

LEASE AGREEMENT

The landlord hereby lets the leased premises together with the parking bays to the tenant in accordance with the particulars contained in the schedule, and on the terms contained in the annexures.

SCHEDULE

Tenant

Full registered name of business : _____

Business registration number : _____

VAT number (compulsory) : _____

Trade name/s of business : _____

Nature of business : _____

Type of business : Sole Proprietor/(Pty) Ltd/cc/Partnership/Limited

Registered address of business : _____

Physical address of business : _____

Postal address of business : _____

Telephone no : _____

Fax no : _____

Email address : _____

Contact person : _____

Sureties

First surety full name : _____

First surety ID number : _____

Second surety full name : _____

Second surety ID number : _____

Tenant's pro-rata share of municipal charges	:	5.5%
Present total monthly rental	:	R _____ Excluding VAT

<u>Lease Period Details</u>		
Commencement date	:	_____
Lease period	:	_____ years
Renewal Period	:	_____ years

<u>Deposit/Bank Guarantee</u>		
Deposit/Bank Guarantee	:	R _____ (The cash value in last two months of Lease)

<u>Administration Details</u>		
Contract administration costs	:	R 750 excluding VAT
Interest rate on outstanding amounts	:	2% above prime lending rate of Nedbank
Managing agent's late payment administration fee	:	10% of the amount outstanding

<u>Managing Agent</u>		
Full registered name of business	:	Whiz Property Group (Pty) Ltd
Telephone no	:	087 310 2010
Fax no	:	011-318-7945
Email address	:	debbieh@whizprop.co.za
Contact person	:	Debbie Howard

<u>Leasing Agent</u>		
Full registered name of business	:	_____
Telephone no	:	_____
Contact person	:	_____
Email Address	:	_____

Annexures

Annexure A : General Terms and Conditions
Annexure B : Company Resolution
Annexure C : Plan of Leased Premises
Annexure D : Special Terms and Conditions
Annexure E : Suretyship

Signatures

TENANT'S SIGNATURE : _____
Full name of signatory : _____
Capacity : _____
Place of signature : _____
Date of signature : _____
WITNESS SIGNATURE : _____
Full name of witness : _____
ID number of witness : _____

LANDLORD'S SIGNATURE : _____
Full name of signatory : Luke Alexander Forssman
Capacity : Manager
Place of signature : Midrand
Date of signature : _____
WITNESS SIGNATURE : _____
Full name of witness : Deborah Lee Howard
ID number of witness : 7102180104082

ANNEXURE A

GENERAL TERMS AND CONDITIONS

1. DEFINITIONS

In this agreement, unless the context otherwise requires, the expressions defined below shall bear the meanings set out hereunder:

- 1.1 "business day" means every day except a Saturday, Sunday or official public holiday;
- 1.2 "commencement date" means the date as recorded in the Schedule, upon which, in the reasonable opinion of the landlord, the lease will commence or such other date as may be determined in terms of clause 3.2;
- 1.3 "common area" means all staircases, stairwells, toilets not specifically set aside for the tenant's exclusive use, gardens, parking areas, ramps, entrances and hallways and all areas which are not in the opinion of the landlord to be designated as rentable areas;
- 1.4 "leased premises" means the area let in terms of this lease and as described in the Schedule together with any areas in respect of which the tenant has exclusive use;
- 1.5 "pro rata share" means the ratio between the area that the leased premises bears to the total rentable area of the property as measured according to the method of measurement as laid down by the South African Property Owners Association, and as amended from time to time. Should the area of the leased premises on occupation be found to be different from the estimated area as stated in the Schedule, due to a change in the method of measurement or any reason whatsoever, then the tenant's pro rata share as stated in the Schedule, will be adjusted to reflect the correct pro rata share;
- 1.6 "rates and taxes" means those charges levied by any competent authority or body, upon and in respect of the property and/or building/s, or other charges related to the value of the property and/or improvements thereon, at any time and from time to time during the currency of this lease, including increases in those charges;
- 1.7 the masculine gender include all other genders;
- 1.8 the clause headings shall not be taken into account in its interpretation;
- 1.9 all rentals and other amounts stipulated herein do not include value added tax; the tenant is, in addition to the stipulated amounts, also liable for value added tax payable in respect thereof.

2. COMMENCEMENT DATE

- 2.1 Unless postponed by the Landlord, in writing, the commencement date of this lease shall be the date stipulated in the Schedule.
- 2.2 In the event of a postponement of the beneficial occupation date, the commencement date shall likewise be postponed to the first day of the month following the expiry of the beneficial occupation period. In the event of the postponement of the commencement date the lease shall endure for the full lease period and the termination date shall be adjusted in light thereof. The tenant shall have no claim against the landlord to cancel this agreement or for any loss or damage whatsoever, either actual or consequential, which it may

incur due to the postponement of the beneficial occupation date.

- 2.3 In the event that the leased premises are not ready for occupation due to any act/omission by the tenant, the lease shall commence on the commencement date.
- 2.4 In the event that the landlord notifies the tenant that the leased premises are ready for occupation and the tenant fails to take occupation of the leased premises on the beneficial occupation date, this failure to take occupation shall be regarded a material breach of this agreement and the landlord shall be entitled, but not obliged, to cancel this agreement in terms of Clause 27.

3. PAYMENT OF TOTAL MONTHLY RENTAL

- 3.1 The total monthly rental is payable monthly in advance, on the first day of every month, free of deduction or set-off, to the landlord's nominated agent at the agent's address.
- 3.2 The total monthly rental shall be payable from the day following the expiry of the beneficial occupation period. In the event that this said date does not fall upon the first day of the month the tenant shall be liable for a pro rata portion of the total monthly rental calculated at a daily rate from the day following the expiry of the beneficial occupation period until the last day of the month in which beneficial occupation period expired.
- 3.3 The Base Rental, Operating Costs and Parking Rental shall escalate by the percentage relevant to that charge, as reflected in Schedule, per annum, compounded with effect from the anniversary of the commencement date.
- 3.4 The tenant may not withhold the payment of any amounts because he has been inconvenienced, or because his use of the leased premises has been impaired or restricted by repairs, renovation, interruption in the supply of services, or for any other reason whatsoever.

4. RATES AND TAXES

- 4.1 The tenant shall pay, as part of its total monthly rental, its pro rata share of the rates and taxes which are payable by the landlord from time to time, including all increases thereon.
- 4.2 Furthermore, the tenant shall pay its pro rata share of any new property levies, charges or taxes which may be imposed by the local or any other responsible authority in respect of the property and/or building.

5. LATE PAYMENTS

If any amount due in terms of this lease agreement is paid after due date, the tenant shall, at the option of the landlord, be liable for interest on the unpaid amount, calculated at the rate given in the Schedule. Should the tenant continuously pay after the due date any amount due in terms of this lease agreement, then the landlord has the right to list the tenant as a late payer with any of the Credit Bureaus.

6. DEPOSIT OR IRREVOCABLE BANK GUARANTEE

The tenant shall, within 7 (seven) days after final signature of this agreement pay the deposit to the landlord or deliver an irrevocable bank guarantee to the landlord on terms as acceptable to the landlord. The landlord shall refund the deposit or return the irrevocable bank guarantee, less deductions for unpaid rental and/or damages, as soon as reasonably possible after termination of the lease. The landlord reserves the right at any time prior to the termination of the lease to deduct any amount due in terms of this lease from the deposit or to call up the irrevocable bank guarantee and

to apply funds received to any amount due in terms of this lease. In such instance, the tenant shall on demand pay to the landlord the equivalent of the amount so deducted, which amount shall then form part of the deposit.

7. CONDITION OF LEASED PREMISES

The landlord is not obliged to rectify any defect in the leased premises, unless the tenant has notified the landlord in writing within 14 (fourteen) days after the beneficial occupation date of such defects, failing which the tenant will be deemed to have accepted the premises as being complete and without any defects therein. The tenant acknowledges that, as at the beneficial occupation date and from time to time, the landlord may be engaged in construction in and around the Property, which may result in inconvenience to the tenant. The tenant shall have no claim against the landlord of whatsoever nature, either for a reduction or abatement of rental or cancellation of the agreement, other than as expressly contained herein.

8. USE OF LEASED PREMISES

The tenant shall use the leased premises for the use stipulated in the Schedule, and shall not use it for any other purpose.

9. WINDOWS

Windows shall at all times be transparent and all decorations and/or advertisements affixed thereto shall require the landlord's written approval. Such advertisements will be removed by the tenant upon termination of this agreement at the tenant's sole cost.

10. LICENCES

The tenant shall obtain all trading licenses and other permissions which may be necessary for its use of the leased premises. The risk of obtaining such licenses rests with the tenant.

11. ALTERATIONS

11.1 The tenant may not effect any improvements, alterations or additions to the leased premises including, but not limited to, the air-conditioning units or the relocation thereof, without the prior written consent of the landlord.

11.2 Any improvements, alterations or additions, including but not limited to the installation of air-conditioning units, which the tenant may have effected to the leased premises shall become the property of the landlord, and the landlord shall not be obliged to compensate the tenant in respect thereof.

11.3 In the event that the tenant effects improvements, alterations or additions to the leased premises it shall provide "as-built" plans to the landlord upon completion of the improvements, alterations or additions. In the event that the tenant fails to provide the aforesaid plans, the landlord shall be entitled to effect the drawing thereof and claim the cost thereof from the tenant.

11.4 The said improvements, alterations or additions shall, if the landlord so requires, be removed by the tenant at the end of the lease and the tenant shall make good all damage or unsightliness caused by such removal at the tenant's cost.

11.5 Notwithstanding anything aforesaid the tenant shall remove the entire telephone system and all cabling including data cabling at termination of the lease, if requested by the landlord.

12. TRANSFER OF RIGHTS

- 12.1 The tenant may not without the prior written consent of the landlord sublet the leased premises or allow anyone else to occupy the leased premises.
- 12.2 The tenant may not cede, assign or encumber his rights under this lease.
- 12.3 If the tenant is a company or a close corporation, and any change in the controlling shareholding thereof has taken place without the prior consent of the landlord, the landlord may in its sole discretion either unilaterally cancel this lease agreement and claim all damages from the tenant or accept such assignment of this agreement.

13. SALE OF PROPERTY OR TRANSFER OF LANDLORD'S RIGHTS

In the event of a sale of the property by the landlord to any third party, the tenant agrees to be bound to such third party in terms of this lease. The landlord shall furthermore at any time be entitled to sell, cede, assign, delegate and make over unto or in favour of any legal persona, all its rights, title, interest and obligations as contained herein.

14. MAINTENANCE AND REPAIRS

14.1 The tenant shall:

- 14.1.1 keep the leased premises, including the interior and exterior of all windows, and all its contents clean, tidy and in good order, condition and repair;
- 14.1.2 be responsible for the maintenance and repair of any/all damage to the interior of the leased premises and to the interior and exterior of all doors, door frames and handles, shopfronts and windows, window frames and handles, irrespective of how such damage occurred;
- 14.1.3 at its own cost maintain, and where necessary, replace any fire extinguishing equipment, fire detection or alarm system, power supply and electrical systems, including but not limited to electrical outlets, plugs and distribution boards, installed in the leased premises. The tenant shall keep records of all such equipment and systems and the maintenance or replacement thereof, in terms of applicable legislation;
- 14.1.4 not cause or permit any obstruction or blockage in sewerage pipes, water pipes or drains serving the leased premises and/or the property, and in the event of there being any obstruction or blockage shall pay upon demand to the landlord, the price for removing such obstruction or blockage;
- 14.1.5 maintain at its own cost the drainage, plumbing installations, including but not limited to the geysers, sanitary fittings and works in the leased premises and replace any damaged or faulty installations;
- 14.1.6 be responsible for the cost of maintaining all air-conditioning units in good order and condition which maintenance shall be undertaken by the landlord;
- 14.1.7 replace at its own cost all light fittings, fluorescent tubes, starters, globes, ballasts, diffusers and incandescent lamps used in the leased premises;
- 14.1.8 shall be responsible for the pest control in the leased premises. If the tenant does not exercise proper pest control in the leased premises, then the landlord can cause pest control to be exercised in those leased

premises and charge the relevant amounts to the tenant. If, as a result of such pest control not being properly exercised by the tenant, pest problems develop elsewhere in the property, then the tenant will be liable for whatever costs are incurred by the landlord in taking care of such pest control in the property.

14.2 The landlord shall be responsible for the maintenance of, and for all repairs and replacements becoming necessary from time to time in or to, the building and all parts thereof other than those which are responsible for the time being of tenants or of the local authority, and the landlord's obligations in respect thereof shall include the maintenance and repair of the structure of the building, all systems, works and installation contained therein (other than those which are the responsibility of the tenant or other tenants within the building), the roofs, the exterior walls, the lifts, the grounds and gardens, and all other parts of the common areas.

14.3 The landlord shall not, however, be in breach of clause 15.2 above insofar as any of its obligations thereunder are not or cannot be fulfilled by reason of any Force Majeure or the acts of omissions of others over whom the landlord has not direct authority or control, and where the landlord is indeed in breach of clause 15.2, the tenant's only remedy against the landlord shall be a right of action for specific performance.

14.4 In the event that the responsible party fails to attend to any maintenance or repairs in terms of this lease agreement, then the other party shall:

14.4.1 give the responsible party 14 (fourteen) days written notice, calling upon the responsible party to attend to such maintenance/repairs;

14.4.2 in the event that the responsible party does not do so within that period, then the other party shall be entitled itself to, or through someone else, attend to such maintenance and repairs and claim the cost thereof from the responsible party.

15. SECURITY

In the event that the landlord directly or indirectly provides security services or any security equipment in or around the leased premises or the property then the tenant:

15.1 agrees that the landlord will not be held responsible or legally liable for any acts or omissions of the person/s or entity/ies carrying out such security services or for the failure of any of the security equipment or in the event that the security equipment is not in working order;

15.2 the tenant waives any claims which it may have against the landlord in respect of the security services or provision of security equipment.

16. INTERRUPTION OF USE

The tenant shall have no claim of whatever nature, whether for remission of rent, inconvenience, financial loss or otherwise, by reason of the property and/or the leased premises falling into a state of disrepair and/or by reason of the interruption of any services (including but not limited to the supply of electricity, water, air-conditioning and/or lifts) relating thereto, or by reason of any maintenance, repair, renovation or rebuilding activities.

17. SIGNAGE

17.1 The tenant may not affix or display any signage in or about the leased premises without the landlord's prior written consent. All signage affixed by the tenant shall be removed by him at the request of the landlord, and the tenant shall make good any damage caused by such removal.

17.2 In the event that the landlord insists upon the tenant erecting signage, the tenant shall do so in terms of the landlord's specifications.

18. INSURANCE

18.1 The tenant shall not do or omit to do anything or allow anything to be done which may constitute a contravention of the terms of any insurance policy held from time to time by the landlord in respect of the property, or which may increase the insurance premiums. The landlord's insurance policies are available for inspection by the tenant, and the tenant shall acquaint himself with the terms thereof.

18.2 The tenant shall obtain insurance in respect of any liability which the provisions of the lease impose upon it and against any risks arising from operation of its business from the leased premises.

19. OBSERVE LAWS

19.1 The tenant shall (and shall bear all costs involved in doing so) comply with all laws, by-laws and regulations relating to tenants or occupiers of business premises or affecting the conduct of any business carried on in the leased premises.

19.2 In particular, the tenant, as the user of the electrical installations in the leased premises, shall be responsible for ensuring compliance with the Electrical Installations regulations of the Occupational Health and Safety Act. The tenant shall provide a certificate of compliance in regard to the electrical installation on the leased premises in terms of the regulations of the Occupational Health and Safety Act on termination of this agreement.

19.3 The tenant assumes full control of the leased premises for purposes of the Occupational Health and Safety Act No. 85 (as amended from time to time) upon the beneficial occupation date of the leased premises. The tenant indemnifies the landlord against any claims arising from non-compliance with the Act in respect of the leased premises.

19.4 The tenant shall ensure that the provisions of the Tobacco Products Control Act of 1993 (as amended), together with all its Regulations (as amended), are complied with by all its employees, visitors, invitees or clients.

19.5 In the event that any fine or penalty is imposed upon the landlord as a result of the tenant's contravention of any Act, the landlord shall be entitled to recover such fine or penalty from the tenant together with any other damages arising from the contravention.

19.6 The tenant shall not contravene or permit the contravention of any of the conditions of title under which the property is held by the landlord or any of the provisions of the town-planning scheme applicable to the property. The aforesaid information is available for inspection by the tenant, and the tenant shall acquaint himself with the terms thereof.

20. ACCESS

The landlord is entitled to reasonable access to the leased premises for inspection, maintenance and repair.

21. NO CLAIMS

Save for damage, injury or loss of life caused by willful conduct on the part of the landlord, its agent or employees, neither the landlord nor its agents or employees (the landlord contracting herein also for their benefit) shall be liable for:

- 21.1 any damage which may be caused to any of the assets of the tenant or of anyone else or to any item the responsibility of which is imposed on the tenant in terms of this agreement, or
- 21.2 any injury or loss of life of the tenant or any employee, invitee or licensee of the tenant,

in consequence of a overflow of water supply, or fire, or any leakage, or any fault in the plumbing works, or any electrical fault, or by reason of elements of the weather, or failure on the part of the landlord or his agent or employees to carry out any work required of any of them in the proper manner, or by reason of any defects in any part of the leased premises or on the property or in any of the equipment of the landlord, or as a result of any other cause whatsoever. The tenant hereby indemnifies and holds the landlord harmless in respect of any claim which may be brought against the landlord by any third party as envisaged above. The tenant shall, at the option of the landlord, be obliged to provide proof of indemnity.

22. MANAGEMENT RULES

The landlord may from time to time prescribe rules in accordance with reasonable trade practice relating to the use of enjoyment of the property and of the leased premises, including matters relating to security, fire, safety, access, the use of common areas, parking, the keeping and placing of heavy objects in the leased premises, the use of air-conditioning and heating, and all matters incidental thereto. The rules (if any) are available at the landlord's address, and the tenant shall acquaint himself therewith.

23. CONSUMPTION CHARGES

- 23.1 The tenant shall pay for all electricity, water and sewerage consumed by the tenant in or on the leased premises, as separately metered by the relevant sub-meter/s.
- 23.2 Should there be no sub-meter in respect of the leased premises, for any of the above services; the landlord shall be entitled to install one at any time. Should the landlord elect not to install a sub-meter the tenant shall have the right to request the landlord to install the aforesaid sub-meter at the tenant's costs.
- 23.3 Should no sub-meter be installed or should a common sub-meter exist for more than the leased premises, charges shall be calculated by the landlord on a pro rata basis of the rentable area of the leased premises to the total occupied area of the building, alternatively, the total occupied area served by the common sub-meter, whichever is applicable. Unoccupied areas shall not be included in this ratio. The ratio may be adjusted as the areas served by the common sub-meter, if applicable, are leased.
- 23.4 The tenant shall pay for all meter reading charges incurred by the landlord in respect of the sub-meter/s relevant to the tenant's consumption.
- 23.5 The landlord shall be entitled to charge for such electricity, water and sewerage at the same rate and on the same basis as if such electricity and water was supplied directly by the supplier concerned to the tenant.
- 23.6 The landlord may require the tenant to arrange for the supply of electricity and water to the leased premises directly from the supplier thereof, and to pay such supplier for the electricity, water and sewerage consumed on the leased premises.

- 23.7 The tenant shall pay to the landlord all sanitary, refuse removal, special refuse removal, sewerage and any other local authority charges in respect of or attributable to the leased premises or the business conducted by the tenant therein.
- 23.8 The tenant shall furthermore pay to the landlord a pro rata share of the costs of all electricity, water, sewerage and refuse charges consumed in or in respect of the common area of the property.
- 23.9 Until the statements of account have been received by the landlord from the local authority and/or the meter reading company assigned to read the meters, indicating the amounts due by the tenant from the beneficial occupation date on the property or the leased premises, whichever is applicable, the tenant shall be required to pay an estimated charge therefor, as determined by the landlord. After receipt of the relevant statements of account from the local authority and/or meter reading company, indicating the actual consumption charges from the beneficial occupation date on the property or the leased premises, whichever is applicable, the landlord shall reconcile the consumption charges and in the event that the estimated amount exceeds the amount due by the tenant the landlord shall refund the tenant an amount equal to such excess. In the event that the amount estimated is less than the amount due by the tenant then the tenant shall make payment of the difference upon demand.

24. AIR-CONDITIONING

If air-conditioning equipment has been supplied by the landlord it shall be used during normal office hours only, unless otherwise arranged with the landlord. The tenant may not use other air-conditioning equipment except with the prior written consent of the landlord. The tenant will be liable to fit and supply its own additional air-conditioning units where these are required to cool any computer, electronic equipment or other items which will require 24 hour cooling or for any other reason whatsoever. Maintenance and repairs to such additional units (i.e. 24 hour cooling units) installed either by the landlord or the tenant will be at the sole cost of the tenant. The cost of all electricity consumed by air conditioning equipment shall be borne by the tenant in accordance with clause 24 above.

25. BREACH

25.1 Should the tenant:

- 25.1.1 fail to make any payment in terms of this lease agreement by the due date for such payment, or;
- 25.1.2 fail to take occupation of the leased premises on the beneficial occupation date; or
- 25.1.3 breach any other term of this lease, and fail to remedy such breach within 14 (fourteen) days after having been given written notice requiring that breach be remedied; or
- 25.1.4 conduct itself in such a way or consistently breach this lease agreement so that the tenant's conduct is inconsistent with the intention or ability to carry out the terms of this lease agreement;

25.2 then the landlord shall be entitled, but not obliged, to:

- 25.2.1 enforce the provisions of this lease and claim damages; or
- 25.2.2 cancel this lease, resume possession of the leased premises and claim the full value of all arrear amounts owing in terms of this lease together with

the present value of each unpaid but not yet due and payable total monthly rental for the unexpired portion of the lease as pre-estimated liquidated damages;

- 25.3 Notwithstanding the above, no notice of breach shall be required from the landlord if the tenant has twice during the same 12 (twelve) month period breached the same or similar provisions of this lease.

26. APPROPRIATION OF PAYMENTS

The landlord shall be entitled in its sole and absolute discretion to appropriate any amounts received from the tenant towards the payment of any debt or amount owing by the tenant to the landlord irrespective of when the debt arose.

27. HOLDING OVER

If the tenant disputes any purported cancellation of this lease and remains in occupation of the leased premises, the tenant shall be obliged to comply with the provisions of this lease and to make all payments due in terms of this lease. If such dispute is determined in favour of the landlord, any amount so paid by the tenant shall be retained by the landlord as compensation for the tenant's use and occupation of the leased premises during the relevant period.

28. COMPLIANCE WITH LEASE

The tenant shall, as far as may be reasonably possible, ensure that his employees and visitors observe and comply with the terms of this lease and of the management rules.

29. SERVICE OF PROCESS

The tenant nominates the leased premises as its *domicilium citandi* and any written communication or legal process may be sent to that address, even if the tenant has vacated the leased premises. Any notice or legal process delivered to that address shall be deemed to have been received by and come to the notice of the tenant on date of delivery thereof. The landlord's *domicilium citandi* shall be 79 Wilton Road, Bryanston, Gauteng, 2021. Both parties shall be entitled to change the aforementioned addresses provided written notice thereof is received by the other party.

30. CHOICE OF PROCESS

Should the tenant breach this agreement then the landlord shall choose whether the dispute is to be brought in the Magistrate's Court or by way of arbitration as set out in clause 32 below. If the landlord chooses the Magistrate's Court, then the parties are taken to have consented to the jurisdiction of the Magistrate's Court for any action in terms of or relating to this lease.

31. DISPUTE RESOLUTION

Should the landlord choose arbitration as referred to in clause 31 above then the dispute shall be determined and resolved by an expedited arbitration process administered by the Arbitration Foundation of Southern Africa (AFSA) in accordance with AFSA's Expedited Rules by an arbitrator selected in accordance with such Rules. This arbitration clause survives termination of the lease agreement.

32. TENANT'S CONDITIONAL CONSENT TO CESSATION OF SERVICES

- 32.1 If the arbitrator makes an award evicting the tenant from the leased premises, then the parties further authorise the arbitrator in his/her discretion to direct that unless the tenant applies to the High Court within such reasonable time as the arbitrator will fix for an order setting aside the award, there will be no obligation on the landlord to provide or to continue any services to the leased premises;

32.2 The tenant shall communicate its consent to a cessation of service following such directive by omitting to comply with the terms of the directive, alternatively shall communicate the fact that it has not consented to a cessation of services by complying with such directive.

33. COSTS OF ACTION

Should the landlord take legal action against the tenant in respect of this lease, the tenant shall be responsible for payment of all legal costs on a scale as between attorney and own client, including all reasonable tracing fees.

34. COSTS OF LEASE

The landlord's contract administration costs and stamp duty (as estimated in the Schedule) shall be paid by the tenant before taking occupation of the leased premises. It is recorded that should the stamp duty amount actually levied differ to the amount estimated in the Schedule, due to delays caused by the tenant or for any reason whatsoever, the tenant shall be liable for the entire amount, notwithstanding the amount recorded in the Schedule.

35. MANAGING AGENT'S LATE PAYMENT ADMINISTRATION FEE

The tenant acknowledges that the agent referred to in the schedule acts as the management agent for and on behalf of the landlord. The tenant hereby agrees that in the event that it fails to pay any amount due in terms of this contract on due date, it shall be liable to pay to the management agent an administration fee equal to the percentage as set out in the schedule of the total amount outstanding, in order to compensate the management agent for the administration costs involved in pursuing late payments.

36. TERMINATION

36.1 The tenant shall vacate the leased premises at the end of the lease period or any earlier termination thereof by the landlord and shall return the leased premises to the landlord in the condition as elected by the landlord in terms of clause 37.2 hereunder.

36.2 Prior to the termination of this lease, the tenant shall at its cost reinstate the leased premises to the condition and to the extent as specified by the landlord in writing, given to the tenant not less than 30 (thirty) days prior to the termination of this lease. The landlord shall have the right in its sole and absolute discretion to require that the tenant –

36.2.1 reinstates the leased premises to the same good order and condition as the leased premises were received by the tenant in terms of this agreement of lease. The landlord shall have the right to take photographs to assist in the determination of the condition of the leased premises at the commencement date; and/or

36.2.2 if applicable, reinstates the leased premises to the same good order and condition as the leased premises were received by the tenant in terms of the first agreement of lease between the parties for the same leased premises. This clause is applicable notwithstanding the provisions of clause 38 and only in the event that this agreement is a renewal of a previous agreement/s of lease. It is specifically recorded and agreed that the leased premises would have been accepted by the tenant in the condition in which they were received at the commencement of the original lease, when the tenant first took occupation of the leased premises, and not the condition the leased premises were in at the commencement of any renewal period; and/or

36.2.3 returns the leased premises to the landlord without removing any refurbishments and/or alterations undertaken by either the landlord or the tenant; and/or

36.3 In the event that the landlord fails to provide the tenant with its reinstatement requirements as set out in clause 37.2 the tenant shall return the leased premises to the landlord in the same good order and condition as the leased premises were received by the tenant in terms of this agreement of lease.

36.4 Upon vacation by the tenant of the leased premises the landlord shall undertake a final inspection of the leased premises and any items which have not been attended to in terms of clause 37.2 shall be reinstated by the landlord and the reasonable costs thereof shall be paid by the tenant to the landlord upon demand.

36.5 In the event that the tenant remains in occupation of the leased premises, after the expiry of this lease for the purpose of undertaking the reinstatement, then the tenant shall be liable to continue to pay the rent which was payable immediately before such expiry and shall be bound by all other provisions in terms of this lease in respect of such period of occupation and for such further damages as may accrue to the landlord arising from its prolonged occupation.

36.6 The tenant shall have the option to either undertake the work required by the landlord above, alternatively to make payment to the landlord of the cost thereof, as determined by mutual agreement. In the event that the parties cannot agree on the cost of reinstatement the tenant shall be obliged to undertake the reinstatement as provided in clause 37.2

36.7 Notwithstanding the above, if the landlord intends to renovate/demolish or re-develop the building in which the leased premises are situated, he may terminate this lease by giving the tenant at least 6 (six) calendar months written notice of cancellation.

37. AMENDMENTS

This agreement contains the full contract between the parties, and replaces all previous agreements. No amendment to or consensual cancellation of this agreement shall be valid unless reduced to writing and signed by both parties. If the landlord voluntarily renders any service, he shall not thereby incur any obligation to continue rendering such service.

38. PARKING

The landlord, its agent and its employees do not accept or take any responsibility for the safe custody of any vehicle or any articles therein, nor for any damage to vehicles or articles however caused, not for any injuries, death or loss to any persons as a result of the negligence of the landlord's employees or agents or from any other cause whatsoever. All vehicles are parked at the risk of the tenant and the tenant acknowledges that the driver of any vehicle parked in the parking bay enters the parking area at its own risk. The tenant accordingly indemnifies the landlord against any loss or damage of whatsoever nature and howsoever caused to any person entering the parking area.

39. CHANGE OF ADDRESS

Each party may change his address set out in the Schedule to any other physical address (not a post office box or poste restante) within the Republic of South Africa by delivering a written notice to that effect to the other party.

40. NO WARRANTIES

The tenant records that all verbal or written warranties and representations, whether express or implied, made by or on behalf of the landlord have been accurately recorded in this agreement and the tenant furthermore records that he has not entered into this lease by reason of any other warranty or representation made to him by or on behalf of the landlord which is not set out in this lease agreement. The landlord shall not be responsible for any loss or damage suffered by the tenant arising from any unfulfilled representation made by the landlord or its agents, which representations are not contained herein. The tenant furthermore shall not be entitled to cancel this agreement or claim damages by reason of any negligent or fraudulent misrepresentation made by any representatives of the landlord, which representation is not contained in this agreement..

41. RELAXATION

No latitude, extension of time or other indulgence granted by the landlord to the tenant will prejudice any right of the landlord, or form the basis of any waiver, estoppel or novation of any obligation under this lease.

42. AUTHORITY

By signing this lease, the signatory for the tenant, if the tenant is a legal person, confirms, on behalf of the management of such legal person, that he is duly authorised to enter into this lease on behalf of the tenant.

43. DEBIT ORDER

The tenant shall be obliged to effect all payments in terms of this lease by way of a debit order system and shall sign all such documents as required by the landlord's bankers.

44. RISK OF PAYMENT

Should payment of the rental be made in any other manner than as per clause 44, the risk and liability to ensure that payment reaches the landlord at his chosen *domicilium citandi et executandi* shall be with the tenant. The tenant hereby accepts the full risk and liability should any payment be lost, stolen or misappropriated and the tenant shall immediately make a proper payment in replacement thereof.

45. AGENT'S COMMISSION

The tenant warrants that it was introduced to the leased premises by the leasing agent as specified in the schedule and that no person besides the leasing agent was the effective cause of the conclusion of this agreement. The tenant hereby indemnifies the landlord against all and any claims whatsoever which may be made against the landlord for any commission on this transaction by any person other than the leasing agent.

46. CHANGE OF NAME OF BUILDING

The landlord shall have the right to change the name of the building at any time, without prior written notice. The landlord will not be liable for any losses or damages suffered by the tenant arising from or incidental to such change of name.

47. CONFIDENTIALITY CLAUSE

47.1 For the purpose of this clause 'confidential information' shall mean, without limiting the generality of the term, any information or data relating to the terms and conditions of any lease agreement, proposal, offer, or marketing and business information of the landlord or its agent, including that of its associated and affiliated companies.

47.2 The tenant agrees not to disclose, publish, utilise, employ, exploit or in any manner whatsoever to use any confidential information, for any reason or purpose whatsoever without the prior written consent of the landlord, which consent maybe withheld in the sole and absolute discretion of the landlord.

47.3 The tenant agrees that any unauthorised publication or other disclosure of the confidential information may cause irreparable loss, harm and damage to the landlord or its agent. Accordingly the tenant hereby indemnifies and holds the landlord harmless against any loss, action, claim, expense, harm or damage of whatsoever nature suffered or sustained by the landlord due to a breach by the tenant of the provisions of the clause.

48. LIABILITY OF PARTNERS AND JOINT TENANTS

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

49. TRUSTEE FOR A COMPANY OR CLOSE CORPORATION TO BE FORMED

If this lease is signed on behalf of the tenant by a person ("the signatory") who professes to act as agent or trustee on behalf of the company or close corporation (each herein referred to as "the corporate body") not yet formed then:

49.1 the signatory in his personal capacity hereby warrants to the landlord that the corporate body for which he is acting will within 60 (sixty) days from the date of signature of this lease by the landlord :

49.1.1 be duly formed and incorporated;

49.1.2 pass a resolution adopting this lease without modification;

49.1.3 take all other steps necessary to render this lease binding on it; and

49.1.4 deliver to the landlord its memorandum and articles of association in the case of a company or founding statement in the case of a close corporation together with a duly certified copy of the resolution referred to in 50.1.2;

49.2 until the corporate body has become the tenant hereunder the signatory in his personal capacity shall be liable for all the obligations imposed on the tenant in terms of this lease;

49.3 if the corporate body is not formed within the period prescribed, or if having been formed, it does not within the said period comply with its obligations in terms of this clause, then the signatory in his personal capacity shall be deemed to be the tenant in terms of this lease; and

49.4 if the corporate body is formed within the period prescribed in 50.1 and does comply with its obligations in terms of this clause, then the signatory, by his signature to this lease, hereby binds himself in favour of the landlord as surety and co-principle debtor with the tenant, under the renunciation of the benefits of excussion, division and cession of action, for all the obligations of the tenant in terms of the lease.

50. DAMAGE OR DESTRUCTION

50.1 The landlord may cancel this lease if:

50.1.1 the premises are destroyed or are damaged to such an extent as to be substantially untenable; or

50.1.2 there is destruction or damage to the building or parts thereof, whether or not the premises are involved and the Landlord determines to put and end to all the tenancies in the building;

50.2 The cancellation referred to above shall be by written notice given by the landlord to the tenant within 60 (sixty) days of the damage or destruction occurring.

50.3 In the event that the landlord elects not to cancel the lease in terms of this clause, the landlord shall repair the damage as expeditiously as possible. The tenant shall not be liable for any rentals or other lease charges for the period in respect of which it is deprived of beneficial occupation due to the damage and destruction.

51. DEED OF SURETYSHIP

In the event of the tenant being a private company, close corporation, trust or other legal entity, the authorised signatories, by their signatures hereto, irrevocably bind themselves jointly and severally as surety and co-principal debtors in solidum to the landlord as defined herein (the creditor) for the due fulfillment by the tenant (the debtor) of all terms of the lease or any renewal thereof between the creditor and the debtor in respect of the leased premises as defined herein and agree that this surety shall extend to cover any failure to fulfill the terms of the lease whether brought by the action the debtor or any person or by the insolvency/liquidation of the debtor. The sureties waive the benefits of excussion and division and agree that any indulgence or latitude granted by the landlord to the tenant in respect of any obligation in terms of this lease agreement, or any amendment of the terms thereof, shall in no way prejudice the landlord's rights in terms of this suretyship.

52. OPTION TO RENEW

52.1 The tenant has an option to renew the lease for the additional period stipulated in the Schedule at open market rentals. For the purposes of this clause the open market rental is the base rental which a willing tenant will pay and a willing landlord will accept on the open market for a lease of the leased premises for the period and upon the terms set out in this agreement.

52.2 The option to renew must be exercised by the tenant by delivering a written notice to that effect to the landlord at the landlord's address by not later than one hundred and twenty days before the commencement of the renewal period, failing which the option shall lapse.

52.3 The landlord shall inform the tenant in writing, at least ninety days before the commencement of the renewal period of the amount which he proposes the open market rental for each term of the renewal period should be. Unless the tenant, by notice in writing to the landlord, delivered not later than sixty days before the commencement of the renewal period, rejects the landlord's proposal, the open market rental shall be as proposed by the landlord.

52.4 In the event of the tenant rejecting the landlord's proposal, the two parties shall use their best endeavours to reach agreement on the open market rental by not later than thirty days before the commencement of the renewal period. Should they not be able to agree, then the open market rental shall be determined by

an expert as set out in 53.5, and such determination shall be final and binding on both parties.

- 52.5 The expert shall be nominated by the President for the time being of the South African Property Owners' Association at the request of the landlord; shall act as an expert, and not as an arbitrator; shall give both parties an opportunity to make submissions to him before making a determination; shall determine which party shall be responsible for his fees and disbursements however if he makes no such determinations, his fees and disbursements shall be paid by both parties in equal shares.
- 52.6 In the event of the parties not having reached agreement on the open market rental at the expiry of this lease and if the tenant is still in occupation of the leased premises then the tenant, pending resolution of such rental in terms of 53.5 hereof, hereby agrees to pay the rental and all other charges payable for the last month of the lease period escalated by the rates as set out in the schedule (if no rate is contained in the schedule the rental and operating costs shall escalate by 8%) pending finalisation of the open market rental.
- 52.7 The option to renew may not be exercised if the lease has been cancelled or has terminated or while the tenant is in breach of any provision thereof. This option to renew shall be automatically cancelled in the event that the tenant has twice during the lease period, failed to make payment of the amounts owing in terms of this lease, within 7 days of due date.
- 52.8 If the lease is renewed the same terms and conditions will apply, save for the rental as determined herein, during the renewal period, except that there shall be no further renewal options.

ANNEXURE B

COMPANY RESOLUTION

Minutes of a Meeting of the Board of Directors of

Registration No: _____

Held at _____

On the _____ **day of** _____ **2011**

Resolved:-

1. That the Company enter into an Agreement of Lease with **Under the Boardwalk Properties 53 (Pty) Ltd**, Registration No. 2006/032047/07 in respect to **Unit no. _____ The Willows Office Park**, situated at **Erf 61& 366 Erand Gardens, Ext 43 Township**.
2. That _____ be and is hereby authorised to enter into and sign such Agreement of Lease upon terms and conditions as he/she in his/her sole and unfettered discretion may deem fit.

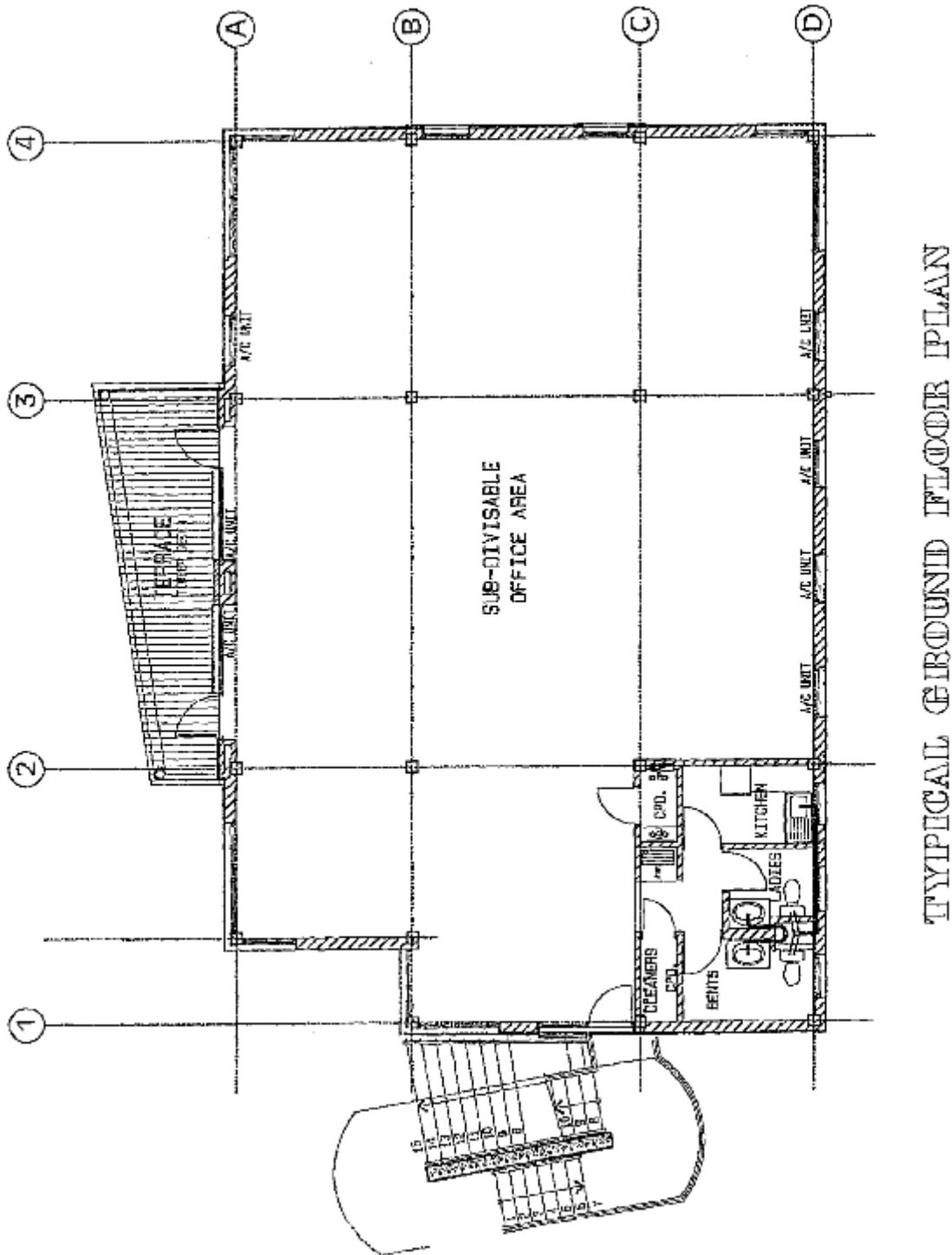
DIRECTOR

DIRECTOR

ANNEXURE C

PLAN OF THE LEASED PREMISES

It is recorded that the shape, area and location of the leased premises as shown on this plan are for identification purposes only and are not intended to be a warranty, representation or agreement on the part of the landlord that it will be exactly as indicated on this plan.



ANNEXURE D

SPECIAL TERMS AND CONDITIONS

This lease is subject to the following special terms and conditions, which form an integral part of the lease agreement:

1. The Landlord will contribute R200, 000.00 (Two hundred thousand rand) excluding VAT per 250m² unit towards the cost of constructing the Tenant's standard installations. Any cost for the Tenant's installations that exceed the Landlord's contribution will be for the Tenant's account and will be due and payable prior to the commencement of the construction of the tenant installations.

ANNEXURE E

SURETYSHIP

I/We, the undersigned,

Surety 1

Full Name : _____
I.D. Number : _____
Physical address : _____
Marital status : Married (ANC/COP) / Not married
Spouse full name : _____
Spouse I.D. Number : _____

Surety 2

Full Name : _____
I.D. Number : _____
Physical address : _____
Marital status : Married (ANC/COP) / Not married
Spouse full name : _____
Spouse I.D. Number : _____

(herein referred to as "the sureties")

do hereby interpose and bind ourselves jointly and severally to **Under The Boardwalk Properties 53 (Pty) Ltd** and its successors-in-title (herein referred to as "the landlord") as sureties for and co-principal debtors with;

(herein referred to as "the tenant") for the due, proper and timeous performance by the tenant of all his obligations to the landlord arising from or related to the lease agreement in respect of the leased premises, subject to the following terms:

1. All terms defined in the lease agreement shall have the same meaning in this suretyship.
2. The sureties hereby waive the benefits of excussion and division, the meaning whereof they declare themselves to be acquainted.
3. Any indulgence or latitude which the landlord may grant to the tenant in respect of any obligation in terms of or relating to the lease agreement or any amendment thereof, or

the release of any surety or security which the landlord may hold in respect of any obligation arising therefrom or related thereto, shall not prejudice the rights of the landlord against the sureties under this suretyship, or affect the validity or enforceability of this suretyship.

4. This suretyship binds each signatory thereof, notwithstanding that any other person whose name has been indicated as one of the sureties, has not signed this suretyship.
5. The surety agrees to the same choices as to process as set out in the lease and if arbitration is chosen by the party initiating the dispute, then any dispute between the surety and the landlord (whether also involving the tenant or not) which may arise in connection with any aspect of this suretyship shall be determined and resolved by arbitration in accordance with the Expedited Rules of the Arbitration Foundation of Southern Africa (AFSA) by an arbitrator appointed in terms of AFSA Rules. For the purpose hereof the landlord's signature to the lease agreement will serve as its agreement to this arbitration clause.
6. No amendment of or addition to the lease agreement shall prejudice the rights of the landlord in respect of this suretyship, and this suretyship shall also apply to obligations of the tenant arising from such amendment or addition.
7. This suretyship is irrevocable and may not be cancelled or withdrawn by the sureties.
8. In the event that the tenant is sequestrated or liquidated, none of the sureties shall lodge or prove a claim against the estate of the tenant until such time as the landlord has been paid the full amount due to him in terms of the agreement of lease.
9. All agreements, admissions and waivers made by the tenant with or in favour of the landlord in respect of his rights and obligations in terms of the lease agreement shall also bind all the sureties, as if they were each a party thereto.
10. Any certificate given under the hand of a director or general manager or senior manager of the landlord stating the amount due by the tenant and for which the sureties are liable in terms of this suretyship, shall constitute prima facie evidence in any court of law of the existence of the obligation, the correctness of the amount and the obligation of the sureties to pay the amount to the landlord.
11. The sureties choose their addresses specified herein as their domicilia and the landlord chooses the address specified in the lease agreement as his domicilia.

<u>Signatures</u>	
SURETY 1 SIGNATURE	: _____
Full name of signatory	: _____
SURETY 1 SPOUSE SIGNATURE	: _____
(If married in Community of Property)	
Full name of signatory	: _____
Place of signature	: _____
Date of signature	: _____
WITNESS SIGNATURE	: _____
Full name of witness	: _____
ID number of witness	: _____

Signatures

SURETY 2 SIGNATURE :

Full name of signatory :

SURETY 2 SPOUSE SIGNATURE :
(If married in Community of Property)

Full name of signatory :

Place of signature :

Date of signature :

WITNESS SIGNATURE :

Full name of witness :

ID number of witness :