby warrant and represent to the creditor/s that it is duly empowered by its Memorandum of Association or founding statement, as the case may be, to enter into this suretyship, and that it has a material interest in securing the indebtedness covered by this suretyship, which is entered into for its direct or indirect benefit. The person/s signing this suretyship on behalf of any company or close corporation shall be deemed by virtue of such signature/s to be party to the aforegoing warranties and representation in his/her/their personal capacity/ies jointly and severally, and jointly and severally with the said company or close corporation, and shall further be deemed to warrant and represent to the creditor/s that such person/s is/are duly authorised to execute this suretyship on behalf of such company or close corporation; <del>15.</del> I/We choose as my/our address for service of documents and notices (domicilium citandi et executandi) for all purposes herein at the above address/es set out against my/our name/s; 15.2 all notices addressed to me/us shall be sent by prepaid registered post to my/our respective address/es above and shall be deemed to have been delivered to me/us three (3) days after such posting thereof; 16. As security for the due payment by me/us of all liabilities to the creditor/s arising under this suretyship, and for the due performance of all my/our other obligations arising hereunder; I/we hereby cede, assign transfer and make over to the creditor/s all my/our right, title and interest in and to all claims of whatsoever nature and howsoever arising which I/we may now or in the future have against the debtor/s. I/we undertake to do all such things as are necessary, whenever requested so to do by the creditor/s to enable the creditor/s to prove any such claim against the debtor/s for the amount/s so ceded to the creditor/s to enable the creditor/s to calculate the exact amount of such claim/s and without limiting the generality of the aforesaid, I/we undertake to make available to the creditor/s upon being requested to do so, all such books, documents and other vouchers as reflected or prove any portion of

17. By pending my/our signature at the foot hereof, I/we bind myself/ourselves as sureties and co-principal debtors in terms of this Deed of Suretyship irrespective of whether any other person/s or company or close corporation referred in this Deed of Suretyship as surety and co-principal debtor sign/s this document;

my/our said claim/s hereby ceded;

	Without derogating from any c shall include all damages wh cancellation of any lease bet termination of such lease whice	nich the creditor/s noween the creditor/s	nay suffer as a result of the and debtor/s, including any
	sections 37(1) or (2) of the Ins	colvency Act No.24 o	of 1936, as amended;
	In the event of the creditor of the creditor of the creditor's rist then I/we agree to pay all coscilent basis, tracing fees and of the creditor's risk than I/we agree to pay all coscilent basis, tracing fees and of the creditor's risk than the c	ghts against me/us i ts so incurred includ	n the terms of this suretyship ling legal fees on an attorney
Signed at	on this the	_ <del>day of</del>	20
For and on beh in the presence	alf of of the subscribing witnesses	<u></u>	
		1	As witnesses:
Surety signatur Identity number	<del></del>	1.	Name:
Print name of	<del>surety)</del>	2.	 —Name:
Spouse (Print rin the presence	ame) of the subscribing witnesses	ldentity number	
		1.	As witnesses:
Signature of sp	ouse		Names:
(Print name of s	<del></del> <del>surety)</del>	2.	——————————————————————————————————————

## **ANNEXURE "E"**

## **HEALTH AUDIT**

The tenant shall participate in any health, insurance or hygiene audits undertaken in respect of food operations conducted within the shopping component of the complex and the tenant shall contribute pro rata, to the landlord's cost of and incidental to the implementation of such audits. The tenant shall at its cost carry out in the premises any remedial work or improvement brought to light by such audit and failure to do so will constitute a material breach of this lease.

The apportionment of the costs on a pro rata basis will be calculated at the ratio that the lessee's leasable area bears to the leasable area of all premises that have been subjected to the health audit.

# ANNEXURE "F"

## **RESOLUTION**

HELD AT		(place)
ON THE 06 SEPTEMBER	2015	(μισο)
That		(full name)
(I.D. Number	Illy sign the following:	) in his capacity as a
	lly sign the following:	
<ul> <li>Offer Agreements</li> </ul>		
<ul> <li>Lease Agreements</li> </ul>		
<ul> <li>Letters of Interest</li> </ul>		
<ul> <li>Specifications</li> </ul>		
FULL NAMES	CAPACITY - DIRECTOR	SIGNATURE
FULL NAME:	WITNES	SS 1:

# DEBIT ORDER INSTRUCTION COMPULSORY

Name of Lessee:		(Pty) Ltd		
Postal Address:				
To:	(PROPRIET			_
Da ay Oir/Ma da ra				
Dear Sir/Madam				
The details of my/our	bank account are	as follows:		
BANK:				
BRANCH NAME:				
BRANCH NUMBER:				
ACCOUNT HOLDER	'S NAME:			
ACCOUNT NUMBER	<b>!:</b>			
ACCOUNT TYPE:			TRANSMISSION	
I/We hereby request, "instrabovementioned bank (or an amount necessary for the payfirst day of every month, comsuch withdrawals from my/oume/us personally.	y other bank or br ment of monthly a nmencing on the	anch to which I/we Imounts due to Ros or a	may transfer my/our accou ehip Properties 16 (Pty) Lto s soon as possible thereaf	unt) the d on the ter. All
Withdrawal: Monthly I	_imit: R	Ar	nnual Increase%.	
I/We understand that the wit system known as the ACB M withdrawal will be printed on pay any bank charges relating	agnetic Tape Sérv my/our bank state	ice and l/we also رُ ment or on an acco	inderstand that the details meanying voucher. I/We a	of each
Receipt of this instruction by or will be).	you shall be regar	ded as receipt there	eof by my/our bank (whiche	ver it is
Signed at	on this	day of	20	
Signature/s: (Signature	e/s used for signing	g cheques)		

N.B. A CANCELLED CHEQUE SHOULD BE ATTACHED FOR BANK IDENTIFICATION PURPOSES (Current Account Only)

#### **RIGHT OF RENEWAL**

- 1.1 Provided that the Lessee is not in unremedied breach of the terms of this Lease during the Initial Lease Period, the Lessee shall have an irrevocable option ("the Renewal Option") to renew this Lease Agreement for the Renewal Period on the same terms and conditions as contained in this Lease Agreement, save as set out below -
  - 1.1.1 In the event of the Lessee exercising the Renewal Option, the Lessee shall be obliged to do so at least 6 (six) months prior to expiry of the Initial Lease Period, but not earlier than 9 (nine) months prior to expiry of the Initial lease Period, by written notice to the Lessor:
  - 1.1.2 In the event of the Lessee exercising the Renewal Option, the Monthly Rental payable during the Renewal Period shall be such sum as may be agreed upon between the Parties and failing agreement between the Parties, the fair market rental for premises similar to the Leased Premises in the same area at that time.
  - 1.1.3 The rate of escalation during the Renewal Period shall be a rate of escalation agreed to between the Lessee and the Lessor and failing agreement shall be the market escalation at the time pertaining to premises similar to the Leased Premises in the same area, at that time.
  - 1.1.4 Should the Parties fail to agree the fair market rental and/or escalation pertaining to the Leased Premises during the Renewal Period, at least 6 (six) months prior to the expiry of the Initial Lease Period, a dispute will be deemed to exist and such dispute shall be referred to an independent expert agreed upon between the Parties and failing agreement then an expert appointed by the President for the time being of The South African Council for Shopping Centres, which expert shall act as an expert and not as an arbitrator or a *quasi* arbitrator provided that the decision of the expert shall be final and binding on the Parties and shall not be subject to an appeal or review except in the case of a manifest or material error on the part of the expert and the costs of the expert shall be borne in equal shares by the Lessee and the Lessor.
  - 1.1.5 Should the expert's decision not be reached prior to the commencement of the Renewal Period, the Lessee shall continue to pay the Monthly Rental payable to the Lessor in the last month of the Initial Lease Period, until such time as the expert's decision has been reached. Any shortfall in rental paid by the Lessee until the date the expert's decision has been reached shall immediately be paid to the Lessor and

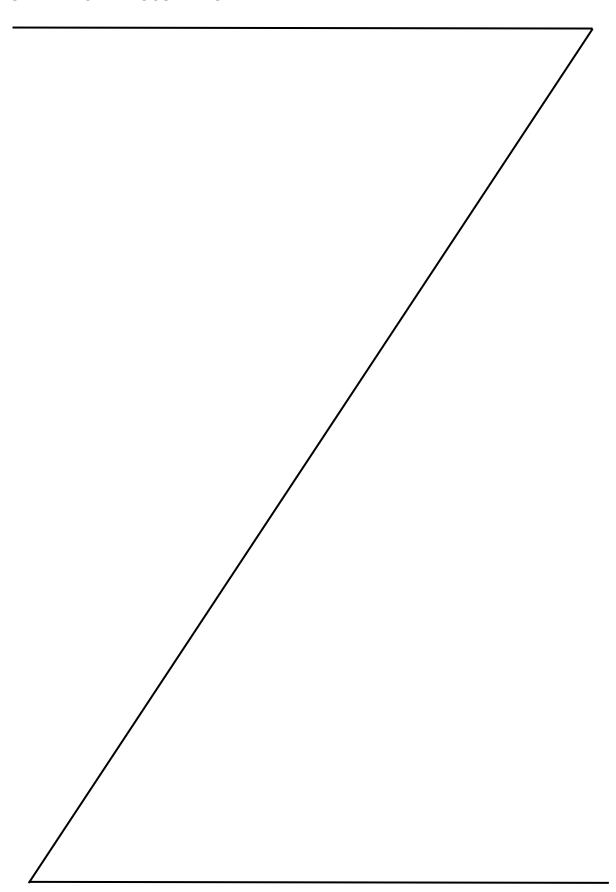
any premium paid by the Lessee to the Lessor shall be repaid to the Lessee after such determination.

- 1.1.6 If the Lessee fails to exercise the Renewal Option within the time period referred to in 1.1.1 then the Renewal Option shall lapse and be of no further force or effect.
- 1.1.7 In the event that the Renewal Option is exercised then on expiry of the Renewal Period this Agreement shall terminate automatically and without notice. It is accordingly recorded notwithstanding anything to the contrary and for the avoidance of any doubt, the Lessee has no expectation and that the Lessor or its agents have made no such representations or created any form of expectation in regard to a further right of renewal after the Renewal Period. The Lessee warrants that the Lessor and/or employees or agents made no such representation.

# **ANNEXURE "I"**

# **TENANT INSTALLATION**

# **SEE ATTACHED DOCUMENTS**



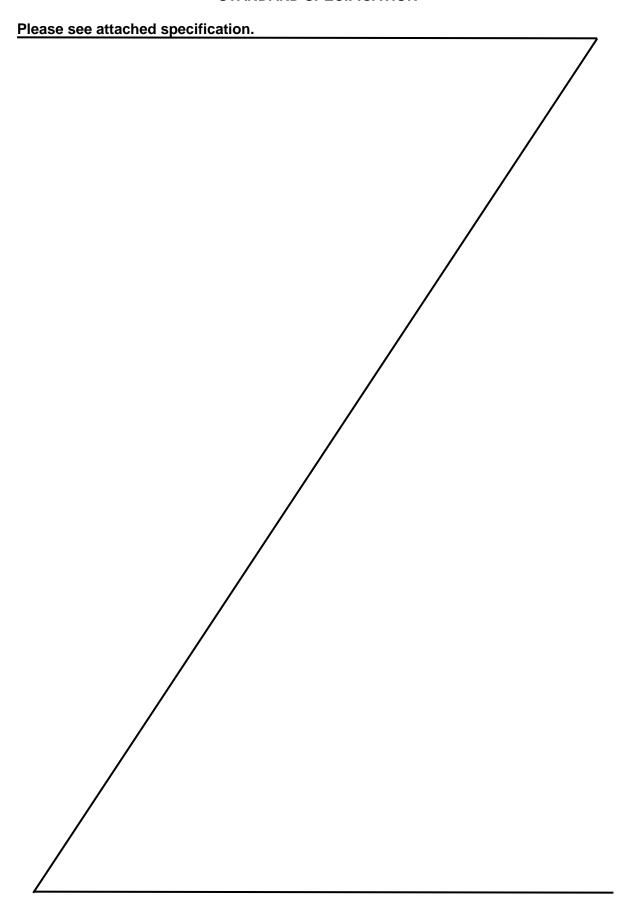
## **ANNEXURE "J"**

# **IRREVOCABLE BANK GUARANTEE**

We, the undersigned, the	hereinafter referred to as the
"Bank" herein represented by both being duly authorized hereto do hereby bind the in whole (in solidium) tofor the period	e Bank as surety and co-principal debtors to
(the creditor) for the due fulfillment by all the terms of the lease or any renewal thereof betwoof premises and agree that this guarantee shall extend the lease whether brought about by the action or or by the insolvency/liquidation of the debtor.	(the debtor) of reen the creditor and the debtor in respect and to cover any failure to fulfill the terms mission of the debtor or any other person
This guarantee shall be a continuing covering secure exceptions of excussion and division and agree reduced or in any way affected by the release or alterate held by the creditor or by reason of any concarrangements made with the debtor.	that our liability hereunder shall not be ration by the creditor of any other security
This guarantee shall not bind the bank to do anythis shall be limited to a maximum of R	ng other that the payment of money and ("the amount").
This guarantee is neither negotiable nor transferable the discharge of the bank's obligation in terms hered	e and shall be returned to the bank upon of.
We reserve the right at any time and in our entire dis Guarantee by depositing <b>R</b> whereupon our liability in terms of this Guarante considered.	cretion to obtain cancellation of this Bank ("the amount") in cash with the Creditor, e ceases and no further claims will be
SIGNED ATON THIS	DAY OF 20
AS WITNESSES:	
1	
	For the BANK
2	

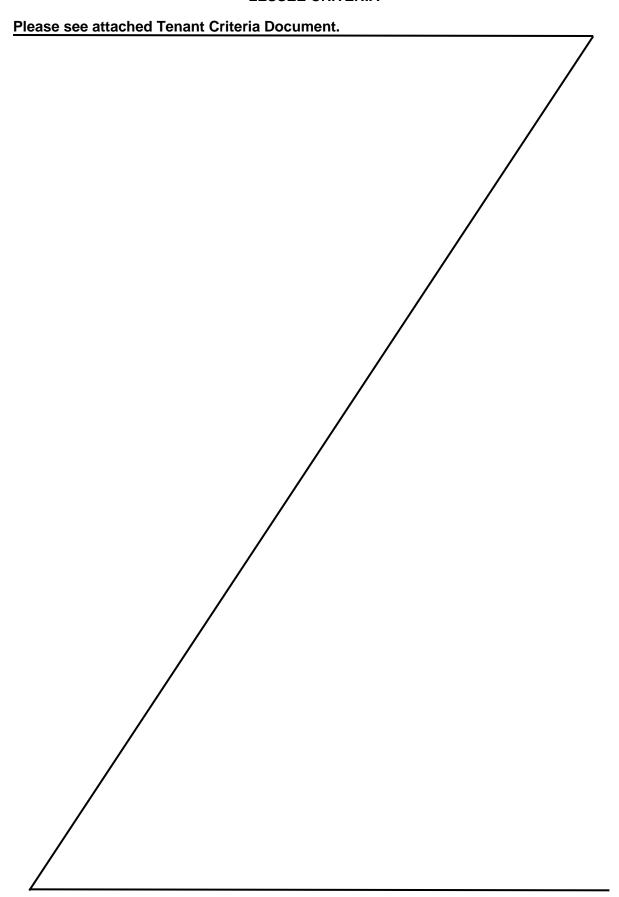
# **ANNEXURE "K"**

## **STANDARD SPECIFICATION**



# **ANNEXURE "L"**

## **LESSEE CRITERIA**



#### **ANNEXURE "M"**

#### HOUSE RULES AND REGULATIONS

- 1. The Lessor shall have the right, from time to time, to make, vary, amend or add to rules and regulations governing:
  - 1.1 the common areas;
  - 1.2 any joint facilities, which may exist in the building;
  - 1.3 the management, administration and appearance of the building;
  - 1.4 the security and safety of the building and all persons therein from time to time;
  - 1.5 the use of the air-conditioning plant, if any;
  - 1.6 the Lessee's conduct in the building; and
  - 1.7 any aspect as owner of the building.
- 2. The Lessee and all its directors, members, employees, agents and any other person for which the Lessee is responsible, shall comply with the house rules applicable to the property and the building from time to time.
- 3. The Lessor may in its sole and absolute discretion amend the house rules from time to time, which amended house rules shall become effective and binding on the Lessee on written notice thereof to the Lessee.
- 4. The house rules at date of signature are set out below:-

#### 4.1 Admission

- 4.1.1 Right of admission reserved.
- 4.1.2 No hawkers, vagrants, loiterers, informal traders or stalls allowed on the premises or in the building.

## 4.2 Marketing

- 4.2.1 No placing or handing out of pamphlets in or outside the building without the building's Marketing Manager's prior written consent.
- 4.2.2 No selling of raffle or charity tickets without written permission from the building's Marketing Manager.
- 4.2.3 No handwritten notices allowed on Lessees' windows.
- 4.2.4 No advertising posters allowed in windows except on notice boards.
- 4.2.5 No loud music allowed in the premises, the building or the car park.
- 4.2.6 No canvassing allowed on the premises or in the building.
- 4.2.7 No political posters or canvassing allowed on the premises without written consent from the Lessor's appointed agents (hereinafter referred to as "Centre Management").
- 4.2.8 Shopfront light on until midnight.
- 4.2.9 No advertising material left on motor vehicles parked on the premises.

#### ANNEXURE "M"

#### 4.3 Safety and Security

- 4.3.1 No dogs allowed in the building.
- 4.3.2 No firearms allowed in the building.
- 4.3.3 No bicycles allowed in the building.
- 4.3.4 No drinking of alcohol allowed unless in licensed establishments.
- 4.3.5 No group demonstrations allowed on the premises or in the building.
- 4.3.6 No driving lessons allowed in the car park.
- 4.3.7 No skate boarding or roller skating allowed in the car park or in the building.
- 4.3.8 No vehicles to be left overnight in the car park without written permission from Centre Management.
- 4.3.9 No activity of any kind that will jeopardise the safety of the building, its Lessees, their staff and members of the public in any way.
- 4.3.10 No anti-social behaviour on the premises or in the building.
- 4.3.11 No tampering with any security or fire-fighting equipment on the premises or in the building.
- 4.3.12 Anyone caught shoplifting will be banned from the building.
- 4.3.13 Right of admission to the Centre is reserved and Centre Management has the right to ban anyone from the building.
- 4.3.14 No informal guards on the premises unless written consent was obtained from Centre Management. In-house security of whatever nature shall be answerable to the building's appointed security, and as such will report any incident to and defer to their jurisdiction.
- 4.3.15 Damage caused to fire fighting equipment in the premises shall be paid by the Lessee.
- 4.3.16 No interference of whatever nature with surveillance or fire fighting equipment will be allowed.

#### 4.4 Cleaning and Maintenance

- 4.4.1 No tampering with the plants or gardens on the premises or in the building.
- 4.4.2 No dumping of rubbish on the premises or in the building.
- 4.4.3 No washing of vehicles in the parking area, especially not with fire hoses.
- 4.4.4 No mechanical work to be carried out on the premises.
- 4.4.5 Adhere to control zone rules.
- 4.5 Centre Management reserves the right to insist upon compliance of any further request made by them or the Lessor at the time.

#### **ANNEXURE "M"**

## 5. Other Rules and Regulations

Over and above, and in addition to the terms as set out in this agreement, the following rules shall apply:-

- 5.1 No sandwich boards or poster stands or display boards of any kind to be placed outside shop.
- 5.2 No notices of any kind to be attached to shop windows or doors, except for Trading Hours & Emergency Numbers.
- 5.3 Sale time: no sale notices to be plastered on windows / doors.
- 5.4 The level of music played inside shops to be subject to Centre Management's approval.
- 5.5 Adherence to trading hours including trading hours when sales take place in the buildings.
- 5.6 No auctions, closing down or fire sales allowed.

#### **ANNEXURE "N"**

#### **TURNOVER RENTAL**

- 1.2 For purposes of Turnover Rental, the following words shall bear the following meaning:
  - 1.2.1 "Financial Year End" means the financial year end of the Tenant as set out in the Schedule;
  - 1.2.2 "Tenant's Turnover" means in regard to any period the net cash selling price of all goods sold and services rendered by the Less Tenant ee and any sub- Tenant of the Tenant, including all orders taken and received at the Leased Premises and / or orders invoices or delivered or supplied at the Leased Premises, whether such orders are executed at the Leased Premises or elsewhere, during the Turnover Rental Period, whether sold for cash, on terms of credit, on hire purchase, by using the internet or otherwise, minus:
    - 1.2.2.1 All credits passed in respect of goods traded-in, retuned or repossessed during the Turnover Rental Period at the Leased Premises;
    - 1.2.2.2 All amounts reasonably written off as bad debts at the Leased Premises during the Turnover Rental Period, provided that should any amounts so written off be subsequently recovered then they shall be included in the Tenant's Turnover as applicable to the Turnover Rental Period which they are recovered; and
    - 1.2.2.3 Any statutory tax levied in accordance with the sale of goods applicable to the relevant period (but specifically excluding all bank changed, credit card commissions, levies and import duties);
  - 1.2.3 "Turnover Percentage" means the percentage as set out in the Schedule; and
  - 1.2.4 "Turnover Rental Period" means:
    - 1.2.4.1 The period from the Trading Date or Commencement Date, whichever date occurs first, to the occurrence of the Financial Year End;
    - 1.2.4.2 The period from the day following the Financial Year End in any year to the next Financial Year End in the ensuing year during the Lease Period.
    - 1.2.4.3 The period from the last occurrence of the day following the Financial Year

      End during the Lease Period until this Lease expires in its entirety; or

#### 1.2.4.4 Any period specifically agreed in writing by the Parties.

- 1.3 The Tenant's Turnover Rental shall be an amount equal to the Tenant's Turnover in each relevant Turnover Period multiplied by the Turnover Percentage, as recorded in the Schedule.
- 1.4 On or before the 2<sup>nd</sup> day following the end of each calendar month during the subsistence of this Agreement (and if the period is shorter than 1 calendar month then that proportion of the Tenant's Turnover for the applicable Turnover Period which bears to 30 days ("Partial Turnover Period"), the Tenant shall submit to the Landlord a written statement duly signed by the Tenant and certified by it to be true and correct, showing in accurate detail the amount of the Tenant's Turnover for the prior calendar month or Partial Turnover Period, as the case may be, in a form acceptable to the Landlord ("Turnover Report").
- should the Turnover Report indicate that the Tenant's Turnover Rental for any period is likely to exceed the basic rental for the same period, the Landlord shall be entitled, on a quarterly basis, to calculate the Tenant's projected Turnover Rental on the basis of such Turnover Report and to recover, on a quarterly basis, the projected Turnover Rental as a provisional payment on account of the Tenant's Turnover Rental. The Tenant shall pay such quarterly projected Turnover Rental to the Tenant on presentation of the Landlord's invoice. These provisional payments shall be reconciled against the Turnover Rental payable by the Tenant when the certificate referred to in clauses 1.6 and 1.7 is delivered to the Landlord and if the Tenant has paid less than the amount stipulated in the certificate, it shall pay to the Landlord the difference between the estimated amount and the amount stipulated in the certificate within 14 (fourteen) days of the delivery of the certificate. If the Tenant has paid more than the amount stipulated in the certificate, within 14 (fourteen) days of the Tenant's delivery of the above certificate.
- 1.6 Within 90 (ninety) days after the end of each Financial Year End of this Lease, the Tenant shall furnish to the Landlord an audited certificate certifying the Tenant's Turnover for each relevant Turnover Period and together with such certificate the Tenant shall simultaneously pay to the Landlord the excess (if any), of the turnover rental plus VAT over the basic rental, free of exchange or bank charges and without deduction or set-off but subject to clause 1.7 below.
- 1.7 Despite any provision to the contrary in this Agreement of Lease within 2 (two) months after the Termination Date, the Tenant shall deliver to the Landlord a statement, certified as being true and correct by the Tenant's Auditors, of the Tenant's Turnover during the relevant Turnover Rental Period and the aggregate basic rental paid by the Tenant in terms of this Lease for this period. Such certificate, together with the amount plus VAT thereon by which the turnover rental exceeds the basic rental (if any), shall be sent and paid by the Tenant to the Landlord.

- 1.8 To enable the Landlord to ascertain or verify the amount of the Tenant's turnover rental for any Turnover Rental Period, the Tenant undertakes to prepare, and to keep original records for 3 (three) years which the Landlord shall be entitled to inspect at any time and make copies of on demand irrespective of the Turnover Rental Period in question, showing inventories and receipt of merchandise at the Leased Premises, and daily records of all sales and other transactions on or from the Leased Premises by the Tenant. Without derogating from the foregoing, the Tenant shall:
  - 1.8.1 record, at the time of the transaction an in the present of the customer, all receipts from sales or other transactions (whether in cash or on credit); and
  - 1.8.2 keep all returns (including, but not limited to, those for statutory impost and regional services levies) relating directly or indirectly to the Tenant's Turnover Rental, and all original sales records referred to in clause 1.9 below.
- 1.9 The original sales records referred to in clause 1.8 above shall inter alia (amongst other things) include the following:
  - 1.9.1 all cash register tapes, including tapes from temporary registers:
  - 1.9.2 serially numbered sales slips;
  - 1.9.3 the originals of all mail orders;
  - 1.9.4 the original records of all telephone orders;
  - 1.9.5 the original of all internet transactions;
  - 1.9.6 settlement report sheets of transactions with sub-tenants, vending machine operators, concessionaires and licensees;
  - 1.9.7 the original records showing that merchandise returned by customers was purchased at the Leased Premises by such customers;
  - 1.9.8 memorandum receipts or other records of merchandise taken out on approval;
  - 1.9.9 such other sales records which would normally be examined by an independent accountant in accordance with generally accepted accounting practices in South Africa in performing an audit of the Tenant's sales; and
  - 1.9.10 the records specified in paragraphs (1.9.1 to 1.9.9) above of this clause of every sub-Tenant, concessionaire and licensee.
- 1.10 The Landlord shall at any time, on 48 (forty-eight) hours prior notice to the Tenant, be entitled to inspect and audit the Tenant's books, records and/or turnover either by the Landlord or by auditors appointed by the Landlord. The Tenant shall give the Landlord or its auditors all such information, copies of documentation and explanations as they may require. Such inspection and audit shall be limited to the determination of the monthly or annual turnover rental and

shall be conducted during the normal business hours at the Leased Premises, or such other place as may facilitate the inspection and the audit.

- 1.11 If it shall be determined as a result of such inspection and audit that the Tenant's Turnover for any Turnover Rental Period was understated by 6% (six per cent) or more, the Tenant shall pay the costs incurred by the Landlord in relation to the inspection and audit. If it is determined as a result of such inspection and audit that there has been an underpayment of turnover rental, then such underpayment shall immediately become due and payable with interest at prime plus 2% (two per cent) compounded, from the date upon which this payment should have been made to the date of actual payment, both days inclusive. At its option, the Landlord may regard an underpayment of more than 6% (six per cent) of the turnover rental payable by the Tenant as a material breach by the Tenant of its obligations in terms of this Lease and shall be entitled, but not obliged, to cancel this Lease with immediate effect on written notice to the Tenant.
- 1.12 Should the Landlord for any reason whatsoever, including the loss of any records by the Tenant or the failure on the part of the Tenant to submit a certificate in terms of clauses 1.6 and 1.7 above, be unable to determine or verify the turnover rental at any time, the Landlord shall be entitled to estimate the Tenant's Turnover for each Turnover Rental Period based on the Monthly Turnover Reports furnished by the Tenant in terms of clause 1.5 and such other factors as the Landlord may, in its sole discretion, deem fair and reasonable. Until such time as a certificate in terms of clauses 1.6 and/or 1.7 has been furnished by the Tenant and/or verified to the Landlord's reasonable satisfaction, the Tenant shall be bound by the Landlord's determination and shall, if applicable, pay the turnover rental (calculated on the basis of such estimated turnover), upon written demand by the Landlord.
- 1.13 The Landlord shall be entitled to disclose the Tenant's Turnover to any third person should it be necessary for the purposes of raising finance or in the event of the possibility of a sale of the Building or any part of the Building or any sale of or change in the issued share capital of the Landlord or in connection with the management of the Building.
- 1.14 The Tenant shall be obliged to maintain a trading density, which is comparable to other tenants in other shopping centres similar in size to the Building in terms of gross lettable area, having business of a similar size in terms of lettable area to that of the Tenant, and trading in the same category as that of the Tenant. In the event that the Tenant does not achieve the aforementioned trading density, which determination shall be in the Landlord's sole discretion then, and in that event, the Landlord will be entitled, but not obliged, to terminate this Agreement of Lease by giving the Tenant 6 (six) months' prior written notice to this effect.

## **CERTIFICATE BY CONSUMER**

# A CERTIFICATE ISSUED BY A LESSEE WHO IS CLASSIFIED AS A CONSUMER IN TERMS OF THE CONSUMER PROTECTION ACT

Failure to sign t	this certificate shall in	no way affect the validity	v of this agreement
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read and understood the terr Agreement of Lease were r understood by me as well as Lessee now or in the future.	ns and conditions of this ead by me and the fac	s Agreement of Lease. et, nature and effect of	All the clauses in the all the clauses were
I understand that by bringing on the legal standing or enfor to my attention and which de I confirm that I have read and	rceability of any other ter pending on any circumst	rms and conditions not l tances may affect the Le	nighlighted or brought
Only to be completed by jur	istic persons who qual	lify as a consumer:	
I hereby declare, on behalf	of the Lessee being		,
I hereby declare, on behalf that the Tenant qualifies as a			
that the Tenant qualifies as		the Consumer Protection	
that the Tenant qualifies as a amended fr	a consumer in terms of tom time	the Consumer Protection	on Act 68 of 2008, as
that the Tenant qualifies as	a consumer in terms of tom time	the Consumer Protection	on Act 68 of 2008, as
that the Tenant qualifies as a amended fr	a consumer in terms of tom time	the Consumer Protectione to	on Act 68 of 2008, as

# **SPECIAL CONDITIONS**

None.

