

LEASE AGREEMENT – STANDARD TERMS

1. PARTIES

1.1. The parties (herein the “Parties”) are:

1.1.1. **National Transmission Company South Africa SOC LTD**, a state-owned company incorporated in terms of the laws of South Africa, with **registration number 2021/539129/30**; herein represented by **Bronwyn Stolp, Senior Manager Real Estate, Servitudes & Line Management**, duly authorised hereto (hereinafter referred to as the “**Lessee**”) and

1.1.2. _____ a private company incorporated in terms of the company laws of South Africa with registration number _____ herein represented by _____, duly authorised hereto. (hereinafter referred to as “**Lessor**”)

2. DEFINITIONS AND INTERPRETATION

2.1. In this Contract, unless the context indicates otherwise, the following expressions will bear the following meanings, and cognate expressions will bear corresponding meanings:

2.1.1. **Beneficial Occupation** means occupation by the Lessee for the purpose of fitting out and preparation for commencing business operations from the Leased Premises

2.1.2. “**Business Day**” means any day other than a Saturday, Sunday or official public holiday in South Africa.

2.1.3. “**Commencement Date**” means the date the Lease comes into effect as indicated on in Annexure A being the Lease Schedule.

- 2.1.4. **“Common Areas”** means those portions of the Property of which the Leased Premises forms part, but which are not exclusively let to any LESSEE and which is commonly used and made available for use by the general public or any LESSEE. Common Areas do not include areas which are allocated for the exclusive use of the LESSEE, which would but for such allocation have been deemed to be common areas.
- 2.1.5. **“The Site”** means the leased premises measuring _____ (office space and _____ covered parking bays;
- 2.1.6. **“Lease ”** means this lease agreement together with all the annexures and schedules attached hereto;.
- 2.1.7. **“Expiry Date”** means the termination date of the Lease as per Lease Schedule, under normal conditions.
- 2.1.8. **“Appurtenances”** means all the standard appurtenances and appliances in the leased premises and includes, without prejudice to the generality of the term, all keys, locks, lights, light fittings, sewage pans, basins, water taps, electrical and plumbing appurtenances and all mirrors, windows, window handles and latches, plate glass, doors and handles, shop fronts, air conditioning or forced ventilation systems as well as any plant and equipment in the leased premises.
- 2.1.9. **“Purpose”** means the type of business to be conducted on the Leased Premises as indicated in the Schedule .
- 2.1.10. **“Leased Premises”** means an area forming part of the Property, assigned to the LESSEE for its exclusive use under this Lease, per the Lease Schedule.
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- 2.1.11. **“Operating Costs”** means all costs relating to the following;
- 2.1.11.1. Common area cleaning services, general maintenance, garden services, refuse removal, sanitation, security services and the equipment necessary to provide such services,
 - 2.1.11.2. insurance premiums relating to the Property and payable by the LESSOR,
 - 2.1.11.3. rates and taxes,

- 2.1.11.4. provision of water supply,
 - 2.1.11.5. provision of electricity or any other fuel and/or energy expenses, and
 - 2.1.11.6. any related types of services or equipment, in respect of the Property,
- 2.1.12. “Lease **Period**” means a period commencing on the Commencement Date and terminating on the Expiry Date, as set out in Annexure A.
- 2.1.13. “**Property**” means a piece of land with buildings or structures on it, of which the Leased Premises forms a part, owned or operated by the LESSOR.
- 2.1.14. “**Pro-rata**” means the ratio, which the lettable floor area of the Premises bears to the total lettable floor area of the Property.
- 2.1.15. **Rental** means the net rental referred to in Annexure A which includes rental relating to office space, parking, hangar facilities and Operating Costs
- 2.1.16. “**Relevant Authorities**” means any government or similar department, commission, board, body, bureau, agency, authority, or administration body at national, provincial or local government level, having administrative jurisdiction over the Parties, the Leased Premises or the Property or any other matter addressed in this Contract.
- 2.1.17. “**Tenant Installation Work**” - the agreed alterations and additions to be made to the Leased Premises prior to the Commencement Date
- 2.1.18. **Vis Maior**” means any unforeseeable or unavoidable event or the consequences of either, that could not be prevented or mitigated by exercising reasonable foresight, or where the exercise of such foresight and implementation of such measures resulting from such contemplation, could not reasonably have been expected from the Party affected by the event, which directly causes any Party to be unable to comply with all or a material part of its obligations under this Contract.

2.2. Any reference in this Lease to –

2.2.1. **“Business hours”** means the hours between 8:00 and 17:00, South African standard time on any business day.

2.2.2. **“days”** means calendar days unless preceded by the word "business", in which case it will be any day other than a Saturday, Sunday or public holiday in South Africa,

2.2.3. **“Month”** means the period from the first day of a calendar month to the last day of such calendar month.

2.3. The words **“include”** and **“including”**, followed by other, specific, words will not be construed as limiting the meaning of the general words preceding it, save where the word “similar” precedes the words **“include”** and **“including”**.

2.4. Words and expressions defined in any clause will, unless the application of any such word or expression is specifically limited to that clause, bear the meaning assigned to such word or expression, throughout this Contract.

2.5. Defined terms appearing in this Lease in title case will be given their meaning as defined.

2.6. Any reference to a statutory enactment will be construed as a reference to that enactment as it has been restated or amended at the time that an issue in respect of the enactment arises.

2.7. Unless specifically provided otherwise, any time period prescribed, excluding Month and the Period, will be determined by excluding the first and including the last day or, where the last day falls on a day that is not a business day, the next succeeding business day.

2.8. If the due date for performance of any obligation in terms of this Lease is a day which is not a business day then the due date for performance of the relevant obligation will be the immediately succeeding business day.

2.9. The rule of construction that a term or condition of this Lease will be interpreted against the Party who was responsible for its wording, or for whose benefit the wording was inserted, will not apply.

- 2.10. No provision of this Lease will constitute a stipulation for the benefit of any person who is not a Party to this Lease .
- 2.11. In this Lease the words "clause" or "clauses" and "annexure" or "annexures" refer to clauses of and annexures to this Contract.
- 2.12. Where written and/or signed notice is required in terms of this Contract, the terms "writing" and "signed" or their analogous forms, will for the purposes of notices of breach, variation, or termination of this Lease be construed as excluding sections 12 and 13 of the Electronic Communication and Transaction Act 25 of 2002, save that such a notice may be scanned after manual signature and then sent electronically.

3. LEASE

- 3.1 The LESSOR is the owner of the Property on which the Leased Premises is situated.
- 3.2 The LESSOR hereby lets to the LESSEE, who hires from the LESSOR, the Leased Premises on the terms and conditions contained in this Lease.
- 3.3 The Lease shall commence on the Commencement Date, endure for the Lease Period and terminate on the Expiry Date.
- 3.4 Notwithstanding the Commencement Date, the Lessee shall take beneficial occupation of the Leased Premises two months prior to the Commencement Date for purposes of fit out.
- 3.5 The Lessee shall, have an option to renew this Lease for a further period as may be agreed to between the Parties.
- 3.6 Should the Lessee exercise the option to renew the Lease, the Lessee shall notify the Lessor, in writing, no later than 1 (one) month prior to expiry of the Lease Period.
- 3.7 The Parties shall agree to the monthly rental and escalation rate percentage payable for the renewal period of the Lease.
- 3.8 The Parties shall obtain the necessary approvals internally within their respective organisations prior to the finalisation of the renewal Lease.
- 3.9 All other terms and conditions of this Lease shall remain the same and of full force and effect during the renewal period, unless otherwise amended and agreed to in writing by the Parties.
- 3.10 If the Lessee is in occupation of the Leased Premises after the initial Lease Period and no written agreement has been reached for the renewal of the Lease the Lessee shall be deemed to lease the Leased Premises on a monthly tenancy, on the same terms and conditions contained in this Contract.
- 3.11 Notwithstanding clause the Lessee may terminate the Lease before the expiry of the Lease Period.
- 3.12 The Lessee shall afford the Lessor 3 (three) months calender notice of its intended termination which notice, which notice will only be effective after the third anniversary of this Lease.

3.13 Any accrued obligations specifically rental payments arising from this Lease will survive the termination of the Lease. There will be no further obligations between the Parties.

4 RENTAL AND OPERATING COSTS

4.1 Rental:

- 4.1.1 The LESSEE will pay Rental to the LESSOR, from the Commencement Date, via electronic funds transfer into the Lessor's nominated banking account.
- 4.1.2 The Rental for the first year of the Lease Period is as per Lease Schedule.
- 4.1.3 The Rental is payable Monthly in advance, on or before the 7th day of each Month without any deduction or set off.
- 4.1.4 In addition to and at the time of payment of the Rental, the LESSEE must pay Value Added Tax or any other taxes that may be due on the Rental from time to time.
- 4.1.5 The Parties agree that this Lease shall for purposes of the VAT Act constitute a valid tax invoice. However, and notwithstanding the aforementioned, the Lessor shall issue its invoice in the normal course for every month of the Lease Period to the Lessee.
- 4.1.6 The Lessor is required to register with the Lessee's vendor management system and Central Supplier Database in order to transact and receive payment of the Rental in terms of the Lease.
- 4.1.7 The Lessor must provide inter alia a valid SARS Tax Clearance Certificate, BBBEE Certificate, CSD Registration, and Letter of Good Standing from Department of Labour, Company registration certificate and Shareholders certificate.
- 4.1.8 The Lessee shall not make any payment until the Lessor is compliant on its Vendor management system.
- 4.1.9 In the event of any change of the Lessor's information that may affect the Lessee's payment process and / or requires change on its Vendor management system and Central Supplier Database, the Lessor will be required to furnish the Lessee with all relevant documents to enable and update of the Eskom Vendor management system.
- 4.1.10 The Lessor agrees to abide by clauses 4.1.6 to 4.1.9 and acknowledges that a failure to adhere to these clause will result in a rental payment delay.

- 4.1.11 The Lessor agrees that the rental payment delay in resulting from clause 4.1.6 and 4.1.9 will not trigger a breach of the agreement by the Lessee nor will it attract any penalties.

and

4.2 Rental Escalation

The Rental will increase annually on the anniversary of the Commencement Date, with the escalation percentage per the Lease Schedule. Each year's Rental escalation will be calculated as a percentage of the immediately preceding year's Rental.

4.3 Deposit

There is no deposit payable to secure this Lease.

4.4 Operating Costs

- 4.4.1 In addition to and at the time of payment of the Rental, the Lessee may pay a pro rata amount, calculated as a percentage of the Leased Premises in proportion to the whole of the Property, in respect of any Operating Costs that the Lessor pays for or provides.

- 4.4.2 Where any Operating Costs are paid directly to the service provider by the Lessee and where they are Operating Costs that the Lessor is obliged to provide, that actual amount will be deducted from the amount due by the Lessee as Operating Costs. The Operating Costs due by the Lessee as at the Commencement Date is set out in Annexure A.

- 4.4.3 Payment by the Lessee of the costs in terms of 5.4.1 will be made Monthly in arrears, on receipt of the Lessor's demand for payment.

4.5 Municipal Costs

- 4.5.1 In addition to rental and other stipulated costs, the LESSOR will recover and the Lessee shall pay to the LESSOR its consumption costs for electricity, water, sewerage, gas, generator fuel where applicable.

- 4.5.2 Should the Leased Premises not be separately metered, the LESSOR shall install a separate meter at their own cost.
- 4.5.3 The parties may agree to use a pro rata calculation for the municipal costs of the Leased Premises.

4.6 Permitted Use

The LESSEE shall be entitled to use the Leased Premises solely for the Purpose set out in Annexure A and for no other purpose whatsoever.

- 4.6.1 The Leased Premises are suitable for the purpose for which it has been let.

4.7 The Site

Ground & First Floors - 424.83m², Dedicated Hangar - 1566m² and parking at 1 Ultimate Road, Waterfall Logistics Precinct, Waterfall.

4.8 Parking

- 4.8.1 The LESSOR provides the amount of car parking facilities as set out in Annexure A.
- 4.8.2 The said parking facilities shall be dedicated for the parking motor vehicles and trucks and for no other purpose whatsoever, without the LESSOR's prior consent.
- 4.8.3 The LESSEE shall not use any space other than that allocated to it by the LESSOR, without the LESSOR's prior written consent.
- 4.8.4 The LESSEE agrees that it shall use the parking facilities at/in the building, including the entrance and exit ramps entirely at its own risk, whether or not its vehicle/s are parked by employees or agents of the LESSOR. The LESSEE further agrees that it shall have no claim against the LESSOR, its employees or agents arising from any cause whatsoever including without limiting the generality thereof, theft, fire, impact or and the LESSEE indemnifies the LESSOR, its employees and agents against any claim whatsoever that any employee, agent or invitee of the LESSEE may have against the LESSOR its employees or agents arising out of the use by the LESSEE, its employees, agents or invitees of the parking facilities at/in the building.

- 4.8.5 The rental payable by the LESSEE to the LESSOR in respect of the parking shall be that amount as reflected in Annexure A.
- 4.8.6 The LESSOR shall be entitled to increase the amount referred to in clause 4.2 above, at the parking cost escalation percentage set out in Annexure A hereto with effect from the first anniversary date of the lease and thereafter on each anniversary date for the duration of the lease.

5. CONDITION OF LEASED PREMISES

- 5.1. Prior to the LESSEE taking occupation of the Leased Premises, the Parties will do a joint inspection of the Leased Premises, inspecting at least the items listed in Annexure "C" hereto
- 5.2. During the inspection, the Parties will prepare a list of all material defects to the Leased Premises, indicating which of these the LESSOR will have to repair before occupation. Failure of the LESSOR to provide Certificates of Compliance of the building as detailed in Annexure C hereto, will render this agreement to be null and void.
- 5.3. The Parties record that the Leased Premises is otherwise in good working order and that the garden, where applicable, is neat and properly maintained.
- 5.4. The list will be kept by the LESSOR and a copy will be provided to the LESSEE.
- 5.5. The LESSEE shall give the LESSOR written notice, within 30 (thirty) days after the commencement date, of any defects of any nature whatsoever in the leased premises or any appurtenances. Failing such notice, or after remedying of any defects stated in any such notice, the leased premises shall be deemed to be complete and without any defect therein and the LESSEE shall not at any time thereafter, be entitled to claim that the leased premises were, at the commencement date, defective in any way whatsoever.
- 5.6. The LESSEE must, on termination of the Lease, return the Leased Premises as it was at the commencement of this Lease, in good order and condition, fair wear and tear accepted. For avoidance of doubt, the LESSEE will not be required to reinstate the premises.

- 5.6.1. The Parties will do a joint inspection of the Leased Premises at an agreed date, no later than 5 (five) business days prior to the termination of the Lease , at a mutually convenient time.
- 5.6.2. During this inspection, the Parties will prepare a list of all defects in the Leased Premises, the cost of repair of which will be for the LESSEE's account, save if such defects and damage are not the responsibility of or were not caused by the LESSEE, its employees, agents or invitees, which the LESSEE will have to prove.
- 5.7 Upon exit of the Leased Premises, the Parties will do a final joint inspection no more than 3 (three) business days after the termination of the Contract, at a mutually convenient time.
- 5.8 The LESSEE shall have the option to either undertake the work required by the LESSOR above, alternatively to make payments with the LESSOR of the cost thereof, as determined by mutual agreement. In the event that the parties cannot agree on the cost to repair, the LESSEE shall be obliged to undertake the repair work as per the final joint inspection.

6. MAINTENANCE, USE AND CARE

6.1 The LESSEE shall: -

- 6.1.1 clean the interior of the Leased Premises and keep the Premises, all of its contents and any signage inside and outside of the Leased Premises, in a clean, orderly and sanitary condition;
- 6.1.2 insure and keep insured all its fixtures, fittings and installations and all goods in the Leased Premises;
- 6.1.3 not erect any aerial, satellite dish or other similar device on the roof or exterior walls of the Leased Premises or Building without the LESSOR's prior written consent. Any aerial, satellite dish or other similar device so installed without such written consent, may at any time be removed by the LESSOR without notice;
- 6.1.4 not use any televisions, music players, radios, loudspeakers or other similar devices in a manner so as to be heard or seen outside the Premises;

- 6.1.5 not attach to the walls or ceilings or place on the floor of the Premises any Appurtenances which do not adhere to load bearing restrictions;
- 6.1.6 not do or permit anything to be done that may be calculated to damage the walls or ceilings or any other portion of the Premises;
- 6.1.7 prevent any blockage of any sewer or water pipes or drains in or used in connection with the Premises and shall at its own cost remove any blockage or obstruction in any sewer or water pipes or drains serving the Premises exclusively, and where necessary repair the sewer, pipe or drain concerned;
- 6.1.8 at all times ensure that the Premises are free from infestation by vermin and should it be discovered that the Premises are infected with vermin, the LESSEE shall be responsible for the payment of the cost of the fumigation or other treatment necessary to eradicate such vermin;
- 6.1.9 not do or cause or permit anything to be done in or about the Premises that may cause a nuisance or inconvenience or disturbance to the LESSOR or to any other LESSEEs of the Property or occupiers of the neighbouring properties;
- 6.1.10 not do anything, which in the sole opinion of the LESSOR, may detract from the appearance of the Premises;
- 6.1.11 not permit the accumulation of refuse in or outside the Premises;
- 6.1.12 not contravene or allow the contravention of the Tobacco Products Control Act 83 of 1993 (including the 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 regulations;
- 6.1.13 ensure that the Common Areas are used as intended by its employees or invitees and shall take all reasonable steps to ensure that the Common Areas are not misused by its employees and invitees in any way;
- 6.1.14 on vacating the Premises procure the issue by an electrical contractor approved by the LESSOR of a valid certificate of compliance in respect of the electrical installations in the Premises;

- 6.1.15 at all times conduct its labour relations and its relations with its employees and agents in such a manner as to avoid all strikes, picketing and boycotts of, on, or about the Premises, the Building and the Property;
- 6.1.16 comply with the LESSOR's security and fire protection regulations which may exist in respect of the building from time to time and undertakes to endeavour to secure compliance therewith by its employees;
- 6.1.17 maintain and replace where necessary all fluorescent bulbs, starters, ballasts and incandescent bulbs used in the Premises and shall be responsible, at its own cost, to maintain all lights in the Premises in proper order and clean condition;
- 6.1.18 keep and maintain in good order and condition any flooring in the Premises, and shall, on the expiry or earlier termination of this Lease, deliver such flooring to the LESSOR in good order and condition, fair wear and tear excepted. It is specifically recorded that, for the purpose of this clause, "fair wear and tear" shall not apply to usage of the carpets other than for pedestrian traffic and shall not release the LESSEE of its obligation to clean the carpets at regular intervals;
- 6.1.19 not allow anything to be stored or to remain outside the Premises. The LESSEE hereby consents to the removal by the LESSOR or its agents, at the LESSEE's expense, of any items or objects which are not allowed to be stored or to remain outside the Premises in breach of the provisions of this clause;
- 6.1.20 not operate or permit to be operated in or about the Premises and/or the Common Areas, any coin or token operated vending machine or similar device for the sale of any goods, merchandise, beverages, sweets, cigarettes, other commodities or services, nor any scales, pay lockers, amusement devices and machines, without the prior written consent of the LESSOR;
- 6.1.21 Maintain, repair and replace air-conditioning units;
- 6.1.22 Maintain and repair door handles, window- panes, damaged glass;

6.2. The LESSOR's Warranty:

6.2.1 The Lessor warrants in favour of the Lessee that it shall provide the Lessee prior to the Commencement Date with-

6.2.1.1 a certificate of occupancy issued by the local or other competent authority in respect of the Leased Premises or until such certificate is issued by a local authority;

6.2.1.2 an electrical compliance certificate as contemplated in the Regulations published in terms of the Occupational Health and Safety Act No. 85 of 1993, in respect of any electrical installation in or on the Leased Premises, or any such other certificate issued by any person licensed or authorised by a local authority to carry out the installation, alteration or repair of any electrical wiring stating that he/she is satisfied that the electrical wiring and other electrical installations in the Building are in accordance with the provisions of all applicable Laws, and the Lessee will do the same on the Lessor's request, for all electrical works installed by the Lessee; and

6.2.1.3 a certificate as contemplated in terms of section 14(2A) of the National Building Regulations and Building Standards Act, Act No. 103 of 1977 by the person appointed to design the structural system of any building indicating that such system has been designed and erected in accordance with the application in respect of which approval by the local authorities in respect the erection of Building was granted.

6.3 Maintenance and Repairs

6.3.1 The LESSOR must maintain, repair and replace at its expense and at appropriate times –

6.3.1.1 the structure and exterior of the Property, and

6.3.1.2 the perimeter fence, electric fence, boom gates where applicable;

6.3.1.3 any geysers and plumbing installations supplying the leased premises;

- 6.3.1.4 maintain gutters, drains and down pipes and keep clear of all blockages;
- 6.3.1.5 maintain the hangar doors, gate motors;
- 6.3.1.6 external window cleaning at least twice per annum;
- 6.3.1.7 repair and replace where necessary all appurtenances;
- 6.3.1.8 fire equipment, sprinklers system, fire detection units and air-conditioning equipment save for split units installed in the LESSEE's server rooms;
- 6.3.1.9 servicing of glass doors, motors where applicable;
- 6.3.1.10 maintenance of access control systems;
- 6.3.1.11 lift maintenance where applicable;
- 6.3.1.12 maintenance of exterior paintwork and in common areas in good order and appearance;
- 6.3.1.13 maintenance of flooring in common areas in good order and appearance;
- 6.3.1.14 maintenance of parking areas in good order and appearance;
- 6.3.1.15 provision of security services for the property;
- 6.3.1.16 provision of municipal services (electricity, water, sewerage, refuse);
- 6.3.1.17 maintenance of back-up power and water;
- 6.3.1.18 pest control, cleaning, hygiene maintenance of common areas;
- 6.3.1.19 refuse maintenance;
- 6.3.1.20 garden maintenance;
- 6.3.1.21 Ensure air quality and lighting quality assessments conducted annually;

6.3.1.22 effect any repairs, alterations, improvements or additions to the Property or any part thereof and erect scaffolding, landings and any other building equipment required;

6.3.1.23 ensure that the Property complies with all legislation and regulations applicable to the Property;

6.3.1.24 may access any portion of the Leased Premises as may be reasonably necessary for the purposes set out in this Contract, provided that the LESSOR will not unreasonably interfere with the LESSEE's trading or business.

6.4 Inspection

6.4.1 Should an inspection as stipulated in clause 5.1 require the input of an independent expert for the purposes of the assessment of any part of the Leased Premises, the LESSOR will appoint and pay for this expert.

7. EXCLUSION OF LESSOR'S LIABILITY FOR DAMAGES

7.1 The LESSOR, its agents, contractors and employees shall not be liable for any injury, death and damages, (including without limitation, consequential damages and loss of profit) which the LESSEE, its directors, members, employees, agents, invitees, customers or any other person may suffer for any reason whatsoever and the LESSEE hereby indemnifies the LESSOR against liability for any damages of any nature whatsoever (including without limitation, consequential damages and loss of profit) which the LESSEE, its directors, members, employees, agents, invitees, customers or any other person may suffer on the Premises, the Building or the Property, unless caused by the willful conduct or negligence of the LESSOR.

7.2 In the event of any interruption of any services or facilities or common services or facilities, or should any such services and conveniences or equipment become unusable, the LESSEE shall not be entitled to a reduction of any amounts payable in terms of this Lease Agreement, or withhold or defer payment of any amounts or have any claim of whatsoever nature against the LESSOR or its agents and/or employees, except in such instances where the LESSOR was grossly negligent and the LESSEE may furthermore not cancel this Lease . The LESSOR will however use its reasonable endeavours to fix and/or repair such services and/or equipment.

8. ALTERATIONS AND ADDITIONS TO THE PREMISES

- 8.1 The LESSEE shall not without the prior written consent of the LESSOR, make any alterations or additions to, or interfere or tamper with any part of the Premises, or any other part of the Property.
- 8.2 The LESSEE may, with the prior written consent of the LESSOR, and at its own cost install fixtures, fittings or equipment in the Premises for the purpose of carrying on the LESSEE's business, provided that the installation of such fixtures, fittings or equipment is in accordance and in keeping with the general finish of the Building, and provided that it shall prior to the termination of this Lease remove such fixtures, fittings or equipment and repair any damage caused by the installation and/or removal of such fixtures, fittings or equipment.
- 8.3 If the LESSEE does not remove any fixtures, fittings or equipment on vacating the Premises, these shall become the property of the LESSOR and the LESSEE shall not under any circumstances have any claim whatsoever against the LESSOR for any such fixtures, fittings or equipment not removed, whatever the reason may be, whether or not they were carried out with or without the knowledge or prior written consent of the LESSOR and whether or not they were removed and the Premises were reinstated. The LESSEE shall however be liable to reimburse the LESSOR on demand for any and all costs incurred by the LESSOR in having such fixtures, fittings or equipment removed and the Premises reinstated on behalf of the LESSEE.
- 8.4 In the event of any dispute arising as to whether any alteration or addition is structural, non-structural or merely a fixture or fitting, a certificate of the Architect shall be final and binding on both the parties.

9. DAMAGE OR DESTRUCTION

- 9.1. Should the Leased Premises be destroyed or damaged, through any cause, to an extent which prevents the LESSEE from having beneficial occupation of the Leased Premises, then either Party may elect, within 2 (two) Months of such destruction or damage, to terminate the Lease on notice to the other Party.
- 9.2. Should the Leased Premises be destroyed or damaged, through any cause, but not to the extent as referred to in clause 10.1 and the LESSEE is able to partially occupy the leased premises, the Lease will continue in force, and the LESSOR must repair the Leased Premises within a reasonable time.

- 9.3. The LESSEE will be liable for the *pro rata* Rental for that period of the proportionate extent to which the LESSEE is able to occupy, as a result thereof.
- 9.4. Where the Parties dispute the extent to which the Leased Premises were destroyed or damaged, the dispute will be referred to an independent architect, acting as an expert and not as an arbitrator, whose decision in regard to such dispute will be final and binding on the Parties. If the Parties cannot agree the identity of the architect, either Party may request the Institute of Architects, or any substituted body, to appoint one. Any expense which may be incurred in referring such dispute will be borne equally by the Parties.
- 9.5. Where the Parties dispute the extent of the remission of Rental, the dispute will be referred to an independent professional valuer, acting as an expert and not as an arbitrator, whose decision in regard to such dispute will be final and binding on the Parties. If the Parties cannot agree the identity of the property valuer, either Party may request the South African Council of Property Valuers, or any substituted body, to appoint one. Any expense which may be incurred in referring such dispute will be borne equally by the Parties.

10. COMPLIANCE WITH LEGISLATION AND APPROVALS

- 10.1 Each of the Parties will comply with all legislation, and requirements of all Relevant Authorities, applicable to the performance of their obligations in terms of this Contract.
- 10.2. The LESSEE will be responsible, at its expense, for obtaining any approvals, licenses and authorisations, or similar items in the broadest sense (herein "Approvals"), from any Relevant Authority and related to the use to which the Leased Premises is put.
- 10.3. The LESSEE must advise the LESSOR of any obligations or conditions imposed by any Relevant Authority in these regard.
- 10.4. Any contravention of applicable laws by the LESSEE shall constitute a breach of the lease and warrants termination of the lease agreement.

11. NUISANCE

11.1 The LESSEE will continue and conduct its business in such a manner as not to constitute a nuisance to the LESSOR or any other LESSEE or to the owners or occupiers of neighbouring properties.

12. CESSION AND SUB-LEASING

12.1 The LESSEE may not assign all or any its rights or obligations under this Lease, sub-let the Leased Premises, or allow anyone else to occupy the Leased Premises without the LESSOR's written consent which consent shall not be unreasonably withheld.

13. INSURANCE

13.1 Each Party will take out insurance in respect of all risks which it is prudent for that Party to insure against, including any liability it may have as a result of its activities under this Lease and for loss, theft, destruction, death of or injury to any person and damage to property, including loss of or damage to its goods.

14. LESSOR'S ACCESS TO THE LEASED PREMISES

14.1. The LESSOR will have reasonable access to the Leased Premises, on notice to the LESSEE, for the purpose of inspecting them or effecting any repairs on or to the Leased Premises or any Installation.

14.2. The LESSOR may display any appropriate notices required for further letting or sale of the Leased Premises or the Property at any time that this may be required by the LESSOR.

14.3. The LESSOR may show the Leased Premises to any prospective LESSEES from 3 (three) Months prior to termination of the Contract, and prospective buyers at any time prior to termination of the Contract, and any part of the Property, during reasonable hours on business days.

15. COSTS AND INTEREST

- 15.1. Amounts overdue under this Lease will bear interest from the due date to the date of payment at the overdraft rate charged by ABSA Bank Limited, pegged as at the date the payment became due.
- 15.2. Where the Parties engage in dispute resolution regarding this Lease, the successful Party is entitled to be awarded costs on an attorney and own client scale, save where the dispute resolver determines otherwise in a binding process.

16. BREACH

16.1. Should –

- 16.1.1. the LESSEE fail to pay the Rental or any other amount on its due date and such amount remains unpaid after the LESSOR has sent a notice demanding payment of the outstanding amounts within 7 (seven) days' of the date of the notice, or
- 16.1.2. either Party commits a material breach of any term of this Lease, or
- 16.1.3. either Party commits or permits any other breach of this Lease and fail to remedy such breach within 20 (twenty) days after written notice has been given to remedy such breach, or
- 16.1.4. either Party be placed under provisional or final liquidation or business rescue, as the case may be,
then the Party not in default may terminate this Lease immediately on written notice, without prejudice to any Party's rights to claim damages for breach or exercise any other remedies it may have in law.

While the LESSEE remains in occupation of the Leased Premises, and irrespective of any dispute between the Parties, the LESSEE will continue to pay all amounts due to the LESSOR in terms of the Lease on the due date for such amounts. The LESSOR will be entitled to recover and accept such payments without thereby abandoning any accrued rights or remedies.

17. NOTICES AND ADDRESSES FOR SERVICE

17.1. The Parties select as their respective addresses for service of all notices and legal processes the physical addresses as set out in Lease Schedule provided that a Party may change its address for the purposes of receipt of any notices to any other physical address by written notice to the other Parties to that effect.

17.2. Such change of address will be effective 14 (fourteen) days after delivery of the notice of the change.

17.3. All other notices to be given in terms of this Lease will be given in writing, and will –

17.3.1. be delivered by hand at the physical address chosen, or sent by facsimile or e-mail to the numbers and addressed provided in Lease Schedule,

17.3.2. if delivered by hand during business hours, be presumed to have been received on the date of delivery. Any notice delivered after business hours or on a day which is not a business day will be presumed to have been received on the following business day, and

17.3.3. if sent by facsimile or e-mail, be presumed to have been received on the date of successful transmission of the facsimile or delivery at the recipient server.

17.4. Notwithstanding the above, any notice given in writing, and actually received and acknowledged by the Party to whom the notice is addressed, will be deemed to have been properly given and received, notwithstanding that such notice has not been given in accordance with this clause.

18. GENERAL

18.1. This Lease constitutes the whole agreement between the Parties relating to the matters dealt with herein and no undertaking, representation, term or condition relating to the subject matter of this Lease not incorporated in this agreement will be binding on either of the Parties. No addition to or variation, deletion, or termination of any or all terms and conditions of this Lease will be of effect unless reduced to writing and signed by the Parties.

18.2. No waiver of any of the terms and conditions of this Lease will be binding unless reduced to writing and signed by the waiving Party. Any such waiver will be effective only in the specific instance and for the specific purpose.

18.3. Failure or delay on the part of either Party in exercising any right or privilege provided for in this Lease will not constitute or be deemed a waiver thereof, nor will any single or partial exercise of any right or privilege preclude any other or further exercise thereof or the exercise of any other right or privilege.

18.4. Any term, condition, or clause of this Lease, which is or becomes unenforceable, whether due to voidness, invalidity, illegality, unlawfulness or for any other reason, will be unenforceable only to the extent that it is so unenforceable, and the remaining provisions and clauses of this Lease will remain of full effect.

18.5. Any consent or approval required to be given by either Party in terms of this Lease will not be unreasonably withheld.

19. JURISDICTION

The Parties consent to the jurisdiction of the Magistrate's Court for all matters and/or disputes arising out of this Lease , but this will not preclude any Party from instituting action in any other applicable court having jurisdiction.

20. SIGNATURE

20.1. This Lease is signed by the Parties on the dates and at the places indicated below.

20.2. The persons signing this Lease in a representative capacity warrant their authority to do so.

20.3. This Lease may be executed in several counterparts, which will each be deemed an original, but all of which will constitute the same agreement .

Signed at _____ on _____.

As witnesses:

1. _____

2. _____

The LESSOR

Full name: _____

Capacity: _____

Signed at _____ on _____.

As witnesses:

1. _____

2. _____

The LESSEE

Full name: _____

Capacity: _____

ANNEXURE A

LEASE SCHEDULE

1. Lessor	
2. Lessee	
3. Premises	
4. Property	
5. Permitted use	
6. Beneficial occupation dates	
7. Commencement Date	
8. Termination Date	
9. Duration	
10. Deposit	
11. Rental per month for Year 1 of Lease	
12. Escalation	
13. Utility Charges per month	

14. VAT Registration number of Lessor	
15. VAT Registration number of Lessee	
16. Domicilium (LESSEE)	Megawatt Park, 1 Maxwell Drive, Sunninghill, 2001
17. Domicilium (LESSOR)	1 Ultimate Road, Waterfall Logistics Precinct (Off, Bridal Veil Rd, Midrand, South Africa

ANNEXURE B**TENANT INSTALLATION CLAUSE**

- 1) The LESSOR shall carry out the Tenant Installation work on the LESSEE'S behalf. The LESSOR shall contribute the sum not exceeding R0 towards the Tenant installation excluding VAT
- 2) Quotes to be obtained and provided to the LESSEE for approval prior to commencement of work.
- 3) LESSEE will pay any amounts in excess of the LESSOR'S contribution on invoice for the agreed and completed work.
- 4) The Tenant Installation work will be conducted and managed in accordance with the Tenant's reasonable approved specifications as agreed between the Parties.

DEFECTS RECORDAL

D**SPECIAL CONDITIONS**