



AIRPORTS COMPANY SOUTH AFRICA

AGREEMENT OF LEASE OF PREMISES:

ENTERED INTO BETWEEN

THE AIRPORTS COMPANY SOUTH AFRICA SOC LIMITED

("THE LESSOR")

AND

("THE LESSEE")

TABLE OF CONTENTS

CLAUSE NUMBER	DESCRIPTION	PAGE NUMBER
---------------	-------------	-------------

1.	INTERPRETATION AND PRELIMINARY	3
2.	LEASE	4
3.	PERIOD OF LEASE	4
4.	OCCUPATION	4
5.	RENTAL	5
6.	RATES AND TAXES.....	5
7.	OPERATING COSTS AND UTILITY CHARGES.....	6
8.	TURNOVER RENTAL.....	7
9.	ACCOUNTING AND AUDITING PROVISIONS	8
10.	SECURITY DEPOSIT	9
11.	DEFECTS.....	10
12.	RELOCATION OF LESSEE	10
13.	DEVELOPMENT AT THE AIRPORT	11
14.	ALTERATIONS AND ADDITIONS	11
15.	THE USE OF LESSOR’S INTELLECTUAL PROPERTY.....	13
16.	SUB-LETTING.....	13
17.	OBLIGATIONS OF THE LESSEE	14
18.	GENERAL OBLIGATIONS OF THE LESSOR.....	19
19.	GENERAL AIRPORT ENVIRONMENT AND FURTHER RIGHTS OF THE LESSOR	20
20.	DAMAGE OR DESTRUCTION OF THE BUILDING	22
21.	INSURANCE, INDEMNITY AND LIABILITY.....	22
22.	CONFIDENTIALITY	24
23.	RENEWAL OF THE LEASE.....	25
24.	TERMINATION OF THIS AGREEMENT	25
25.	CANCELLATION AND HOLDING OVER	25
26.	ANTI-CORRUPTION UNDERTAKINGS	28
27.	DISPUTE RESOLUTION	28
28.	MISCELLANEOUS MATTERS	29
29.	CESSION AND ASSIGNMENT	31
30.	PROTECTION OF PERSONAL INFORMATION	31
31.	FORCE MAJEURE	31
32.	SPECIAL TERMS AND CONDITIONS	31
33.	RELATIONSHIP OF THE PARTIES.....	32

ANNEXURES

ANNEXURE A – FURTHER MATERIAL TERMS OF LEASE

(APPLICABLE)

ANNEXURE B – RESOLUTION OF THE LESSEE (APPLICABLE)

ANNEXURE C – PLAN (NOT APPLICABLE)

ANNEXURE D – IRREVOCABLE PAYMENT GUARANTEE

(APPLICABLE)

ANNEXURE E – AIRSIDE PLAN (NOT APPLICABLE)

ANNEXURE F – CONDITIONS OF USE (NOT APPLICABLE)

ANNEXURE G – FORM OF SPECIAL TERMS AND CONDITIONS

(NOT APPLICABLE)

ANNEXURE H – MANAGEMENT RULES (APPLICABLE)

ANNEXURE I – ANTI-CORRUPTION UNDERTAKINGS

(APPLICABLE)

ANNEXURE J – FURTHER MATERIAL TERMS OF LEASE (NOT

APPLICABLE)

PREAMBLE

- I. It is recorded that –
- II. The Lessor wishes to Lease to the Lessee the Premises and the Lessee wishes to Lease from the Lessor the Premises.
- III. the Parties hereby record the terms and conditions of the Lease in this Agreement. The terms and conditions of the Lessee are expressly excluded in this Agreement.

WHEREBY IT IS AGREED AS FOLLOWS:**1. INTERPRETATION AND PRELIMINARY**

The headings to the clauses in this Agreement are for the purpose of convenience and reference only and shall not be used in the interpretation of nor modify nor amplify the terms of this Agreement nor any clause hereof. Unless a contrary intention clearly appears:

- 1.1. words importing:
- 1.1.1. any one gender include the other two genders;
- 1.1.2. the singular include the plural and *vice versa*; and
- 1.1.3. natural persons include created entities (incorporated or unincorporated) and the state and *vice versa*;
- 1.2. the following terms shall have the meanings assigned to them hereunder and cognate expressions shall have a corresponding meaning, namely:
- 1.2.1. "**Affiliate**" means in relation to any person; (a) any entity controlled, directly or indirectly by that person; (b) any entity that controls, directly or indirectly, that person, or (c) any Entity under common Control with that person;
- 1.2.2. "**Agreement**" means this agreement, together with all annexures hereto;
- 1.2.3. "**Airport**" means the airport identified in **ANNEXURE A** (Contract Data);
- 1.2.4. "**Airside Service Provider Licence Agreement**" means the agreement, if applicable, concluded or to be concluded between the Lessor and the Lessee (which is attached hereto as **ANNEXURE E** in terms of which

the Lessor grants the Lessee the right to operate and conduct the Business on the airside areas at the Airport and the Lessee agrees to be bound by the airside rules and regulations relating to the Airport;

- 1.2.5. "**Annexure**" means an annexure attached to this Agreement;
- 1.2.6. "**Beneficial Occupation Date**" means the date recorded as such in **ANNEXURE A**;
- 1.2.7. "**Building**" means the building situated at the Airport, more fully described in **ANNEXURE A** ;
- 1.2.8. "**Business**" means the business or activity to be conducted by the Lessee from the Premises as detailed in **ANNEXURE A**;
- 1.2.9. "**Business Day**" means any day other than a Saturday, Sunday or official public holiday in the Republic of South Africa;
- 1.2.10. "**Commencement Date**" means the date recorded as such in **ANNEXURE A**;
- 1.2.11. "**Common Areas**" means the areas in the Building and/or at the Airport which are neither leased nor allocated to any person for its exclusive use inclusive of passages, parking areas, sidewalks, driveways, entrances, exits, loading docks, ramps, stairways, toilets and other amenities;
- 1.2.12. "**Conditions of Use Document**" means the conditions of use of the Airport and the Building, if applicable (which is attached as **ANNEXURE F**), in terms of which the Lessee agrees to be bound and to operate and conduct the Business in the Airport and the Building;
- 1.2.13. "**Lease**" means the lease recorded in clause 2 (lease) of this Agreement;
- 1.2.14. "**Lessee**" means the party identified as such in **ANNEXURE A**, herein represented by the signatory hereto, duly authorised in terms of the resolution attached hereto as **ANNEXURE B** (resolution of the Lessee);
- 1.2.15. "**Lessor**" means the Airports Company South Africa SOC Limited, registration number 1993/004149/30;

- 1.2.16. **"Parties"** means both the Lessor and the Lessee and **"Party"** means either one of them;
- 1.2.17. **"Premises"** means that portion of the Building described in **ANNEXURE A** and demarcated as such on the plan annexed hereto as **ANNEXURE C** (plan);
- 1.2.18. **"Property"** means the property described in **ANNEXURE A**;
- 1.2.19. **"Rental"** means the amount payable by the Lessee to the Lessor as consideration for the leasing of the Premises as recorded in **ANNEXURE A**;
- 1.2.20. **"Signature Date"** means the date of signature of this Agreement by the Party signing last in time;
- 1.2.21. **"Termination Date"** means the date recorded as such in **ANNEXURE A**;
- 1.2.22. **"Utility Charges"** means the charges for electricity, water, gas, voice and data line connections and usage, etc consumed or used in or on the Premises as levied by any competent Lessee or authorized authority; and
- 1.2.23. **"VAT"** means value added tax levied under the Value-Added Tax Act, 89 of 1991 as amended.
- 1.3. Words importing the singular shall include the plural and vice versa, words importing the masculine gender shall include the other genders and vice versa and natural persons shall include juristic persons and vice versa.
- 1.4. References to a "person" include a natural person, company, close corporation or any other juristic person or other corporate entity, a charity, trust, partnership, joint venture, syndicate, or any other association of person.
- 1.5. The headnotes to the clauses of this Agreement are inserted for purposes of reference only and shall not affect the interpretation of any provisions to which they relate.
- 1.6. In the event that any definition in this clause contains substantive provisions, then such provisions shall be given effect to as if they were incorporated into the main body of this Agreement.
- 1.7. All amounts payable under this Agreement shall be exclusive of VAT.
- 1.8. When any number of days is prescribed in this Agreement, same shall be reckoned exclusively of the first and inclusively of the last Business Day.
- 1.9. Where any term is defined within the context of any particular clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this Agreement, notwithstanding that that term has not been defined in this clause.
- 1.10. The use of the word "including" followed by specific examples shall not be construed as limiting the meaning of the general wording preceding it.
- 1.11. Expressions defined in this Agreement shall bear the same meanings in the annexures to this Agreement which do not contain their own definitions.
- 1.12. The rule of construction that the contract shall be interpreted against the party responsible for the drafting or preparation of the contract shall not apply.
- 1.13. Any reference to an enactment in this Agreement is to that enactment at the Signature Date and as amended or re-enacted from time to time.
2. **LEASE**
- The Lessor hereby leases the Premises to the Lessee, which hereby hires same, on the terms and conditions set out in this Agreement and solely and exclusively for the purpose of conducting the Business therefrom.
3. **PERIOD OF LEASE**
- Notwithstanding the Signature Date (but subject to the provisions of clause 4 occupation) and the conclusion and continued operation of the Airside Service Provider Concession Agreement, if applicable this Lease shall commence on the Commencement Date and unless terminated earlier, shall terminate on the Termination Date, the terms of which are reflected in **ANNEXURE A** attached.
4. **OCCUPATION**
- 4.1. Provided the Lessee has delivered an acceptable security deposit to the Lessor as required under clause 10 (security deposit) and provided further that the Lessee has executed

an Airside Service Provider Concession Agreement, if applicable, possession and occupation of the Premises shall be given to the Lessee on the Beneficial Occupation Date or a date as agreed in writing between the Parties).

- 4.2. If the Premises are not ready for occupation by the Lessee on the Beneficial Occupation Date for whatever reason, the Lessee shall have no claim of whatsoever nature against the Lessor, including but not limited to cancellation of this Agreement or for damages and the Beneficial Occupation Date shall be postponed until 5 (five) Business Days after the date upon which the Lessor notifies the Lessee in writing that the Premises are available for occupation. In such instance, the Commencement Date and the Termination Date shall be extended for an equivalent period.
- 4.3. No penalties whatsoever shall be payable by the Lessor to the Lessee resulting from the Premises not being ready for occupation on the Beneficial Occupation Date.
- 4.4. The Landlord does not warrant that the Premises are suitable for the purpose for which the Lessee wishes to lease the Premises.

5. **RENTAL**

- 5.1. The Lessee shall effect payment to the lessor each month, of a guaranteed minimum monthly rental in the amount recorded in **ANNEXURE A** (Contract Data), subject to clause 8 (Turnover Rental) (the “**Guaranteed Minimum Monthly Rental**”)
- 5.2. Such Guaranteed Minimum Monthly Rental shall:

- 5.2.1. be payable in advance, on or before the first day of each and every succeeding month; and
- 5.2.2. Utility Charges shall be payable within 30 (thirty) days of presentation of an invoice by the Lessor;
- 5.2.3. be paid without any deductions, bank charges, set-off or exchange, into the Lessor’s bank account as detailed in **ANNEXURE A** by way of a debit order or electronic funds transfer (or as otherwise specified by the Lessor in writing) and forthwith upon such payment, the Lessee shall furnish the Lessor with documentary proof, reasonably satisfactory to the Lessor, of having effected payment.
- 5.3. The Guaranteed Minimum Monthly Rental shall never be less than that stipulated in **Annexure A (Contract Data)**
- 5.4. Unless the Lessor states otherwise in writing, in the event that the Lessee, for whatever reason, remains in occupation after Termination Date, the Guaranteed Minimum Monthly Rental shall escalate by the percentage stipulated in Annexure A from Termination Date. The Lessee shall be liable to pay the escalated Guaranteed Minimum Monthly Rental plus an amount equivalent to 100% of the Guaranteed Minimum Monthly Rental for every month in occupation until the Lessee vacates the Premises.

6. **RATES AND TAXES**

- 6.1. The Lessee shall be liable to pay an amount towards the Lessor’s payments of rates and taxes relating to the Premises. Such amount shall bear the same ratio as the rental of the Premises bears to the aggregate rental of all the Premises leased by the Lessor to third parties on the Property from time to time.
- 6.2. If at any time after the Signature Date there is any increase or new imposts of any taxes, levies, imposts, charges and/or other amounts (collectively “**Charges**”) levied and/or payable in respect of the Property, the Building and/or the Premises and/or any new Charges are levied and/or become payable, then the Lessor shall be entitled to recover from the Lessee from time to time, with effect from the date on which the relevant amount becomes payable,

the full amount thereof if it relates exclusively to the Premises and/or the Building or if it does not, an amount which bears the same ratio to such new Charge, as the case may be, as the Rental of the Premises bears to the aggregate rental of all the premises leased by the Lessor to third parties on the Property from time to time.

6.3. Any amount due by the Lessee to the Lessor in terms of this clause shall be payable within 30 (thirty) days after delivery to the Lessee of a written notice advising the Lessee thereof or in the event of a dispute arising shall be payable within 30 (thirty) days after the delivery to the Lessee of the certificate referred to in clause 6.4 hereof.

6.4. A certificate signed by any manager or director of the Lessor of the amount due by the Lessee and the date on which it is payable in terms of this Agreement shall be prima facie evidence of the amount due by the Lessee.

7. **OPERATING COSTS AND UTILITY CHARGES**

7.1. **Operating Costs:**

The Lessee shall be liable for a pro-rata percentage as stipulated in **ANNEXURE A** of all operating costs stipulated in **ANNEXURE A** which amount shall constitute a reimbursement by the Lessee to the Lessor in respect of, amongst others, the following costs and charges which may be incurred by the Lessor in respect of the Property and Building:

- 7.1.1. electricity and water consumption in the common areas
- 7.1.2. costs in respect of sewerage;
- 7.1.3. costs of cleaning the Common Area;
- 7.1.4. costs of providing security;
- 7.1.5. costs of insuring;
- 7.1.6. costs of building amenities including towel and toilet facilities;
- 7.1.7. costs of rent collection;
- 7.1.8. costs of repairs and maintenance of the exterior of the Property and Building;

- 7.1.9. costs of operating the central air conditioning system;
- 7.1.10. costs of refuse removal.
- 7.1.11. The operating costs payable by the Lessee to the Lessor under this clause shall escalate on each anniversary of the Commencement Date by the percentage stipulated in **ANNEXURE A**.

7.2. **Utility Charges:**

7.2.1. The Lessee acknowledges that he/she is also liable for Utility Charges in the Premises as follows:

- 7.2.1.1. the Lessee shall, on demand, pay Utility Charges to the Lessor or directly to the relevant Lessee or authority, as the Lessor may require. The Lessee indemnifies the Lessor against any and all claims that any such Lessee or authority may have against the Lessor for the payment of Utility Charges for the currency of this Agreement. Should the Lessor for any reason whatsoever have paid directly to the relevant Lessee or authority any sums referred to in this clause in respect of any period during the currency of this Agreement, the Lessee shall, on demand, refund such amount to the Lessor; and
- 7.2.1.2. The Lessor may, in its absolute discretion and at any time, install a meter for the purpose of measuring water and/or electricity consumption on the Premises and may render to the Lessee a monthly account in respect of the water and/or electricity so consumed by the Lessee. Such account is payable on demand each month in arrears.

7.3. In the event that the Lessor elects to supply electricity to the Lessee, then :

- 7.3.1 the Lessee shall, on demand, pay to the Lessor the costs of all electricity consumed in or on the Premises as metered for the Premises. The calculation of such costs shall be based on metered unit consumption. The charges for consumption of electricity shall be calculated per kWh;
- 7.3.2 In the event that no electricity meter has been installed on the Premises or such meter fails, the

Lessee shall be liable for the Lessee's share as per **ANNEXURE A** of all electricity consumed in respect of the Property and/or the Building during the period that such consumption was not metered;

- 7.3.3 the Lessee shall, on demand, pay to the Lessor the Lessee's share of all electricity charges in respect of the Property and/or the Building that are payable to the relevant electricity Lessee other than charges for metered consumption. Such charges are known as service charges (which are calculated per day), demand charges (which are calculated per kVA per day), additional charges (calculated per kVA per day) and miscellaneous charges.

- 7.4. In the event that the Lessor elects to supply water to the Lessee:

- 7.4.1 then the Lessee shall, within 30 (thirty) days of presentation of an invoice by the Lessor;

- 7.4.2 pay to the Lessor the cost of water consumed in or on the Premises as metered for the Premises.

- 7.4.3 In the event that no water meter has been installed on the Premises or such meter fails, the Lessee shall be liable for the Lessee's Share as per **ANNEXURE A** of all water consumed in respect of the Property and/or the Building during the period that such consumption was not metered.

- 7.4.4 For purposes hereof, electricity and water charges shall be determined at prevailing municipal rates plus VAT.

8. **TURNOVER RENTAL**

- 8.1. The Lessee shall pay the Turnover Rental to the Lessor for each particular month, monthly in arrears, less the Guaranteed Minimum Monthly Rental paid for that month, provided that if the Turnover Rental is less than the Guaranteed Minimum Monthly Rental, the Guaranteed Minimum Monthly Rental shall be paid.

- 8.2. On or before the 4th (fourth) day of each month, commencing on the 4th (fourth) day of the month

following the 1st (first) month of the Lease, the Lessee shall:

- 8.2.1. deliver to the Lessor a certificate (the "Monthly Turnover Declaration Certificate") in a form acceptable to the Lessor, reflecting Sales achieved by the Lessee during the preceding month and the amount of Turnover Rental due to the Lessor in respect of such month; and

- 8.2.2. effect payment to the Lessor simultaneously with the delivery of such certificate of the Turnover Rental due for the preceding month, less the amount representing the Guaranteed Minimum Monthly Rental paid by the Lessee to the Lessor in respect of such month in terms of the provisions of clause 8.1, subject to the necessary changes being made. In this regard, the terms of payment described in clause 8.2.2 shall apply, subject to the necessary changes being made.

- 8.3. The following provisions shall apply to each such Monthly Turnover Declaration Certificate:

- 8.3.1. if the Lessor disputes the information contained in any such Monthly Turnover Declaration Certificate, then it shall be referred for determination to the auditors for the time being of the Lessee. The Parties hereby agree that such auditors' decision shall be final and binding upon the Parties, save for patent errors or errors of omission. The auditors shall make its working papers available for inspection and consideration by the Lessor; and

- 8.3.2. the Lessee shall bear the charges of any auditors appointed by it in accordance with clause 8.3.1.

8.4. Unless the Lessor states otherwise in writing, in the event that the Lessee, for whatever reason (other than for negotiations for a new lease wherein clause 23 will apply), remains in occupation after Termination Date, the Turnover Rental percentage stipulated in Annexure A shall escalate by 1% from Termination Date and every month thereafter until the Lessee vacates the Premises.

9. ACCOUNTING AND AUDITING PROVISIONS

9.1. For the duration of the Lease and for a period of one year thereafter, the Lessee shall keep and retain at its registered office comprehensive accounting records materially complying with the International Financial Reporting Standard in use in the Republic of South Africa together with all books of original entry and source documents relating to all Sales achieved by the Lessee from the Premises.

9.2. Furthermore, the Lessee shall, for the term of this Agreement and on an annual basis, submit to the Lessor an Audited Statement in respect of each Premises by no later than 31 December of each year.

9.3. Each Audited Statement must certify, in respect of the preceding year (alternatively, the period since the Commencement Date or the period since the submission of the last Audited Statement, as the case may be):

9.3.1. the total monthly Turnover earned by the Business reflected for the 12 (twelve) month period under review;

9.3.2. the amount of Turnover Rental due to the Lessor;

9.3.3. the amount of Guaranteed Minimum Monthly Rental paid to the Lessor;

9.3.4. the amount of Turnover Rental paid to the Lessor;

9.3.5. the amount of Turnover Rental either still owing by the Lessee to the Lessor or overpaid by the Lessee to the Lessor; and

9.3.6. the Lessee acknowledges that no refund is due by the Lessor in the event that the Guaranteed Minimum Monthly Rental exceeds the Turnover Rental for that particular month in determining the amount of Turnover Rental still owing or overpaid.

9.4. any amount representing Turnover Rental still owing or overpaid, shall be paid:

9.4.1. owing by the Lessee to the Lessor, simultaneously with the delivery of the statement referred to in clause 9.2; or

9.4.2. if owing by the Lessor to the Lessee, within 14 (fourteen) days from date of receipt by the Lessor of the statement referred to in clause 9.2.

9.5. The certification of the said statement by the Lessee's auditors shall, inter alia, record that such auditors:

9.5.1. have audited the accounts of the Lessee in respect of the Business for the period to which the statement relates and that the information and results reflected on the statement are fair and accurate;

9.5.2. have conducted an examination of the Lessee's internal control systems, have tested compliance by the Lessee with such systems and are satisfied with such systems and compliance; and

9.5.3. Acknowledge that in performing the audit and providing such certification, a duty of care is owed by them to the Lessor.

- 9.6. In the event that the Lessee fails for any reason whatsoever to deliver the said certified statement on due date, the Lessor shall have the right to appoint its own auditors, at the cost of the Lessee, to produce the required certified statement.
- 9.7. In the absence of patent or manifest error, the contents of such certified statement shall be binding on the Parties.
- 9.8. Without derogating from the other provisions of this clause 9 (Accounting and Auditing Provisions), the Lessee shall each year, within 6 months from its financial year end, deliver to the Lessor a copy of its audited financial statements in respect of the financial year ended, duly reported on by the Lessee's auditors without qualification.
- 9.9. The Lessor and the Lessee's auditors shall, at all times and on reasonable notice to the Lessee, be granted full and unfettered access to the Premises and the Lessee's accounting records, books and source documents and shall be able to inspect same, take extracts therefrom and/or make copies thereof for the purposes of establishing due compliance by the Lessee with its obligations in terms of this clause 9 (Accounting and Auditing Provisions). The Lessee shall provide the Lessor's auditors such assistance and cooperation as they may reasonably require, including cooperating with the Lessee's independent auditors and internal accounting and audit personnel.
- 9.10. if an audit reveals that the Lessee has underpaid the Turnover Rental, then the Lessee shall promptly pay to the Lessor such underpaid amount

10. **SECURITY DEPOSIT**

- 10.1. Prior to occupation (including beneficial occupation) of the Premises being given to the Lessee in terms of this Lease, the Lessee shall deliver to the Lessor security acceptable to the Lessor in its reasonable discretion, for the due and punctual fulfilment of all obligations and the due and punctual payment of all sums of money which may at any time be or become owing by the Lessee to the Lessor in terms of this Agreement. Such security shall, be not less than the equivalent of 3 (three) months total rental (both Guaranteed Minimum Monthly Rental and Turnover Rental) and the Operating Costs payable by the Lessee to the Lessor during the final 3 (three) months of the Lease. The security shall, at the Lessor's election (which shall be communicated in writing to the Lessee), take the form of:
 - 10.1.1. a cash deposit; or
 - 10.1.2. an irrevocable, unconditional payment guarantee issued by a registered bank acceptable to the Lessor substantially in the form contained in **ANNEXURE D** (irrevocable payment guarantee).
- 10.2. Any and all interest accruing to the security deposit shall accrue to the sole benefit of the Lessee.
- 10.3. Should a payment guarantee (as required in terms of clause 10.1.2) not be furnished by the Lessee to the Lessor on the due date or should the financial institution that issued the payment guarantee at any time withdraw therefrom, then the Lessee shall forthwith furnish the Lessor with a cash deposit (as contemplated in clause 10.1.1). In order for the Lessor to monitor compliance by the Lessee of the provisions of this clause 10.2, the Lessee shall do all things necessary in order to ensure that the financial institution advises the Lessor in writing of any withdrawal of, cancellation of or amendment to the payment guarantee.
- 10.4. The Lessor shall have the right to apply the whole or any part of such security deposit (excluding any interest

accruing thereon) towards the payment of any amount or liability in respect of which the Lessee may become liable to the Lessor under this Agreement. The Lessor shall notify the Lessee in writing of any utilisation of such security deposit by it for such purpose and forthwith upon receipt of such notification by the Lessee, the Lessee shall be obliged to effect payment in cash to the Lessor of such amount as may be required to reinstate the security deposit to the amount contemplated in clause 10.1.

10.5. The Lessee shall not, under any circumstances, be entitled to set-off against the security deposit any amount payable by it in terms of this Agreement.

10.6. The security deposit, or any balance thereof still remaining, shall be released to the Lessee 3 (three) months after expiry of this Agreement or at a later date until the discharge by the Lessee of all its obligations, if such date is later than 3 (three) months.

10.7. Notwithstanding that the Lessee shall furnish the Lessor with the security deposit as contemplated in this clause, the Lessor reserves the right to require the Lessee to procure further security for its obligations under the Lease as it deems appropriate in the circumstances.

11. DEFECTS

11.1. Within 10 (ten) Business Days of the Beneficial Occupation Date, the Lessee shall notify the Lessor, in writing, of any defects or damage to the keys, locks, windows, sewerage pans, basins, fittings, electrical installations, water taps, carpeting, partitions, air-conditioning units, tiling and other fixtures and fittings in the Premises (collectively referred to as "**the Appurtenances**"), which notice shall detail the relevant defect or damage. Where the Lessee fails to notify the Lessor within this 10 (ten) Business Day period, the Lessee shall be deemed to have accepted the Premises and the Appurtenances as being complete and without defects.

11.2. The Lessor, in its sole discretion, may, at its cost repair and/or replace (it being in the Lessor's sole discretion as to whether to repair and/or replace) any Appurtenances so reflected as defective or damaged in such notice within a reasonable period of receipt of such notice by it. To the extent that any defective or damaged Appurtenances are

not repaired and/or replaced by the Lessor, the Lessor shall record that these have not been repaired or replaced in the notice referred to in clause 11.1 and forward a copy thereof to the Lessee. On the Termination Date or such earlier or later date as the Lease terminates for any reason whatsoever, the Lessee shall not be liable for the repair and replacement of the defective or damaged Appurtenances recorded as such in the notice.

12. RELOCATION OF LESSEE

12.1. The Lessor shall have the right, at any time during the currency of the Lease and on 6 (six) months prior written notice to the Lessee, to relocate the Lessee to another location within the Building or at the Airport provided that:

12.1.1. the Lessor shall use its reasonable endeavours to relocate the Lessee to a comparable and no less advantageous location;

12.1.2. the Lessor shall use its reasonable endeavours to ensure that the new Premises is fit for occupation and available to the Lessee no less than 20 (twenty) Business Days prior to the date on which the Lessee must vacate the Premises in terms of the notice;

12.1.3. the Lessor shall be liable for payment of all reasonable costs attendant on relocating the Business to such new location; and

12.1.4. the Lessee shall have no claim against the Lessor in respect of consequential damages.

12.2. Within 10 (ten) Business Days from the date of receipt by the Lessee of the Lessor's relocation notice (but not thereafter), the Lessee may, by written notice to the Lessor, terminate this Lease with effect from the last day of the 3 (three) month period contemplated in the Lessor's relocation notice, whereupon:

12.2.1. all arrear obligations owing by the Lessee to the Lessor in respect of this agreement as at the date of such termination shall remain extant; and

12.2.2. neither Party shall have any claim against the other arising from or relating to such termination.

13. DEVELOPMENT AT THE AIRPORT

13.1. The Lessor shall be entitled, at all times, subject to reasonable notice to the Lessee to effect any repairs, alterations, improvements or additions to the Premises and/or the Building and/or the Airport (generically referred to as the “**Development**”) as it may require or as may be prescribed by any lawful authority and the Lessor may for such purpose erect scaffolding, boarding and/or any other works in, at, near or in front of the Premises, together with such other devices as may be required by law or determined by the Lessor to be necessary or required in order to effect such Development or for the physical protection of any person. The Lessee acknowledges that it may suffer inconvenience and loss of beneficial occupation from building operations, noise and dust relating therefrom, or from any other cause whatsoever. The Lessor shall furthermore be entitled, to such access to or through the Premises as it may require for all the foregoing purposes, subject to providing reasonable notice to the Lessee and which access shall not be unreasonably withheld.

13.2. The Lessee shall have no right or claim against the Lessor for compensation or damages, reduction of Rental or otherwise by reason of any interference with its tenancy or its beneficial occupation of the Premises occasioned by any of the events contemplated in clause 13.1 or arising from any failure, interruption or cessation in the supply of water and/or electricity and/or air conditioning and/or other amenities in or to the Premises, the Building or the Airport. In exercising its rights in terms of this clause, the Lessor shall utilise its best endeavours to cause or create as little interference as possible with the Lessee’s beneficial occupation of the Premises.

14. ALTERATIONS AND ADDITIONS

14.1. ALTERATIONS

14.1.1. The Lessee shall not make any alterations, additions, improvements or renovations of a structural nature to the Premises, whether minor or structural, (generically referred to as “**Alterations**”),

without the prior written consent of the Lessor. Without derogating from the provisions hereof, the Lessor’s prior written consent to the proposed layout, quality and type of fixtures and fittings which the Lessee wishes to have installed in the Premises shall be required prior to the installation.

14.1.2. Any Alterations effected with the written consent of the Lessor shall be carried out by suitably qualified persons acceptable to the Lessor and shall, upon termination of the Lease, irrespective of the cause of such termination and subject to clause 14.1.4, become the property of and vest in the Lessor without any compensation to the Lessee.

14.1.3. Without derogating from the provisions of clause 14.1, the Lessee hereby waives and abandons every right and/or claim which it may have against the Lessor as a result of having made any Alterations.

14.1.4. The Lessee shall not be entitled, either before, during or after the termination of the Lease, to remove any Alterations without the prior written consent of the Lessor.

14.1.5. The Lessee shall, within 10 (ten) Business Days of being required by the Lessor to do so in writing, remove any Alterations made to the Premises without the prior written consent of the Lessor and the Lessee shall reinstate the Premises to the same condition they were in prior to undertaking such Alterations.

14.1.6. Upon the termination of the Lease for any reason whatsoever, the Lessor may, in its absolute discretion, require that the Lessee remove all Alterations made to the Premises during the term of this Lease and to restore the Premises to the same condition as it was in at the time the Lessee took occupation. Should the Lessee fail to do so, the Lessor shall be entitled to remove the Alterations and reinstate the Premises, the costs of which shall be for the account of the Lessee.

14.2. PROVISION OF INFORMATION AND COMMUNICATIONS TECHNOLOGY ("ICT") SERVICES

14.2.1. No radio, television and/or digital satellite television equipment (whether receiving or transmitting) or antennae shall be used, installed, erected or affixed by or on behalf of the Lessee in or on the Property or the Airport without the prior written consent of the Lessor.

14.2.2. The Lessee shall not use, install, erect or affix or cause or permit the use or installation of any wireless technology (Wi Fi) or other equipment in or on the Property or the Airport which facilitates telecommunication services or wireless internet connectivity (and the Lessee shall not offer its customers, sub lessees and/or invitees any wireless or other telecommunications services) without the prior written consent of the Lessor.

14.2.3. If the Lessor provides its consent in terms of 14.2.1 and 14.2.2, the Lessee shall comply with the Lessor's policies and standards with regard to ICT and the equipment, antennae, technology and/or services referred to in 14.2.1 and 14.2.2. A copy of such policies and standards shall be provided to the Lessee upon request. The Lessor acknowledges and agrees that the Lessor's consent may be subject to such other reasonable conditions as the Lessor may determine in its sole discretion from time to time.

14.2.4. The Lessor shall have a right of first refusal to provide all or any of the following services in respect of the Property at reasonable, alternatively market related prices -

14.2.4.1. network cabling and/or fibre cabling;

14.2.4.2. access to the Lessor's Wireless Infrastructure;

14.2.4.3. IP Telephony;

14.2.4.4. Flight Information Display Systems (FIDS); and/or

14.2.4.5. Community Television (CATV) including DSTV.

14.2.6 If the Lessee requires all or any of the services referred to in 14.2.4.1 to 14.2.4.5 (both inclusive), the Lessee shall notify the Lessor thereof in writing. The Lessor shall be entitled (but not obliged), within 7 (seven) days after receipt of such written notice ("**First Period**"), to deliver a written quotation in respect of the supply of such services to the Lessee. Should such quotation not be delivered by the Lessor or is delivered but not accepted by the Lessee within the First Period, the Lessee shall be entitled to procure such services from any third party on terms and conditions not more favourable to such third party than those set out in such quotation; provided that if the Lessee has not appointed any such third party within thirty days after the date of expiry of the First Period, the foregoing provisions of this 14.2.4, shall again apply. The Lessee shall be obliged to provide the Lessor with such information as the Lessor may require to verify compliance by the Lessee with the provisions of this 14.2.4. For the avoidance of doubt –

14.2.7 the Lessor shall not approach any third party to supply all or any such services until the date of expiry of the First Period;

14.2.8 the right of first refusal shall apply to each and every separate occasion where the Lessee requires all or any of such services with regard to the Property.

14.2.9 The Lessor shall be entitled at any time to inspect all or any of the ICT equipment, antennae, installations and/or infrastructure (including any cabling and IT infrastructure) on the Property from time to time. The Lessee shall be obliged to comply with any reasonable recommendations required to rectify any matter which may hinder, interfere with and/or adversely affect the Lessor's ICT equipment, antennae, installations and/or infrastructure at the Airport at the Lessee's cost; provided that should the Lessee not comply with such

recommendations, the Lessor shall (without prejudice to any of the Lessor's rights under this Agreement and/or at law) be entitled to implement such recommendations and recover the cost thereof from the Lessee within 30 (thirty) days of presentation of an invoice by the Lessor .

- 14.2.10 Should the Lessee breach 14.2.1 and 14.2.2, then, without prejudice to any of the Lessor's rights under this Agreement and/or at law, remove all and any equipment, antennae and/or technology which the Lessor did not consent to, within 40 (forty-eight) hours after receipt of written demand therefor from the Lessor.

15. THE USE OF LESSOR'S INTELLECTUAL PROPERTY

- 15.1. The Lessee shall not use any intellectual property of the Lessor (including trademarks, service marks, logos, slogans, trade names, brand names and other indicia of origin) (collectively, the "**Lessor IP**") for any reason whatsoever without first obtaining the Lessor's prior written consent which consent the Lessor shall be entitled to grant solely at its own discretion. If the Lessee requires the use of such Lessor IP, a request must be sent to the Brand Custodians Office, via email to brandcustodian@airports.co.za. Each single request by the same Lessee shall be treated as a new request.
- 15.2. Should the Lessor provide its consent in terms of clause 15.1 above, the Lessee shall comply with the Lessor's policies and standards with regard to the use of the Lessor IP. Such policies and standards shall be communicated to the Lessee at the time the Lessor grants the consent to the Lessee.
- 15.3. Failure to adhere to the provisions of this clause 15 or the policies, brand requirements and protocols shall result in a breach of the Agreement.
- 15.4. Notwithstanding anything contained in this Agreement and except as otherwise requested or approved by the Lessor in writing, as of the Termination Date or early termination of this Agreement for whatsoever reason, the consent (if granted) contemplated in this clause 15 shall forthwith terminate and the Lessee shall cease all

use of the Lessor's IP which was authorised in terms of such consent.

16. SUB-LETTING

- 16.1. The Lessee shall not be entitled to sublet of any portion of the Premises without the written consent of the Lessor.
- 16.2. Without derogating from any of the other provisions of this lease relating to the leasing of the Premises:-
- 16.2.1. any sub-lease of the Premises or any portion thereof shall be let by the Lessee for a gross rental which is not less than the then current market value of gross rentals and market related escalations for the Premises or the said portion, unless the Lessor's prior written consent is obtained;
- 16.2.2. the sub-lessees may assume responsibility to the Lessee for the costs of utilities; all water, electricity, gas, other energy and other utilities consumed by it and sewerage charges, in respect of that portion of the Premises sub-leased to it and for the re-imbursement of the amount payable by the Lessee to the Lessor as well as any other amounts that the Lessee is to pay in terms hereof such as insurance premiums;
- 16.2.3. the Lessee shall, before commencing with sub-letting, submit the draft sub-leases for approval by the Lessor and upon written request by the Lessor, provide copies of all sub-leases in respect of the Premises to the Lessor within 7 (seven) days of the receipt by the Lessee of such request;
- 16.2.4. the Lessee shall be liable for all costs of enforcing the terms and conditions of any of the sub-leases.
- 16.2.5. the Lessee shall always remain liable to the Lessor in terms of this Agreement for the due and proper performance of all its obligations herein;
- 16.2.6. the Lessee shall be fully liable and responsible for the performance by each sub-lessee of all its obligations under its sub-lease and shall take all steps to ensure that each sub-lessee complies with its sub-lease and all

the obligations of the Lessee to the Lessor under this Agreement;

16.2.7. It is specifically recorded that the sub-letting of any portion of the Building and/or Premises to a sub-lessee shall be on the basis that such sub-letting shall, under no circumstances, be construed as a cession, assignment, delegation or transfer of all or any of the Lessee's rights and/or obligations in terms of this Agreement.

16.3. Save as permitted by this clause 16, the Lessee shall not, without the Lessor's prior written consent, give up, either for a definite period, or at all, occupation and/or possession of the Building and/or the Premises, or any part thereof to any person (whether as licensor, agent, occupier, custodian or otherwise).

17. OBLIGATIONS OF THE LESSEE

17.1. GENERAL

17.1.1. For the duration of the Agreement, the Lessee shall, to the reasonable satisfaction of the Lessor and at the Lessee's sole cost, care for and maintain the Premises in a clean and sanitary condition and, without derogating from the generality of the foregoing, shall maintain:

17.1.1.1. the interior of the Premises;

17.1.1.2. the electrical installations in the Premises;

17.1.1.3. the drainage and sanitary works in the Premises;

17.1.1.4. the thermostats, ventilation and air-conditioning appliances in the Premises;

17.1.1.5. the carpeting, partitions and other fixtures and fittings in the Premises; and

17.1.1.6. replace, as required, all fluorescent tubes, bulbs, starters and ballasts in the Premises.

17.1.1.7. To adhere to all the regulations and environmental/SHERQ requirements.

17.1.2. On the Termination Date or such earlier date as the Lease terminates for whatever reason, the Lessee shall return and deliver the Premises to the Lessor in the order and condition in which it existed on the Beneficial Occupation Date.

17.1.3. For the duration of the Agreement, the Lessee shall not:

17.1.3.1. use the Premises for any purpose other than for the conducting of the Business;

17.1.3.2. allow or cause any obstruction or blockage of sewerage pipes, water pipes or drains within or leading to or from the Premises and shall use its best endeavours to maintain same free of any such obstruction or blockage;

17.1.3.3. obstruct, interfere or tamper with any thermostats or air-conditioning appliances in the Premises;

17.1.3.4. without the Lessor's prior written consent, drive or permit to be driven any nails or screws into the floor, walls, ceiling, partitions, doors or windows of the Premises, nor shall the Lessee in any manner whatsoever do or permit anything to be done which may damage such floors, walls, ceilings, partitions, doors, windows or any other fixtures or fittings therein;

17.1.3.5. obstruct, whether temporarily or permanently, any part of the Common Area or any area in the Building or the Airport;

17.1.3.6. alter, interfere with or overload any of the electrical installations in the Premises;

17.1.3.7. without the Lessor's prior written consent which consent shall not be unreasonably withheld, store, harbour or use or permit the storage, harbouring or use in the Premises of any goods, chattels, furniture, fixtures or effects which are subject to

any hire purchase or lease agreement or which are not the Lessee's own property;

17.1.3.8. utilise the garbage disposal facility made available in respect of the Premises other than in accordance with the Lessor's directives and not allow any accumulation of refuse outside the Premises; and/or

17.1.3.9. make any connection to the electrical system except at the power or lighting points provided by the Lessor.

17.1.4. The Lessee shall not be entitled to install any air-conditioning units, heaters or ventilation equipment in or about the Premises without obtaining the prior written consent of the Lessor. In granting any such approval, the Lessor shall, in its sole discretion, be entitled to determine and impose such reasonable conditions and standards with regard to the type of equipment to be installed, the method and manner of installation, the maintenance thereof, and to pre-approve a Lessee and/or contractor to be used by the Lessee. Upon the expiration or earlier termination of the Agreement, the Lessee shall at the request of the Lessor be obliged to remove all such installations and to make good any damage caused to the Premises and/or the Building as a result of such installation or removal. Should the Lessee fail to fulfil such obligations, the Lessor may fulfil such obligation on the Lessee's behalf and shall recover the costs and charges attendant on so doing from the Lessee within 30 (thirty) days of presentation of an invoice by the Lessor.

17.1.5. The Lessee shall not bring into or place in the Building or the Premises any heavy article nor shall the Lessee permit the loading of or stressing of the Premises or any portion thereof in excess of the maximum permitted load or stress specified by the Lessor, without the prior written approval of the Lessor. The Lessor, in its sole discretion, may consent to the Premises or any portion

thereof being so overloaded or overstressed, subject to suitable reinforcing of the Premises being undertaken by the Lessee under the supervision of the Lessor's architect and/or other professional advisers. All costs incurred or to be incurred by the Lessor in giving effect to the provisions of this clause shall be borne and paid for by the Lessee within 30 (thirty) days of presentation of an invoice by the Lessor.

17.1.6. The Lessee shall keep the Premises open during business hours (including late trading hours or other applicable hours) on all days of the week that the Lessor requires it to do so.

17.1.7. The Lessee shall be liable to repair any damage to the Property, Building and Premise caused by the Lessee, its employees, agents, sub-lessees, customers or invitees by utilising the Lessor's approved contractors and materials. Should the Lessee fail to fulfil such obligations, the Lessor may fulfil such obligation on the Lessee's behalf and recover the costs and charges attendant on so doing from the Lessee within 30 (thirty) days of presentation of an invoice by the Lessor.

17.1.8. The Lessee shall replace any keys, locks, windows, doors, carpeting, partitions, fixtures, fittings, toilets, washbasins or other installations or fittings which are lost, removed from the Premises or otherwise damaged or destroyed by the Lessee, its employees, agents, sub-lessees, customers or invitees by utilising the Lessor's approved contractors and materials. Should the Lessee fail to fulfil such obligations, the Lessor may fulfil such obligation on the Lessee's behalf and recover the costs and charges attendant on so doing from the Lessee within 30 (thirty) days of presentation of an invoice by the Lessor.

17.1.9. The Lessee shall at its own expense repair any damage caused to the Premises by forcible entry.

17.2. RULES OF THE LESSOR

17.2.1. If applicable the Lessee shall at all times comply with the Conditions of Use Document attached as **ANNEXURE F** as well as the Airside Service Provider Licence Agreement as amended from time to time.

17.2.2. As at the Beneficial Occupation Date, the Lessor has prescribed (and may, from time to time in its sole discretion additionally prescribe, vary or rescind) rules relating to the Premises, the Building and/or the Airport and including, amongst others, security, fire, safety, access, Common Area use, parking, storage, air-conditioning, heating and matters allied thereto (collectively "**Management Rules**"). A copy of the present Management Rules of the Lessor are attached as **ANNEXURE H**, if applicable. The Lessor shall furnish the Lessee with written notice of any amendment to the Management Rules or any other management rules additionally prescribed and/or varied and/or rescinded. Notwithstanding anything to the contrary in this Agreement, the Lessee irrevocably and unconditionally acknowledges and agrees that the Lessor shall be entitled to impose a penalty on the Lessee for each and every breach of the Management Rules, which penalty shall be payable on demand and without any requirement for any prior notice by the Lessor; provided that the Lessor shall be entitled to claim any damages it may have suffered pursuant to all or any of such breaches, as an alternative to such penalty.

17.2.3. The Conditions of Use Document, the Airside Service Provider Licence Agreement shall be deemed to form part of and to be incorporated in this Agreement and the Lessee shall be obliged to strictly comply with same.

17.2.4. From time to time and without derogating from the generality of clause 17.2.2, the Lessor shall be entitled in its sole discretion to introduce Management Rules with the intent of improving the levels of service and/or to support and enhance airport operational requirements. The Lessee undertakes to abide by these rules as and when introduced.

17.3. COMPLIANCE WITH LAWS

17.3.1. The Lessee and its employees, agents, sub-lessees, representatives and invitees shall comply with and shall not contravene or permit the contravention of:

17.3.1.1. any law, by-law, ordinance, proclamation, statutory regulation or the conditions of any license relating to or affecting aviation or the conduct of the Airport or the occupation or use of the Premises, the Building and/or the Airport;

17.3.1.2. any law, by-law, ordinance, proclamation or statutory regulation which the Lessor is required to observe by virtue of the Lessor's ownership of the Airport and/or the Building or by virtue of the Lessor's control over the Airport and/or the Building;

17.3.1.3. any law, by-law, ordinance, proclamation or statutory regulation which applies to or effects the conducting of the Business;

17.3.1.4. if applicable, the relevant conditions incorporated in and/or noted on the title deeds of the property on which the Airport is situated and the relevant conditions of establishment of the township in which the Airport is situated.

17.3.1.5. If applicable, the Management Rules periodically prescribed and/or directives issued by the Lessor as noted in clause 17.2 (compliance with the management rules of the Lessor);

17.3.1.6. customs and excise laws, laws relating to occupational health and safety as well as any tax law; and

17.3.1.7. the airside rules and regulations contained in the Airside Service Provider Concession Agreement, if applicable.

17.3.2. Without limiting the applicability of any legislation, all legislation shall, at all times, be strictly adhered to as well as any amendments thereto.

17.4. **NUISANCE**

The Lessee shall conduct the Business and occupy the Premises in a manner which ensures that such use and conduct do not interfere with, cause any disturbance or nuisance of whatsoever nature to, or affect the rights and privileges of the Lessor, any other tenant of the Building or any member of the general public.

17.5. **SIGNAGE**

External Signage

17.5.1. The Lessee shall not be entitled to exhibit any signboards, neon signs, nameplates, advertisements or the like (referred to as “**Signs**”) on the exterior of the Premises or anywhere in or on the Building or the Airport without the prior written approval of the Lessor, who may impose commercial conditions.

17.5.2. The Lessee shall keep and maintain any Signs approved of by the Lessor in a good and clean condition for the period of the Lease and, if such Signs are electronic, electric or mechanical, in proper working order and condition.

17.5.3. The Lessee hereby indemnifies the Lessor against all claims of whatsoever nature which may be made against the Lessor as a result of the installation, erection or operation of any Signs by the Lessee, whether installed with or without the Lessor’s prior written approval or any defect in any such Signs or any such installation or erection or as a result of any failure on the part of the Lessee or any of the Lessee’s employees, agents, sub-lessees, customers or invitees to keep and maintain any such Signs in good order and condition or properly installed or erected.

17.5.4. Upon the expiration or earlier termination of the Agreement for whatever reason, all Signs, signboards or

notices installed and/or erected at the instance of the Lessee shall be removed by the Lessee at the Lessee’s cost and any damage caused to the Premises, the Building and/or the Airport as a result of the erection, installation or removal of such Signs, signboards or notices shall be promptly repaired by the Lessee to the sole satisfaction of the Lessor.

17.5.5. Should the Lessee, at any time, fail to comply with any of the provisions of this clause and persist in such failure for a period of 14 (fourteen) Business Days after being required in writing to remedy same, then without prejudice and in addition to the Lessor’s other rights arising from the Lessee’s breach, the Lessor shall have the right to enter the Premises and to remove such Signs. Any costs incurred by the Lessor in reinstating the Premises or the Building shall be paid by the Lessee to the Lessor on written demand or by utilising the security deposit of the Lessee.

17.5.6. The Lessee shall, at its cost, comply with and carry out from time to time all reasonable requirements of the Lessor in respect of the installation, erection and/or display of any Signs on the Premises at the instance of the Lessor.

Interior Advertising

17.5.7. The Lessee shall not be entitled to exhibit any signboards, neon signs, nameplates, advertisements or the like (referred to as “**Signs**”) in the interior or on the exterior of the Premises or anywhere in or on the Building or the Airport without the prior written approval of the Lessor, who may impose commercial conditions.

17.5.8. The Lessee shall keep and maintain any Signs approved of by the Lessor in a good and clean condition for the period of the Lease and, if such Signs are electronic, electric or mechanical, in proper working order and condition.

17.5.9. The Lessee shall not be entitled to advertise or allow any third party to advertise or derive any benefit from any advertising in the Premises whether financial or otherwise, or for its own benefit or that of a third party, without the prior written consent of the Lessor.

17.5.10. Should the Lessee, at any time, fail to comply with the provisions of clause 15.5.9 and persist in such failure for a period of 10 (ten) Business Days after being required in writing to remedy same, then without prejudice to and in addition to the Lessor's other rights arising from the Lessee's breach, the Lessor shall have the right to enter upon the Premises and remove any such advertising.

17.6. **ASSISTANCE AND AIRPORT REGULATIONS**

The Lessee and its employees, agents, sub-lessees, customers and invitees shall:

17.6.1. at all times, offer reasonable assistance to a police, customs or immigration officer or any employee or agent of the Lessor who may wish to enter the Premises;

17.6.2. obey all traffic regulations in force at the Airport; and

17.6.3. obtain and pay for any Airside Vehicle Operators Permit that may be stipulated by the Lessor if the Lessee requires access to controlled airside areas of the Airport. It is recorded that the Lessee will only be granted an Airside Vehicle Operators Permit once it has concluded and agreed to be bound by the terms of an Airside Service Provider Concession Agreement.

17.7. **RIGHT OF ENTRY FOR INSPECTION**

17.7.1. The Lessor or its duly authorised agent shall be entitled, and the Lessee shall permit the Lessor, to enter the Premises at all reasonable times and on reasonable notice for the purpose of inspecting the Premises and ensuring and monitoring compliance by the Lessee of the terms of this Agreement, the Airside Service

Provider Concession Agreement, if applicable, and all relevant laws.

17.7.2. The Lessor shall display due diligence in properly co-ordinating such access to the Premises.

17.7.3. If, in the reasonable opinion of the Lessor, it must gain access to the Premises in the case of emergency, the Lessor shall have full and unrestricted access to the Premises and for this purpose, the Lessee shall furnish the Lessor with duplicate keys for all doors of the Premises.

17.8. **BROAD-BASED BLACK ECONOMIC EMPOWERMENT**

17.8.1 The Lessee shall, upon receipt of a reasonable written request from the Airports Company, provide the Airports Company with a BBBEE verification certificate issued by a rating agency accredited by the South African National Accreditation Service, reflecting the Lessee's current black ownership level together with the Lessee's current BBBEE Rating.

17.8.2 The Lessee shall, for the duration of the Agreement:

17.8.2.1 maintain or improve its BBBEE Rating;

17.8.2.2 notify the Airports Company in writing within 14 (fourteen) days of any occurrence which significantly affects or will significantly affect its BBBEE Rating; and

17.8.2.3 notify the Airports Company in writing within 30 (thirty) days of the occurrence as to what steps have been and/or will be taken to restore its BBBEE Rating.

17.8.3 **EMPLOYMENT EQUITY**

In the conduct of the Business, the Lessee undertakes to actively promote and encourage employment equity and, in particular, undertakes not to discriminate against any person on the basis of race, colour, sex, religion, age, national or ethnic origin, political belief, veteran status or handicap.

17.9 TAX COMPLIANCE

17.9.1 The Lessee represents and warrants that as of the Signature Date, the Lessee will remain compliant with all applicable laws relating to taxation in South Africa.

17.9.2 The Lessee shall deliver to the Airports Company on the Signature Date and each anniversary thereof during the term of the Agreement a valid tax clearance certificate issued to the Lessee for the then-current year. If the Lessee fails to provide such a certificate, the Airports Company may terminate the Agreement on 30 (thirty) days' notice.

17.10 COMPUTER EQUIPMENT

17.10.1 The lessee forthwith on receipt of written notification from the Lessor notifying the Lessee of the Lessor's successful installation and commissioning of the Lessor's computer system, the Lessee shall be obliged, at the Lessor's request, to supply the Lessor with all information requested by the Lessor pursuant to this Lease, including Sales volumes and Turnover in electronic format as prescribed by the Lessor in order to enable the Lessor to download the information onto its computer system.

17.11 SPOT FINES

17.11.1 Without prejudice to any rights and remedies that the Lessor may have under this Agreement or in law, the Parties agree that the Lessor may be entitled at any time and from time to time to impose spot fines upon the Lessee for certain breaches of this Agreement as set out in the Management Rules – Annexure H. The Lessor shall also be entitled at any time and from time to time, on written notice to the Lessee, amend the Management Rules to, *inter alia*, add further provisions for breaches and fines.

17.11.2 The Lessee shall pay to the Lessor the fines contemplated in the Management Rules (Annexure H) in full (by way of direct electronic funds transfer in immediately available funds, without set-off or

deduction) within 30 (thirty) days of receipt of an invoice in respect thereof from the Lessor.

17.11.3 Notwithstanding anything to the contrary contained in this Agreement, the operation of this clause 17 (*Spot Fines*) is without prejudice to any other remedies that the Lessor may have against the Lessee in law or otherwise, provided that any fine paid by the Lessor in terms of clause refer to Management Rules (Annexure H), pertaining to a particular act or omission of the Lessee, shall be deducted from any quantum of damages that may be awarded to the Lessor pursuant to such other remedies, pertaining to that same act or omission.

17.11.4 Any amount not paid as set out in this clause 17 (*Spot Fines*) above shall accrue interest calculated at the interest rate contemplated in clause 28.4 for the number of days from the date that such amount became due to the date that such amount is paid in full (assuming a 365 (three hundred and sixty five) day year). The aforesaid interest shall be capitalised

18 GENERAL OBLIGATIONS OF THE LESSOR

For the duration of the Agreement, the Lessor shall:

18.1 be responsible for the maintenance and repair of the electrical, water, sewerage and other installations outside the Premises but within the Airport and Property ("**the Installations**");

18.2 not be liable to the Lessee for any delay or failure by it to maintain or repair any of the Installations or for any loss, whether direct, indirect, consequential or otherwise that may arise therefrom;

18.3 allow the Lessee access to the Premises on routes designated by the Lessor through the Airport;

18.4 allow the Lessee non-exclusive use of the Common Area. Notwithstanding the foregoing, nothing herein contained shall be interpreted or construed as rendering the Lessor liable to the Lessee for damages or otherwise in the event that any restriction or closure of the Airport, the Building, the Premises or any part or

portion thereof should occur and irrespective of the cause thereof;

18.5 notify the Lessee of acceptable delivery times and routings for deliveries of the Lessee's goods and materials;

18.6 pay all municipal rates and taxes and all water, electricity, refuse removal, sanitary and other local authority charges levied against it or payable from time to time in respect of the Premises, the Building, Property and the Airport without however derogating from the right of the Lessor to recover from the Lessee the Rental, operating costs and contributions stipulated in this Agreement;

18.7 clean and maintain the Common Area, the Lessor to determine the nature, quality, timing and frequency thereof, the Lessee undertaking not to impede or hinder the Lessor in carrying out its obligations in this regard;

18.8 keep and maintain the exterior walls, windows, glass fittings and the roof of the Building in good order, repair and condition. Upon receipt by the Lessor from the Lessee of written notice detailing any damage to the outside walls or roof of the Building requiring repair, the Lessor shall effect the necessary repairs as soon as may be reasonably practicable. The Lessee shall not be entitled to cancel this Agreement or to claim any revision of the Rental by reason of the Premises being in a defective condition. In effecting such repairs, the Lessor shall take reasonable care to cause the Lessee as little inconvenience as may be reasonably possible but the Lessor shall not be liable to the Lessee for any damages arising out of such inconvenience; and

18.9 provided such individuals meet the requirements of the Lessor, issue to the Lessee's staff security passes against payment to the Lessor by the Lessee of the Lessor's reasonable and customary issue charges.

19 GENERAL AIRPORT ENVIRONMENT AND FURTHER RIGHTS OF THE LESSOR

19.1 COMMON AREAS AND FACILITIES

19.1.1 The Common Areas and the Airport including, without limitation, yards, passages, parking areas, sidewalks, driveways, entrances, exits, loading docks, ramps, landscape areas, interior stairways, exterior stairways, toilets and all other amenities provided by the Lessor shall, at all times, be subject to the exclusive control of the Lessor. The Lessor shall have the right, from time to time, to establish, modify and enforce rules and regulations with respect thereto and generally to operate and maintain the Common Area and any facilities at the Airport in such a manner as the Lessor may determine in its sole discretion.

19.1.2 Without limiting the generality of the foregoing, the Lessor shall have the right to:

19.1.2.1 construct, maintain and operate lighting facilities wherever it decides in or on the Common Areas and the Airport and to police same;

19.1.2.2 from time to time, change the area, location and arrangement of the Common Areas;

19.1.2.3 close temporarily or permanently all or any portion of the Common Areas; and

19.1.2.4 do or perform such other acts in and to the Common Areas as the Lessor shall, in its sole discretion, determine.

19.1.3 The Lessee shall not be entitled to the exclusive use at any time of the any Common Area, the passengers' parking areas, entrances, exits, loading docks, ramps or toilets provided by the Lessor but shall be entitled to reasonable non-exclusive use of same, having regard to the rights of the Lessor, other tenants of the Airport and the general public.

19.1.4 The Lessee shall use the Common Areas and facilities with due regard to the rights of the other tenants and persons using same and shall not do anything which, in the sole opinion of the Lessor, may interfere with or obstruct the rights of any other tenants at the Airport or in any way injure or annoy such tenants or act or fail to act in a manner which conflicts with any laws, by-laws or regulations of the Republic of South Africa (including town planning regulations and conditions of title applicable to the Building and the Airport) or the provisions of the Management Rules.

19.1.5 The Lessee shall not install, erect or place any machine or apparatus in the Common Areas without the Lessor's prior written approval.

19.1.6 The Lessee shall not leave or permit to be left any packages, furniture, bicycles, handcarts, boxes, bags, paper, rubbish or any other goods or articles in the Common Areas other than at specific areas designated by the Lessor for such purpose.

19.1.7 The Lessee shall not, without the Lessor's prior written consent, solicit or canvass for business in the Common Areas or elsewhere in the Building or the Airport and shall not distribute any pamphlets, handbills or other advertising material on or in motorcars parked in the Airport's parking areas.

19.2 PROVISION OF SERVICES

The provision of services (including, amongst others, refuse removal and security services) to the Premises, the Building and the Airport and the nature thereof shall be at the sole discretion of the Lessor. Should the Lessee require services that the Lessor does not offer, the Lessee, with the prior written consent of the Lessor, may procure such services for its own account, risk and sole cost provided.

19.2.1 Neither the Lessor nor its agents, representatives or employees shall be liable for receipt or non-receipt or delivery or non-delivery of goods, postal matter or correspondence, nor shall the Lessor be liable for anything which the Lessee or any employee, representative, sub-lessees, customer or invitee may have deposited or left in the Premises or in any part of the Building or on the Airport.

19.2.2 All goods brought onto the Premises, the Building or the Airport by the Lessee or on behalf of the Lessee or permitted by the Lessee shall be so brought at the sole risk of the Lessee and no responsibility in respect thereof shall vest in the Lessor. The Lessee acknowledges that the Lessor shall not be responsible for any loss or damage of any kind to the Lessee's property whilst in or on the Premises, the Building or the Airport. The Lessee, accordingly, indemnifies the Lessor against claims by the Lessee, its employees, representatives, sub-lessees, agents, clients and invitees.

19.3 PARKING AREAS AND DRIVEWAYS

19.3.1 The Lessor shall, at all times, have the right to:

19.3.1.1 change the allocations and arrangements of driveways;

19.3.1.2 close temporarily all or any portion of the parking areas;

19.3.1.3 discourage or restrict non-customer parking; and/or

19.3.1.4 generally control and/or undertake such acts in regard to such areas as the Lessor, in its sole discretion, deems necessary.

19.3.2 If a particular area at the Airport is, at any time, set aside by the Lessor for the parking of vehicles of the Lessee, the Lessee undertakes that it shall make use of such area exclusively and of no other area.

19.3.3 All loading and unloading of goods of the Lessee shall be undertaken at such times, in those areas and through those entrances designated specifically for such purpose by the Lessor. The delivery of goods of the Lessee to and from the Premises shall be subject to such rules and regulations as the Lessor, in its absolute discretion, may impose.

20 DAMAGE OR DESTRUCTION OF THE BUILDING

20.1 Should the Premises or the Building be destroyed or damaged to such an extent that the Premises are, in the opinion of the Lessor's architect, rendered untenable, then the Lessor or the Lessee shall be entitled to cancel this Agreement on 20 (twenty) Business Days' prior written notice to the other, provided that neither Party shall have any claim against the other arising from such cancellation.

20.2 In the event of the Lease not being cancelled in terms of clause 20.1:

20.2.1 the Lessor shall, at its cost and expense, reinstate the Premises as soon as may be reasonably practicable in the circumstances;

20.2.2 the Lessee shall be absolved from the payment of any amounts under this Agreement for so long as the Lessee is deprived of beneficial occupation of the Premises;

20.2.3 the Lessee shall, upon being given beneficial occupation of the whole or any part of the Premises, once again be liable for payment of those amounts contemplated in this Agreement from the date of being so given such beneficial occupation. In this regard, the decision of the Lessor's architect as to the commencement and extent of such beneficial occupation shall be final and binding on the Parties; and

20.2.4 the Lessee shall have no claim of any nature whatsoever against the Lessor as a result of not

having beneficial occupation of the Premises, irrespective of the cause.

20.3 Should the Premises or the Building be damaged to such an extent that the Premises are, in the sole opinion of the Lessor's architect, not rendered untenable, then:

20.3.1 this Agreement may not be cancelled;

20.3.2 the Lessor shall, at its cost and expense, repair the damaged or destroyed portion of the Premises as soon as may be reasonably practicable in the circumstances;

20.3.3 the amounts payable by the Lessee in terms of this Agreement shall be reduced pro rata by the extent to which the Lessee is deprived of beneficial occupation of the Premises. The decision of the Lessor's architect as to the period and extent of the deprivation of such beneficial occupation of the Premises shall be final and binding on the Parties; and

20.3.4 the Lessee shall have no claim of any nature whatsoever against the Lessor as a result thereof, irrespective of the cause.

21 INSURANCE, INDEMNITY AND LIABILITY

21.1 The Lessor shall, at Beneficial Occupation Date and at all times during the currency of this Agreement, maintain adequate insurance in respect of all risks selected by the Lessor in its sole discretion for loss or damage to the Airport, Buildings, parking bays, kiosks, the Premises and Common Areas including public liability, in respect of its own liability including any liability arising in the Common Areas and any liability arising under common law or statute for an insured amount that in the opinion of the Lessor is appropriate insurance cover. The insurance maintained by the Lessor shall not limit any obligation or indemnity given by the Lessee in terms of this Agreement.

21.2 The Lessor shall not be liable to the Lessee or its employees, agents, mandatories, sub-lessees, customers and/or invitees for any death, injury, accident, loss or damage, including costs or charges,

(whether direct, indirect, consequential or otherwise), which may be sustained by them or any one of them in or upon the Premises or the Building or the Airport or caused to any of them or their property.

21.3 The Lessee shall be solely responsible and liable for all damages (whether direct, indirect, consequential or otherwise) and costs suffered by any person arising from or caused by the Lessee or any of its employees, agents, mandatories, sub-lessees, customers and/or invitees.

21.4 Should the Lessee, at any time, park any vehicles anywhere at the Airport, same shall be so parked at the Lessee's sole risk and expense and no liability of any nature whatsoever shall accrue to the Lessor for any loss or damage that may be sustained by the Lessee in respect of such vehicles howsoever such loss or damage may be occasioned.

21.5 The Lessee indemnifies the Lessor against any claim, liability, loss, proceedings, expense and/or costs of whatsoever nature which may be made or brought against the Lessor by the Lessee or any employee, agent, mandatories, sub-lessees, customer and/or invitee in respect of any loss, damage, injury or death which may be suffered by them or any one of them howsoever such loss, damage, injury or death may have been occasioned.

21.6 The Lessee shall not have a claim against the Lessor of whatever nature whether for cancellation of this Agreement, damages, remission of Rental or otherwise, by reason of:

21.6.1 any loss, liability, damage, including damage to the Lessee's property or the property of any other person kept at the Premises, the Building and/or at the Airport or expense suffered by any person being as a result of or attributable to the use by the Lessee of the Premises and the conduct by the Lessee of the Business;

21.6.2 any loss of life and/or injury to persons and/or damage to property caused to or sustained by or occurring in respect of the Lessee on or in the Premises, Building or Airport;

21.6.3 the condition or state of repair at any time of the Airport or any part of the Airport;

21.6.4 any breakdown of, or interruption in the operation of the Airport or any machinery, plant, equipment, installation or system situated in or on or serving the Airport, the Building or the Premises;

21.6.5 any interruption of or interference with the enjoyment of the Common Area or any part thereof caused by any building operations or other works to or on the Airport; and/or

21.6.6 any alleged inadequacy or insufficiency in the insurance taken out by the Lessor.

21.7 The Lessee shall not, at any time, bring, keep or use or allow to be brought into, kept or used on or in the Premises, the Building or the Airport or carried on or into the Premises, the Building or the Airport by any of its employees or agents, any flammable or combustible substances or items or anything whereby the fire insurance cover pertaining to the Premises, the Building and the Airport may be or become void or voidable or whereby premiums in respect of any such insurance may be increased.

21.8 If, as a result of non-compliance by the Lessee with its obligations under clause 21.7, the premiums payable by the Lessor in respect of its insurance are increased, the Lessor shall, without prejudice to any of its other rights in terms of this Agreement, be entitled to recover the amount from the Lessee on demand. In determining whether increased premiums are as a result of the Lessee's use of the Premises, a certificate from the Lessor's insurance company or brokers shall be *prima facie* evidence of the matters dealt with in that certificate.

21.9 The Lessee shall with effect from the Beneficial Occupation Date and for the duration of this Lease, procure and maintain insurance cover from a reputable insurer acceptable to the Lessor for all risks and liabilities in respect of which the Lessee may become legally liable to pay any other party by reason of its

leasing or occupation of the Premises and/or under this Agreement including public liability, common law liability and any liability arising from any statute, for an amount no less than that stipulated in **ANNEXURE A**. The Lessee shall ensure that the Lessor's interests are noted on any relevant insurance policy as a co-insured. It is specifically recorded that the Lessee hereby agrees that its liability shall not, under any circumstances, be limited to the extent of the insurance cover procured and maintained by it under this clause.

21.10 The Lessee shall on the anniversary of the Commencement Date of Agreement and on written demand by the Lessor at any other reasonable time, deliver to the Lessor a certificate from the Lessee's broker or other financial services provider to the effect that the Lessee is fully insured in terms of this clause 19 and that the premiums for the forthcoming year of the lease have been fully paid, and shall on request produce copies of insurance policies contemplated in this clause 19, or such portions thereof as relate to this Agreement.

22 CONFIDENTIALITY

22.1 Each Party undertakes to keep confidential and not to disclose to any person, except with the prior written consent of the other Party:

22.1.1 the details of this Agreement, the details of the negotiations leading to this Agreement and the information handed over to such Party during the course of negotiations, as well as the details of all transactions or agreements contemplated in this Agreement; and

22.1.2 all information relating to the business or the operations and affairs of the Parties (together "**Confidential Information**").

22.2 The Parties agree to keep all Confidential Information confidential and disclose it only to their officers, directors, employees, consultants and professional advisers who:

22.2.1 have a need to know (and then only to the extent that each such person has a need to know);

22.2.2 are aware that the Confidential Information shall be kept confidential;

22.2.3 are aware of the disclosing Party's undertaking in relation to such information in terms of this Agreement; and

22.2.4 have been directed by the disclosing Party to keep the Confidential Information confidential and have undertaken to keep the Confidential Information confidential.

22.3 The obligations of the Parties in relation to the maintenance and non-disclosure of Confidential Information in terms of this Agreement do not extend to information that:

22.3.1 is disclosed to the receiving Party in terms of this Agreement but at the time of such disclosure such information is known to be in the lawful possession or control of that Party and not subject to an obligation of confidentiality;

22.3.2 is or becomes public knowledge, otherwise than pursuant to a breach of this Agreement by the Party who discloses such Confidential Information; and

22.3.3 is required by the provisions of any law, statute or regulation, or during any court proceedings, or by the rules or regulations of any recognised stock exchange to be disclosed and subject to the provisions of clause 22.2, the Party required to make the disclosure has taken all reasonable steps to oppose or prevent the disclosure of and to limit, as far as reasonably possible, the extent of such disclosure and has consulted with the other Party prior to making such disclosure.

22.4 Before any announcement or statement is made as required by law, statute or regulation, or the rules or regulations of any recognised stock exchange, the disclosing Party will provide the other Party with a written draft of the proposed announcement at least 24 (twenty-four) hours before the proposed time of the

announcement and the Parties will use their best endeavours to agree the wording and timing of all public announcements and statements prior to their release. Copies of any public announcement or statement shall be given to each other in the most expeditious manner reasonably available.

22.5 The terms of this clause shall survive the termination of this Agreement.

23 RENEWAL OF THE LEASE

23.1 Should the Lessee wish to renew this Agreement, it shall by no later than 60 (sixty) Business Days prior to the Termination Date, the Lessee submit a written application to the Lessor in respect of the renewal of the Agreement.

23.2 The terms and conditions of any renewal of the Agreement shall be agreed to by the Parties in writing during the 60 (sixty) Business Day period failing which the Agreement will terminate on the Termination Date. The Lessor shall, under no circumstances, be liable to the Lessee should it reject the application or not agree to the terms of the renewal as proposed by the Lessee.

24 TERMINATION OF THIS AGREEMENT

Upon the expiration or earlier termination of this Lease for whatever reason, the Lessee shall:

24.1 vacate the Premises; and

24.2 return the Premises to the Lessor in the same good order and condition in which it existed on the Beneficial Occupation Date, fair wear and tear only excepted unless otherwise directed by the Lessor and if recorded in **ANNEXURE A** hereto.

24.3 Should the Lessor and Lessee intend entering into a new lease agreement subsequent to the termination of this Agreement, the Lessor will present a new lease agreement to the Lessee for signature within 7 (seven) days from Termination Date of this lease or so soon thereafter as reasonably possible, and the Lessee shall sign and return such new lease agreement to the Lessor within a period of 7 (seven) days from date of receipt thereof.

24.4 In the event of the Lessee failing to sign a new lease agreement within the time period stipulated in paragraph 24.3 above, then and in that event:-

24.4.1 the Lessee will pay, the Guaranteed Minimum Monthly Rental which shall escalate by the percentage stipulated in Annexure A from Termination Date. The Lessee shall be liable to pay the escalated Guaranteed Minimum Monthly Rental plus an amount equivalent to 100% of the Guaranteed Minimum Monthly Rental for every month in occupation until the Lessee vacates the Premises.

24.4.2 The Lessor shall be entitled to accept and recover such payments and the acceptance and recovery of same shall be without prejudice to and shall not in anyway:-

24.4.2.1 affect the Lessor's right to evict the Lessee at any stage prior to signature of the new lease, should it decide to do so; and

24.4.2.2 affect the Lessor's right to claim damages from the Lessee; and

24.4.2.3 constitute an implied lease on a month-to-month basis.

24.4.3 Should the Lessee, having failed to sign a new lease agreement, comply with the Lessor's demand to vacate the premises then the Lessee shall:-

24.4.3.1 vacate the premises within seven (7) days from such demand; and

24.4.3.2 Bid return of the premises to the Lessor in the same good order and condition in which it existed on the commencement date, fair wear and tear only accepted.

25 CANCELLATION AND HOLDING OVER

25.1 In the event that the Lessee:

- | | | | |
|--------|--|---------|---|
| 25.1.1 | fails to timeously lodge the security deposit with the Lessor or fails to timeously lodge the additional security with the Lessor as provided for in clause 10 (security deposit); | 25.1.9 | defaults in respect of any other agreement entered into by it with the Lessor which results in the Lessor having a right to cancel such agreement; and/or |
| 25.1.2 | fails to effect payment of the Rental or other amounts due by it in terms of this Agreement on due date and fails to remedy such breach within 10 (ten) Business Days of having been required in writing to do so; | 25.1.10 | is in contravention of any legislation including, without limiting the provisions of any other legislation, the provision of the National Environmental Management Act 109 of 1998, the Environment Conservation Act 73 of 1989, or any other environmental law or regulation, and fails to remedy that breach within a reasonable time after written notice from the Lessor or the relevant environmental society; |
| 25.1.3 | breaches any of the other provisions of this Agreement (irrespective of whether such breach is material) and fails to remedy such breach within 10 (ten) Business Days of having been notified in writing to do so; | 25.1.11 | fails to maintain adequate insurance cover during the currency of lease agreement |
| 25.1.4 | is liquidated, placed under business rescue or is sequestrated (whether provisionally or finally and whether voluntary or compulsorily); | | the Lessor shall be entitled, but not obliged, notwithstanding any previous waiver or anything to the contrary herein contained and without prejudice to any of the Lessor's rights under this Agreement and/or at law (including any right to claim damages and/or any right to impose any penalties in terms of clause 17.2.2), either: |
| 25.1.5 | effects a general compromise or any other arrangement with its creditors other than a solvent reconstruction; | | |
| 25.1.6 | suffers any judgement to be made or granted against it and fails to take steps to set aside or rescind same within 10 (ten) Business Days of same having been so made or granted against it; | 25.1.12 | to cancel this Agreement forthwith, evict the Lessee from the Premises and recover from the Lessee any damages suffered by the Lessor as well as all amounts which became due for payment by the Lessee in terms of this Agreement prior to the date of such cancellation; or |
| 25.1.7 | disposes of the Business or the whole or greater part of the assets comprising the Business without the Lessor's prior written consent to such disposal having been obtained and irrespective of the cause or method of such disposal; | 25.1.13 | to cancel this Agreement and permit the Lessee to remain in occupation of the Premises as a monthly tenant on the basis that the tenancy will be terminable by the Lessor (but not by the Lessee) on one month's written notice to the Lessee but subject otherwise to all the terms and conditions of this Agreement, the necessary changes being made; or |
| 25.1.8 | undergoes any change in the identity of any of its shareholders, members or partners without the prior written consent of the Lessor to such change having been obtained and irrespective of the cause of such change; | 25.1.14 | not to cancel this Agreement and to claim immediate specific performance (in the circumstances referred to in clauses 25.1.1, 25.1.2, 25.1.3). |

- 25.2 In addition and without prejudice to any other legal remedies it may have under this Agreement and/or at law (including any right to claim damages and/or any right to impose any penalties in terms of clause 17.2.2), the Lessor may immediately and on written notice to the Lessee, cancel this Agreement without any compensation to the Lessee if:
- 25.2.1 this Agreement is rendered invalid and unenforceable by any order of court or applicable statute or regulation; or
- 25.2.2 the Airside Service Provider Concession Agreement expires, is terminated for any reason whatsoever or is not, for any reason whatsoever, entered into by the Lessee to the reasonable satisfaction of the Lessor; or
- 25.2.3 in accordance with clauses 25.1.2 or 25.1.3, has rectified a breach on 2 (two) occasions during the preceding 12 (twelve)-month period and commits a further breach of this Agreement (irrespective of whether such breach is material or not).
- 25.3 Should the Lessor cancel this Agreement and the Lessee disputes the Lessor's right to so cancel and remain in occupation of the Premises:
- 25.3.1 the Lessee shall, pending the determination of such dispute in terms of the provisions of clause 27 (dispute resolution), continue to pay on due date to the Lessor all amounts which would have been payable by it under this Agreement had such cancellation not occurred;
- 25.3.2 the Lessor shall be entitled to accept and recover such payments and the acceptance and recovery of same shall be without prejudice to and shall not, in any way, affect the Lessor's right to the cancellation then in dispute. The acceptance by the Lessor of such payments from the Lessee will in no way create a new implied month-to-month lease in respect of the property; and
- 25.3.3 the Lessor's right to claim damages suffered by it as a result of the Lessee's breach shall not be affected.
- 25.4 Should the Agreement expire by effluxion of time and the Lessee disputes the tender process carried out by the Lessor in respect of the continued occupation of the premises and the Lessee remains in occupation thereof, then:
- 25.4.1 the Lessee shall, pending the determination of such dispute in a court of law continue to pay on due date to the Lessor all amounts which would have been payable by it under the Agreement as if such Agreement still exists;
- 25.4.2 the Lessor shall be entitled to accept and recover such payments and the acceptance and recovery of same shall be without prejudice to and shall not in any way affect the Lessor's rights in and to such dispute.
- 25.4.3 should the dispute between the Lessor and the Lessee be determined in favour of the Lessor, the payments made to the Lessor in terms of 25.4.1 hereof shall be regarded as amounts paid by the Lessee towards the damages suffered by the Lessor arising out of the holding-over by the Lessee of the Premises.
- 25.4.4 Should the Agreement terminate due to the efflux of time and the Lessee remains in occupation of the premises and the Lessor disputes the continued occupation of the Premises, the acceptance of any monies paid to the Lessor shall not be taken to mean the lease is to continue for a further period or that a new implied lease has come into existence.
- 25.5 In the Event that the Lessee is in breach of this Agreement in terms of this clause 25 and the Lessor elects to cancel the Agreement, then the full value of the Agreement will immediately become due and payable.

26 ANTI-CORRUPTION UNDERTAKINGS

Each party to this agreement shall be bound by the Anti-Corruption Undertakings attached as **ANNEXURE I** hereto, in so far as such undertakings are applicable to the terms of this Agreement.

27 DISPUTE RESOLUTION

27.1 General Dispute Resolution

27.1.1 Any dispute of whatsoever nature which arises out of or in connection with this Agreement, including any dispute as to the validity, existence, enforceability, interpretation, application, implementation, breach, termination or cancellation of this Agreement or as to the Parties' rights and/or obligations in terms of this Agreement or in connection with any documents furnished by the Parties in terms of this Agreement, shall be submitted to binding arbitration before a single arbitrator in terms of this clause 27 and, except as otherwise provided herein, the rules for the time being as stipulated by the Arbitration Foundation of Southern Africa.

27.1.2 The arbitrator shall, if the dispute is:

27.1.2.1 primarily an accounting matter, be an independent practising accountant of not less than 10 (ten) years' standing as such; or

27.1.2.1.1 primarily a legal matter, be an attorney of not less than 10 (ten) years' standing as such or a practising senior counsel.

27.1.2.2 Such arbitrator shall be agreed upon in writing by the Parties; provided that if the Parties do not, within 3 (three) Business Days after the date on which the arbitration is demanded, agree in writing as to the nature of the dispute and the identity of the arbitrator, the arbitrator shall, irrespective of the nature of the dispute, be appointed by the Chairperson of the Arbitration Foundation of Southern Africa or its successor-in-title upon request by either Party to make such appointment after expiry of such 3 (three) Business Days.

27.1.2.3 The arbitration shall be held as quickly as possible after it is demanded with a view to it

being completed within 60 (sixty) Business Days after it has been so demanded.

27.1.2.4

Promptly after the arbitrator has been appointed, either Party shall be entitled to call upon the arbitrator to fix a date when and where the arbitration proceedings shall be held and to settle the procedure and manner in which the arbitration proceedings shall be held. The arbitration proceedings shall be held in Johannesburg, Republic of South Africa.

27.1.3

The arbitrator shall allocate the costs of the arbitration in the manner that the arbitrator deems appropriate.

27.1.4

Any order or award that may be made by the arbitrator:

27.1.4.1

shall be final and binding ;

27.1.4.2

shall be carried into effect; and

27.1.4.3

may be made an order of any competent court (including the High Court of South Africa).

27.1.5

This clause 27 is severable from the rest of the Agreement and constitutes an irrevocable consent by the Parties to any proceedings in terms hereof, which consent to arbitration shall survive the Agreement regardless of whether the Agreement is terminated for any reason whatsoever.

27.1.6

The arbitrator shall have the power to give default judgment if any party fails to make submissions on due date and/or fails to appear at the arbitration (or appeal).

27.1.7

Notwithstanding the above or any prior submission of the dispute to arbitration by the Lessee, the Company, in its sole election, shall be entitled to bring any dispute before the South Gauteng High Court, the Republic of South Africa and the Lessee hereby submits to the jurisdiction of the High Court.

27.2 Urgent Relief

Nothing in this clause 27 shall preclude either Party from obtaining urgent or interim relief from the High Court of South Africa or any other competent organs of state created

for the specific purpose of regulating the business or industry activities in which the Parties are engaged.

27.3 Continued Performance

Subject to the Airports Company's right to withhold payment of amounts it disputes in good faith under clause 27, and to terminate the Agreement, each Party agrees to continue performing its obligations under this Agreement while any dispute is being resolved.

28 MISCELLANEOUS MATTERS

28.1 POSTAL ADDRESSES

28.1.2 For the purposes of giving any written notice in connection with this Agreement, the Lessor and the Lessee chooses the addresses set out in **ANNEXURE A**. The notice shall be deemed to have been duly given:

28.1.2.1 10 (ten) Business Days after posting, if posted by registered post to the Party's address in terms of this clause;

28.1.2.2 on delivery, if delivered to the Party's physical address in terms of either this clause or clause 28.2 (addresses for service of legal documents); or

28.1.2.3 on despatch, if sent to the Party's then fax number and confirmed by registered letter posted no later than the next Business Day.

28.1.3 Each Party may change that Party's address for this purpose to another postal address in the Republic of South Africa, by notice in writing to the other Party. No notice shall be necessary in respect of a new or changed fax number.

28.1.4 Notwithstanding anything to the contrary contained herein, a written notice or communication actually received by a Party shall be adequate notice or communication to the Party notwithstanding that the notice or

communication was not sent to or delivered at the Party's chosen address under this clause or clause 28.2 (addresses for service of legal documents).

28.2 ADDRESSES FOR SERVICE OF LEGAL DOCUMENTS

28.2.2 For the purposes of serving any documents in connection with any legal proceedings relating to this Agreement, (ie, their *domicilia citandi et executandi*), the Parties choose the addresses set out in **ANNEXURE A**.

28.2.3 A Party may change that Party's address for this purpose to another physical address in the Republic of South Africa, by notice in writing to the other Party.

28.3 CHANGE OF NAME

The Lessor shall be entitled, at any time during the currency of this Agreement and in its sole and absolute discretion, to change the name of the Airport.

28.4 INTEREST ON ARREARS

In the event that any amount due and owing by the Lessee to the Lessor under this Agreement is not paid promptly on due date, then such overdue amount shall, without prejudice to any other rights or remedies which may vest in the Lessor, attract interest at the prime rate plus 3%, from due date to date of payment. For the purposes of this clause, "*prime rate*" means the publicly quoted basic rate of interest per annum from time to time (as certified by any general manager of Nedbank Limited, whose appointment it shall not be necessary to prove) at which Nedbank Limited lends on overdraft to its best corporate customers.

28.5 CESSION

28.5.2 The Lessee shall not be entitled to cede, assign or otherwise transfer any of its rights or

obligations under this Lease without the prior written consent of the Lessor.

28.5.3 The Lessor is entitled to cede, assign or otherwise transfer any of its rights and obligations under this Lease on 20 (twenty) Business Days written notice to the Lessee.

28.6 PROHIBITION AGAINST DEDUCTION OR SET-OFF

The Lessee shall not be entitled to deduct or set-off any amounts it may allege are owing to it by the Lessor from whatsoever cause arising, from or against, such amounts as are due by the Lessee to the Lessor in terms of this Agreement.

28.7 ENTIRE AGREEMENT

This Agreement contains all the express provisions agreed on by the Parties with regard to the subject matter of the Agreement and the Parties waive the right to rely on any alleged express provision not contained in the Agreement.

28.8 REPRESENTATIONS

28.8.2 No Party may rely on any representation which allegedly induced that Party to enter into this Agreement.

28.8.3 Specifically, the Lessor does not warrant that:

28.8.3.1 the Premises is fit for the purpose for which it is let or the suitability, condition or safety of the Premises for the purpose for which it is let; or

28.8.3.2 the Premises will, at the Commencement Date, comply with any rules, regulations or requirements of any local authority applicable to the operation of the Business to be undertaken at the Premises; and

28.8.3.3 the Lessee shall be granted any licence, consent or permit or any renewal

thereof from any lawful authority as may be required in order for the operation of the Business or for any change in respect of the use of the Premises or a change of any specifications which may be required by the Lessee.

28.8.4 The Lessor does however warrant that the Property is zoned so that the Premises may be utilised for the purpose of conducting the Business.

28.9 VARIATION, CANCELLATION AND WAIVER

Save as permitted under this Agreement (including clause 17.2.2), no contract varying, adding to, deleting from or cancelling this Agreement and no waiver of any right under this Agreement, shall be effective unless reduced to writing and signed by or on behalf of the Parties.

28.10 NO INDULGENCES

No indulgences, leniency or extension of time which the Lessor may grant or show to the Lessee shall, in any way, prejudice the Lessor or preclude the Lessor from exercising any of its rights in the future.

28.11 LAW TO APPLY

This Agreement and all matters or disputes arising herefrom or incidental hereto shall be governed and construed in accordance with the laws of the Republic of South Africa.

28.12 SEVERABILITY

Any provision in this Agreement which is or may become illegal, invalid or unenforceable shall be treated *pro non scripto* and severed from the balance of the Agreement without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such remaining provisions.

28.13 CONSENT NOT TO BE UNREASONABLY WITHHELD

Wherever this Agreement provides that a Party's consent is required for the performance of, or omission to perform, any act by the other Party that the consent shall not be unreasonably withheld.

28.14 COUNTERPARTS

This Agreement may be signed by the Parties in one or more counterparts, provided that all such signed agreements shall be deemed to be one agreement enforceable in accordance with its terms.

28.15 COSTS

28.15.2 The costs incidental to the negotiation, drafting and preparation of this Agreement shall be borne by each Party at its own cost.

28.15.3 The Lessee shall be responsible for all costs, charges and expenses of whatsoever nature which may be incurred by the Lessor in enforcing its rights in terms hereof, including, without limitation, legal costs on the scale as between attorney and own client and collection commission, irrespective of whether any action has been instituted against the Lessee or not.

28.16 PREMISES INSTALLATION

The Premises will, if applicable, be fitted-out in accordance with the provisions set out in **ANNEXURE H** hereto.

29 CESSION AND ASSIGNMENT

29.1 The Lessee shall not be entitled to cede, assign, transfer or delegate ("**Transfer**") all or any of its rights, obligations and/or interest in, under or in terms of this Agreement to any third party without the prior written consent of the Airports Company (which consent shall not be unreasonably withheld).

29.2 The Airports Company shall be entitled, in its sole and absolute discretion, to Transfer any or all of its rights, obligations and/or interest in, under or in terms of this Agreement and shall notify the Lessee in writing of such Transfer.

30 PROTECTION OF PERSONAL INFORMATION

30.1 For the purposes of this clause, the words "**data subject**", "**personal information**", "**process**", "**responsible party**" and "**Regulator**" have the meanings given to them in the Protection of Personal Information Act, 2013 ("**POPI**").

30.2 Both Parties will comply with their obligations under POPI in relation to personal information for which they are the responsible party.

30.3 The Lessee indemnifies Airports Company against any civil or criminal action or administrative fine or other penalty or loss as a result of the Lessee's breach of this clause.

31 FORCE MAJEURE

Neither Party shall be liable for any default or delay in the performance of its obligations under this Agreement if and to the extent: (i) the default or delay is caused, directly or indirectly, by fire, flood, elements of nature, earthquake, rebellion, civil disorder, revolution, or any other cause beyond the reasonable control of that Party; and (ii) the non-performing Party is without fault and the default or delay could not have been prevented by reasonable precautions (a "**Force Majeure Event**"). Subject to clause 29, in such event, the non-performing Party is excused from further performance for as long as such circumstances prevail and the Party continues to use its commercially reasonable efforts to recommence performance. Any Party so delayed shall notify the Party to whom performance is due and describe the circumstances causing the delay.

If a Force Majeure Event substantially prevents or delays provision of the service rendered, the Lessor has the right to cancel the Agreement without any liability.

32 SPECIAL TERMS AND CONDITIONS

32.1 The general terms and conditions of this Agreement may be varied in writing at any time and from time to time by agreement between the Parties.

32.2 In the event that the Parties wish to vary all or any of the general terms and conditions of this Agreement they shall do so by preparing a Special Terms and Conditions Form

(initialled by each of them and attached as an annexure to this Agreement).

32.3 In the event that there is a conflict between the general terms and conditions of this Agreement and those terms and condition provided for in a Special Terms and Conditions Form, the terms and conditions provided for in the Special Terms and Conditions Form shall prevail and take precedence over those contemplated in this Agreement, provided however that the Special Terms and Conditions Form references and specifically overrides the general terms and conditions in this Agreement. For purposes of the foregoing, a clause in the Special Terms and Conditions Form shall be deemed to reference and override a clause in this Agreement if it provides that it applies "**notwithstanding**" such clause.

33 RELATIONSHIP OF THE PARTIES

The Consultant, in providing the Services hereunder, is acting as an independent contractor. Neither Party is an agent of the other or has any authority to represent the other as to any matters, except as expressly authorised in this Agreement.

[Signature blocks appear on the next page.]

SIGNED by the Parties and witnesses on the following dates and at the following places respectively:

FOR AIRPORTS COMPANY SOUTH AFRICA SOC LIMITED

Signature: _____

who warrants that he / she is duly authorised thereto

Name: _____

Date and Place: _____

Designation: _____

Witness

Name: _____

Signature: _____

FOR

Signature: _____

who warrants that he / she is duly authorised thereto

Name: _____

Date and Place: _____

Witness

Name: _____

Signature: _____

ID Number: _____

ANNEXURE A - FURTHER MATERIAL TERMS OF LEASE

LESSOR'S DETAILS	
Chosen domicilium of the Lessor	
Telefax Number	
Attention:	
Bank account of the Lessor for payment of all Rentals operating costs and any other payments to the Lessor	
DETAILS OF PREMISES	
Airport	
The Property	
The Building	
Terminal	
Description of the Premises including size thereof (as more fully demarcated in Annexure "3" (plan))	
Business to be conducted by the Lessee on the Premises	
Business times and days	
LESSEE'S DETAILS	
The Lessee	
Lessee's Registration Number	
Postal address of the Lessee	
Chosen domicilium of the Lessee	
Telefax Number	
Attention	
Lessee's VAT Registration Number	
Lessee's BBBEE Level	
Tender Reference Number	

Initial Here

Commencement Date					
Termination Date					
MINIMUM RENTAL					
Period	Rental per square metre per month	Area	Rental per month excluding VAT	VAT	Total Rental per month

Period	Rental per square metre per month	Area	Rental per month excluding VAT	VAT	Total Rental per month

Period	Price per Bay	Parking Bays	Rental per month excluding VAT	VAT	Total Rental per month

Turnover Rental Percentage	Applicable
Annual escalation of Rental 8% per annum on and with effect from each anniversary of the Commencement Date	

Initial Here

OPERATING COSTS	
Operating Costs, payable monthly in advance on or before the first day of the month.	
Pro-rata percentage	N/A
Commencing operating costs	N/A
Annual escalation of Operating Costs	N/A per annum on and with effect from each anniversary of the Commencement Date
Utility Charges	Consumption of utilities are payable in addition to rental
SECURITY DEPOSIT	
R being the rental payable in respect of the first month of the Lease, for three (3) months	
MINIMUM AMOUNT OF INSURANCE COVER OF LESSEE	
R10,000,000.00 in respect of public liability insurance for land side areas of the Airport	Not Applicable
R10,000,000.00 in respect of public liability insurance for airside areas of the Airport, but with no direct access to the apron and third-party aircraft	Not Applicable
R100,000,000.00 in respect of public liability insurance for airside areas of the Airport with direct access to the apron and third-party aircraft	Applicable

1. **ANNEXURE B: RESOLUTION OF THE LESSEE**

Resolved that:

- (1) the terms and conditions of the lease agreement entered into on or about _____ between Airports Company South Africa Limited (registration number 1993/004149/30) ("**the Lessor**") and ----- ("**the Lessee**"), a copy of which was tabled at the directors meeting ("**Lease Agreement**"), be and are hereby approved, and resolved further that the Lessee enter into the Lease Agreement;
- (2) _____ or, failing him/her, _____, be and is hereby authorised to sign all documents and perform all acts on behalf of the Lessee that may be required in respect of the execution by the Lessee of the Lease Agreement and that all acts already taken in this regard by either of the aforementioned be and are hereby confirmed and ratified; and
- (3) the board of directors of the Lessee confirm and accept that the Lessee is bound by all of the terms and conditions of the Lease Agreement.

Full Name	Capacity / designation	Signature

Initial Here

ANNEXURE C - PLAN – NOT APPLICABLE

ANNEXURE D:DRAFT IRREVOCABLE PAYMENT GUARANTEE IN LIEU OF PAYMENT**FORM OF PERFORMANCE SECURITY - DEMAND GUARANTEE**

Brief description of Agreement[●]

Name and address of Beneficiary[●]

(whom the Agreement defines as the Lessor).

We, the undersigned [●] and [●] in our capacities as Guarantor's [●] of [●] (**Registration Number:**) (hereinafter called "the Bank") have been informed that [●] hereinafter called the 'Principal') is your Lessee under such Agreement, which requires him to obtain an irrevocable, unconditional performance security.

At the request of the Principal, we [●]name of bank) hereby irrevocably undertake to pay you, the Lessor, any sum or sums not exceeding in total the amount of [●] (the "Guaranteed Amount") upon receipt by us of your first written demand stating that such an amount (or lesser amount) as may be claimed is due and payable to the Lessor.

This guarantee constitute an irrevocable, unconditional, non-negotiable and non-transferable undertaking to pay in accordance with the above, subject to the proviso that this Letter will not be interpreted as extending the Bank's liability to anything more than the Guaranteed Amount.

Notwithstanding anything to the contrary herein contained, the Bank's obligation shall be construed as principal and not as accessory to the Agreement and shall not be delayed or discharged by the fact that a dispute exists between the Lessor and the Lessee.

We undertake to pay you such Guaranteed Amount upon receipt by us, within such period of 14 days, of your first written demand stating that such an amount (or lesser amount) as may be claimed is due and payable to the Lessor.

The guarantee shall be governed by and construed in accordance with the laws of the Republic of South Africa

Signed at _____[●]_____ on _____[●]_____20[●]

For:

Registration Number:

Initial Here

[•]

As witnesses:

1. _____

2. _____

2. ANNEXURE E – AIRSIDE SERVICE PLAN

Not Applicable

3. ANNEXURE F – CONDITIONS OF USE

Not Applicable

Initial Here

ANNEXURE G: MANAGEMENT FEES

Not Applicable

ANNEXURE G– FORM OF SPECIAL TERMS AND CONDITIONS

Drafting Note: The provisions of this annexure are amendments to the body of the agreement.]

This Special Terms and Conditions Form dated as of [•] (the "Special Terms and Conditions Form") is being executed pursuant to the services agreement entered into between Company South Africa SOC Limited ("the Company") and [•] (Registration No: [•]) (the "Supplier") dated as of [•] (to which a form of this Special Terms and Conditions Form was attached as an Annexure D), the terms of which are incorporated herein by reference. All capitalized terms used but not defined herein shall have the meanings given to them in the Services Agreement. Reference herein to the "Parties" shall be construed as reference to the Company and the Supplier, collectively or individually, as the context may require.

1. PERIOD OF LEASE

It is recorded that the Lessor intends to develop a Cargo Precinct at the Airport. In the event that the Lessor commences such development before Termination Date, then the Lessor shall be entitled to cancel this Agreement by giving the Lessee 90 (ninety) day prior written notice.

SIGNED by the Parties and witnesses on the following dates and at the following places respectively:

AIRPORTS COMPANY SOUTH AFRICA SOC LIMITED

Signature: _____
who warrants that he / she is duly authorised thereto

Name: _____

Date: _____

Place: _____

Witness _____

Witness _____

(WITNESSESS MUST BE THE SAME WITNESSES THAT SIGNED GENERAL CONDITIONS OF AGREEMENT)

Signature: _____
who warrants that he / she is duly authorised thereto

Name: _____

Date: _____

Place: _____

Witness _____

Witness _____

ANNEXURE H – MANAGEMENT RULES

1. SCOPE

This manual incorporates all activities specific to O R Tambo International Airport and includes all rentable space leased to stakeholders and how they should conduct themselves in terms of use, safety and security measures, maintenance (such as surface, building and electrical maintenance), waste removal, as well as any other operational related activity. The areas contained in this document, applicable to all facilities within all precincts at O R Tambo International Airport.

2. OBJECTIVE

The objective is to provide guidance to airport stakeholders to ensure an understanding of ACSA's requirements and procedures, when making use of premises or facilities at the airport.

3. DEFINITIONS

- a. **Landside** - The area of an airport and buildings to which the non-travelling public has access to.
- b. **Airside** – The movement area of an airport, adjacent terrain and buildings or portions thereof, access to which is controlled.
- c. **Cargo Facilities** – All the ground areas and infrastructure provided for cargo handling. It includes hardstands, cargo buildings and warehouses, vehicle parking and roads associated with Cargo.
- d. **Passenger Terminal** – The area of an airport and buildings to which the passenger and non-travelling public has access to.
- e. **Hangar Area** – The area of an airport and buildings to which the non-scheduled aircraft and aircraft maintenance companies have access to.
- f. **Common Area** – Those areas that allow

access to all operators/users/lessee's on a non-exclusive basis.

- g. **Exclusive Areas** – An area designated by ACSA for the exclusive use of the operator/user/lessee by means of an agreement.
- h. **Airport Apron** – A defined area, on a land aerodrome, intended to accommodate aircraft for purposes of loading or unloading passengers, mail, cargo, refuelling, parking or maintenance.

4. SUBMISSION OF STATISTICAL INFORMATION

ACSA requires the monthly submission of the total weight (in kilograms) of cargo and mail, departing/arriving on each aircraft at the airport relating to each warehouse forming part of the leased area, on or before the first day of each calendar month in accordance with the attached template.

5. SECURITY

5.1 ACCESS AND EGRESS CONTROL (LANDSIDE)

Cargo Office Building

Permit holders to swipe cards through card readers

Non-permit holders/visitors to record details in register at security

Foreign airlines/warehouse area

- **Weekdays (from 06h00 to 19h00)**

Permit holders to gain access by presenting permits to security

Non-permit holders to sign in register and security to verify registration numbers and check against valid Identity Document for Identity Numbers and names i.e. SA Identity document, passport, drivers licence

- **After hours weekdays and weekends (18h00 to 06h00)**

Initial Here

Non-permit holders to sign in register and produce Identity Documents/Passport/Drivers Licence
No vehicles is to be allowed to park inside cargo area except delivery vehicles and vehicles with parking discs.

Foreign Airlines (access through warehouses)

- Approval to be obtained from operator/user/lessee in order to access warehouse area, displaying relevant permit.
- Should the person requiring access via the warehouse not be in possession of a permit he/she needs to be escorted for the duration of the visit by a person from that specific warehouse.

Perishable Cargo Triangle

- Permit holders to present permits to security at main entrance, permit holders/visitors to record details in register.

Parking areas at Cargo

- Permit holders with valid designated parking pays to swipe cards at card readers to gain access into parking area. Necessary parking disc must be displayed in car windows.
- Failure to do so may result in the vehicle being towed away and/or clamped. All associated costs thereof shall be for the driver/owners account.

General Aviation (Hangar Facility)

- All employees and contractors shall be in possession of a valid ACSA permit.
- Visitors must sign the register at the security entrance gate.
- All entering said area may be subjected to ad-hoc inspections conducted by Security or SAPS.

5.2 ACCESS & EGRESS CONTROL (AIRSIDE)

Airside/Landside Boundaries

Permit holders to:

- Display valid ACSA permits for apron access at security points as required per the ACSA Permit Policy.
- Be subject to security and/or safety checks by ACSA

and bodily searched if required by Security.

- Vehicles will be searched by Security as required at the time and are to confirm to Security and Safety requirements.
- Vehicles to display relevant permits, signage and strobe lights as prescribed by the ACSA Safety and Security regulations.

General Security

The operator shall be entitled, at its cost, to implement security measures in order to protect its property such as vehicles, equipment, exclusive use areas (if any) by means of its own employees or a third party appointed by the operator, provided that:

- ACSA is given at least (30) thirty days prior written notice of the operator's intention to implement such security measures
- Such security measures are implemented in a manner acceptable to ACSA and is no in conflict with any of ACSA's policies, SACAA and/or IATA regulations or requirements for the time being; and/or applicable law or regulation, as amended or substituted from time to time
- The Lessee provides ACSA with a Cargo and Warehouse Security Program for the premises leased as per ACSA's requirements
- The Lessee may also install and alarm and intercom link, linking the gate, ACSA Control Room and the SAPS Client Services Centre in order to provide assistance in instances of emergencies.
- ACSA, SAPS and SARS reserve the right to conduct audits, surveys and/or inspection without notification to assess conformance to the required standards
- The Lessee is to ensure that their facilities and security measures are to such a standard that it does not jeopardise their operation nor the operation of any other Lessee within the cargo precinct.
- Monthly risk assessments are done by the Lessee and records of such assessments are maintained.
- All staff and/or contractors who enter any cargo warehouse or hangar facility which are demarcated as customs controlled areas shall be in possession of
Initial Here

a valid ACSA permit.

6. SAFETY MEASURES

The Operator/User/Lessee shall:

- Comply with any security, health, safety and emergency measures required by ACSA at the airport
- Ensure that the common use areas, common use facilities, exclusive use areas, airport apron and the airside areas are not left in a dirty, untidy and unsanitary condition after use thereof
- At all times wear its uniform (and reflective clothing acceptable to ACSA) whilst airside
- Be in possession of an appropriate, valid personal and vehicle permit issued by ACSA
- Wear or display in a prominent position a valid and appropriate permit issued by ACSA at all times whilst on the airport
- Be subject to security and/or safety checks by ACSA, whether such checks are routine or otherwise, and at a level that is in accordance with ACSA's policies where applicable for the time being to all airside service providers, users and operators at the airport and ACSA's own staff.
- Ensure that any vehicle reasonably required to be operated in or on the airport apron or airside is equipped with warning strobe lights and radio equipment required by ACSA from time to time
- Ensure that each of its employees, representatives, agents and vehicles wear or display in a prominent position the name of the operators or the airside service provider (as the case may be) at all times while on or about the airport for any reason whatsoever.
- Ensure that it is at all times represented on and complies with all the rules, policies, directives, regulations and procedures of the Airside Safety Committee.

7. RULES FOR DRIVING ON AIRSIDE

On airside the operator/user/lessee shall

- Operate a vehicle only within the approved area of operation specifically designated for this purpose by

ACSA

- Obey all speed limits applicable in or on the airport. Should the operator repeatedly breach such speed limits, ACSA shall have the right (by giving three months prior written notice) to request that the operator (or the airside service provider), at its own cost, install in its vehicles maximum speed restriction devices as specified by ACSA
- Obey all road signs, road markings and security personnel on duty at the airport
- Ensure that all loose materials, equipment and garbage carried on any of its vehicles are properly covered or secured to prevent accidental spillages
- Comply further with the rules and procedures defined in ACSA's Airside Vehicle Control Manual, as amended from time to time, a copy of which will be made available to the operator as soon as reasonably possible after request

8. OBLIGATIONS IN REGARD TO THE AIRPORT APRON

The operator/user/lessee shall:

- Not bring onto the airport any offensive, hazardous, noxious, toxic, corrosive or dangerous substances.
- Ensure that no waste or litter shall be dropped or deposited anywhere on the airport apron
- Dispose of any foreign objects in the receptacles identified by ACSA for that purpose
- Use its best endeavours to ensure that the airport apron is at all times kept clean and tidy

9. THE COMMON USE FACILITIES AND COMMON USE AREAS

The operator/user/lessee shall only be entitled to use the common use facilities and common use areas on a non-exclusive basis, jointly and together with other stakeholders.

10. CARGO

The operator shall be entitled to use the common use areas and common use facilities for the purposes of

Initial Here

carrying freight and cargo on its aircraft (and for purposes necessarily ancillary thereto) provided that:

- The operator shall only use the facility for processing cargo at the airport which is designated by ACSA in its sole discretion from time to time
- Cargo shall be screened and checked for safety and security purposes by the operator in accordance with ACSA's policies and applicable laws, regulations and SACAA standards and requirements and ensure that all screened/checked cargo inside the warehouse are kept in a known/screened state at all times
- A security declaration form shall be handed to security when entering airside

11. TERMINAL

The operator shall be entitled to use the common use areas and common use facilities for the purpose of conducting their business as per their lease agreement and in terms of their registered business criteria.

12. BUILDING ALTERATIONS

In the event of any building alterations the ruling house rules and fit out conditions must be adhered to. "All activities must be in compliance to all relevant by-laws"

13. ACSA'S RIGHT TO INSPECT AND ACCESS

ACSA and/or its duly authorised representatives shall be entitled at all times to inspect any part of the common use areas and/or the common use facilities without any notice to the operator.

14. AIRSIDE PENALTY SYSTEM

The Penalty system is divided into various Chapters of Offence. The Authority has the mandate in terms of the following:

- Aviation Legislation in South Africa, Aviation Act 1962(Act No. 74 of 1962)

- The Occupational Health and Safety Act, Act 85 of 1993
- The National Road Traffic Act (Act 93 of 1996) section 10, which is authorised to ensure compliance

The administration of the system will be in conjunction with the Local Authorities and certified Peace Officers at ACSA airports. All operators will be subject to the stipulated penalty system.

- **Vehicle and Equipment Serviceability (ACSA Airfield Regulations: Operational Airfield Regulations D030 000 008 – Airside Vehicle Regulations)**, the penalty system addresses the above mentioned under Chapter 2: Offences – Equipment Serviceability. Where the vehicle/equipment is found to be unserviceable it must be removed from the airside operational area with immediate effect. Only after an inspection has been carried out to ensure compliance, will the vehicle/equipment be re-instated. This includes the process of inspection to reduce the number of non-operational vehicles on airside.

- **Induction Training (OHS Act 85 or 1993, Section 8)**
All temporary and permanent personnel who are required to enter the airside for whatever reason are to attend the Airside Safety Induction training to ensure that they perform their respective duties safely. The onus is on the Stakeholder to ensure that an accredited trainer has conducted training as per the curriculum established by the Aerospace Chamber in terms of the National Training standards. The Safety Department in conjunction with the Permit Office will audit the process

- **Airfield Safety Regulations – Contractors**
Contractors must abide by all rules and regulations specified in the document "Health and Safety Contract". Specific reference is made to Section 16 of the document pertaining to the Airfield Safety Rules and Regulations.

- **Impounding Procedure: Vehicles and Equipment**
Initial Here

(ACSA Airfield Regulations)

(D 030 000 008 – Removal and impounding of vehicles and equipment)

Vehicles and equipment which are in contravention of the above mentioned regulations are impounded and released after the payment of a fine. This includes vehicles/equipment which are considered unserviceable.

(A memorandum of understanding is in place between ACSA and the Local Council, which assists in the process of impounding)

- **Airside Drivers Permit (ACSA Airfield Regulations: D 030 000 008 – Airside Driving Regulations, Apron Regulations: B003 004: Airside Vehicle Permits**

All vehicles and ground support equipment on airside must have an ACSA Airside Vehicle permit displayed clearly. All drivers must be in possession of a valid ACSA driving permit commensurate to the vehicle that is being driven and must comply with all airside driving regulations and the Section 10 of the National Road Traffic Act.

- **Reporting of Accident/Incident: ACSA Airfield Regulations B021 001**

All incidents and accidents are to be reported to the Airports Authority via the Internet

- **Safety Award System**

Stakeholders are encouraged to participate in this award system as a motivational tool to improve safety awareness at airports (Implemented at ACSA)

15. CONSTRUCTION AND BUILDING ALTERATIONS

All activities must be in compliance to all relevant by-laws

In the event of any building alterations the ruling house rules and fit out conditions must be adhered to. The document is available on request.

16. OTHER OPERATIONAL REQUIREMENTS

General Housekeeping

- Ensure that waste in common and exclusive areas are discarded in containers provided by ACSA Service providers and foreign objects on apron are discarded in bins provided
- Take responsibility for the common area and remove all operational/other waste to bins provided
- Ensure common use areas, common use facilities, exclusive use areas, airport apron and the airside area is left in a neat, tidy and hygienic condition at all times
- Ensure all common use and operational areas such as the area within 3m of perimeter wall, tow away zones and other restricted areas are clear of equipment and other items such as dollies, cargo, waste and vehicles. **Failure to comply herewith will result in the impoundment of such equipment and items**
- Ensure the safeguarding of and ACSA property by compliance to speed limits, ensuring no damage is caused to pillars, barriers, walls or roadways
- Any spillages on surfaces and tarmacs are cleaned by the operator/user/lessee

17. GENERAL

All stakeholders at the airport are required to maintain good housekeeping practices that are in line with ACSA's aviation safety and security regulations. Weekly or monthly audits of the area may be conducted.

Spot fines will be issued for non-compliance with these Management Rules. The fine for a first offence will be R2500-00, for a second offence R7500-00 and for a third offence R10 000-00. Should the damages exceeds the above stipulated amount, the lessee will be responsible to pay the aforesaid amount of the damages with the stipulated fine. The issuing of the above fines shall not in any way limit ACSA's right to cancel the agreement due to

Initial Here

any breach of the contract which include non-compliance with the General Management Rules in this Annexure H.

“Failure to pay the imposed fine is a breach of this agreement”.

Initial Here

4. ANNEXURE I: ANTI-CORRUPTION UNDERTAKINGS

Anti-corruption

1. The Lessee hereby agrees and undertakes that in accordance with this agreement and the transactions contemplated by this agreement, it will comply with all applicable laws and anti-corruption laws, rules and regulations, decrees and/or official government orders of the Republic of South Africa, with particular reference but not limited to the provisions of the Prevention and Combating of Corrupt Activities Act 12 of 2004, the Airports Company Act 44 of 1993, the Airports Company Amendment Act 2 of 1998, the Public Finance Management Act 1 of 1999 and the Constitution of the Republic of South Africa; and the laws of any country where any of the parties will undertake the performance of their obligations in connection with this agreement.
2. The Lessee represents, warrants and undertakes that it, and each of its owners, directors, officers, employees, and every other person acting on its behalf will not engage in acts or transactions (including any not involving a party), otherwise in violation of or inconsistent with the principles of any applicable anti-corruption legislation, including but not limited to anti-corruption laws of the Republic of South Africa or successor legislation. For the purposes of this undertaking, the applicable laws of the Republic of South Africa, and the laws of any other country where any of the parties will undertake the performance of their obligations, shall be deemed to apply to each party regardless of whether the party is otherwise subject to those laws.
3. The Lessee do hereby agrees and undertakes that in accordance with this agreement whether in the Republic of South Africa or elsewhere, it and each its affiliates have and will apply effective

disclosure controls and procedures; have and will maintain proper and accurate books, records and accounts, for a period of at least three (3) years after the period to which they relate, which, in reasonable detail, accurately and fairly reflect any and all payments made, expenses incurred and assets disposed of; and have and will maintain an internal accounting controls system that is sufficient to ensure the proper authorisation, recording and reporting of all transactions to provide reasonable assurances that violations of the anti-money laundering or anti-corruption laws of the applicable jurisdictions will be avoided, prevented, detected and deterred.

4. The Lessee represents and warrants that:
 - 4.1. to the best of its knowledge and belief neither it nor any of its directors, or other officers, employees, partners, shareholders, agents, consultants or representatives:
 - 4.1.1. has at any time been found by a court in any jurisdiction to have engaged in any corrupt activity (or similar conduct);
 - 4.1.2. has at any time admitted to having engaged in any corrupt activity;
 - 4.1.3. has at any time been investigated or been suspected in any jurisdiction of having engaged in any corrupt activity (or similar conduct).
5. The Lessee confirms that it does not know or have any reason to suspect that:

Initial Here

- 5.1. the proceeds, funds or property that are the subject of any transactions under this agreement involving the parties are or will be derived from, or related to, any illegal and fraudulent activities under any applicable laws; and
- 5.2. the proceeds, funds or property that are or will be the subject of such transactions are not intended to commit, further, or sponsor a violation of applicable law, including but not limited to violations of any tax, customs or revenue laws;
6. If at any time the Lessor becomes aware that any of the circumstances represented or warranted in this agreement are not as it has confirmed, it will notify the Lessee immediately in writing.
7. In the event that the Lessor believes in good faith that the Lessee may not be in compliance with the undertakings and/or requirements set forth in this agreement, then the Lessor shall advise the Lessee in writing of its good faith belief and the Lessee shall co-operate fully with any and all enquiries undertaken by or on behalf of the party in connection therewith, including the provision by the Lessee of personnel and supporting documents and affidavits, if reasonably deemed necessary by the other party.
8. The Lessee shall subject to this agreement, allow the Lessor to review or audit its books, records and files relating to this agreement and will provide information and answer any reasonable questions that the other parties may have and will raise relating to its performance of this agreement.

Initial Here