



**DISCLOSURE NOTICE IN TERMS OF SECTION 49 OF THE CONSUMER
PROTECTION ACT 68 OF 2008**

By signing directly below, the intended lessee ***[Insert the full names of the intended lessee.]***, confirms that this notice and the intended lease contract and its annexures, were provided to it, that it had time to study this notice, the intended lease contract and its annexures, prior to it signing and agreeing to the terms and conditions thereof, and that it understands, generally, the potential effect of all of the provisions of the intended lease contract and its annexures, but specifically, the highlighted clauses further explained in the next paragraph of this notice.

This notice is to explain to the intended lessee that the clauses highlighted in **bold** font and initialled, in the intended lease contract and its annexures, may contain a limitation of risk or liability, or an indemnification, of Eskom Holdings SOC Limited, the intended lessor, or constitute an assumption of risk or liability by the intended lessee. Clauses containing obligations of the intended lessee are not necessarily highlighted in bold-font, but are as important as all the provisions of the intended lease contract and its annexures.

Signed at _____ on _____.

Intended lessee

Witnesses:

1. _____
2. _____



LEASE CONTRACT – STANDARD TERMS

[Drafting notes are in red, like this one, and, like this one, should all be deleted after completion of missing detail and before the documents are printed for signature.]

1. PARTIES

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

- 1.1.1. Eskom Holdings SOC Ltd, a public company incorporated in terms of the laws of South Africa, with registration number 2002/015527/30; and
- 1.1.2. , a natural person married in or out of community of property / company / close corporation, incorporated in terms of the laws of South Africa, with identity number/registration number. *[Drafting note: /Make sure the correct description is captured and that non-applicable details are deleted before signature.]*

2. DEFINITIONS AND INTERPRETATION

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

- 2.1.1. “**Commencement Date**” means the date the Contract comes into effect as indicated on annexure A.
- 2.1.2. “**Common Areas**” means those portions of the Property of which the Leased Premises forms part, but which are not exclusively let to any lessee and which is commonly used and made available for use by the general public or any lessee. Common Areas do not include areas which are allocated for the exclusive use of the Lessee, which would but for such allocation have been deemed to be common areas.
- 2.1.3. “**Contract**” means this lease contract and all its annexures.

- 2.1.4. **“Expiry Date”** means the termination date of the Contract per annexure A, under normal conditions.
- 2.1.5. **“Installations”** means all the temporary or permanent infrastructure, installations, additions, partitions, fixtures, accessories, paintwork and fittings in the Leased Premises, excluding the structure of the Leased Premises, and including agricultural Installations where such is present.
- 2.1.6. **“Leased Premises”** means an area forming part of the Property, assigned to the Lessee for its exclusive use under this Contract, per annexure A.
- 2.1.7. **“Operating Costs”** means all costs reasonably and actually incurred by the Lessor for:
- 2.1.7.1. cleaning services, general maintenance, garden services, refuse removal, sanitation, security services and the necessary equipment necessary to provide such services,
 - 2.1.7.2. costs referenced in clause 8.1.11,
 - 2.1.7.3. insurance premiums relating to the Property and payable by the Lessor, if applicable,
 - 2.1.7.4. water,
 - 2.1.7.5. electricity or any other fuel and/or energy expenses, and
 - 2.1.7.6. any related types of services or equipment, in respect of the Property.
- 2.1.8. **“Period”** means a period commencing on the Commencement Date and terminating on the Expiry Date, which dates are per annexure A.
- 2.1.9. **“Property”** means a piece of land with buildings or structures on it, of which the Leased Premises form a part, owned or operated by the Lessor.
- 2.1.10. **“Relevant Authorities”** means any government or similar department, commission, board, body, bureau, agency, authority, or administration body at national, provincial or local government level, having administrative jurisdiction over the Parties, the Leased Premises or the Property or any other matter addressed in this Contract.

- 2.1.11. “**Vis Maior**” means any unforeseeable or unavoidable event or the consequences of either, that could not be prevented or mitigated by exercising reasonable foresight, or where the exercise of such foresight and implementation of such measures resulting from such contemplation, could not reasonably have been expected from the Party affected by the event, which directly causes any Party to be unable to comply with all or a material part of its obligations under this Contract. It includes *Casus Fortuitus*, but excludes shortage of money.
- 2.2. Any reference in this Contract to –
- 2.2.1. “**business hours**” means the hours between 9:00 and 16:30 South African standard time on any business day,
- 2.2.2. “**days**” means calendar days unless preceded by the word “business”, in which case it will be any day other than a Saturday, Sunday or public holiday in South Africa,
- 2.2.3. “**Month**” means the period from 00:01 on the first day of a calendar month to 24:00 on the last day of such calendar month.
- 2.3. The words “**include**” and “**including**”, followed by other, specific, words will not be construed as limiting the meaning of the general words preceding it, save where the word “similar” precedes the words “**include**” and “**including**”.
- 2.4. Words and expressions defined in any clause will, unless the application of any such word or expression is specifically limited to that clause, bear the meaning assigned to such word or expression, throughout this Contract.
- 2.5. Defined terms appearing in this Contract in title case will be given their meaning as defined.
- 2.6. Any reference to a statutory enactment will be construed as a reference to that enactment as it has been restated or amended at the time that an issue in respect of the enactment arises.
- 2.7. Unless specifically provided otherwise, any time period prescribed, excluding Month and the Period, will be determined by excluding the first and including the last day or, where the last day falls on a day that is not a business day, the next succeeding business day.
- 2.8. If the due date for performance of any obligation in terms of this Contract is a day which is not a business day then the due date for performance of the relevant obligation will be the immediately succeeding business day.

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

3. LEASE

The Lessor hereby lets to the Lessee, which leases from the Lessor, the Leased Premises on the terms and conditions contained in this Contract, for the use per annexure A.

4. COMMENCEMENT AND DURATION

- 4.1. The Contract will commence on the Commencement Date and continue for the Period, when it will terminate.
- 4.2. The Lessor may, at least 40 (forty) but not more than 80 (eighty) business days before the end of the Period, notify the Lessee of intended changes to the Contract, for it to continue. If the Lessor does not intend to extend the Period, this notification will contain only notice of the impending Expiry Date of the Contract, and it will terminate at the end of the Period.
- 4.3. If the Lessee does not respond to the notified conditions for the continuation of the Contract, then at the end of the Period the Contract will continue on a month-to-month basis on the basis of the terms of the Contract as amended by the notified conditions per clause 4.2, until terminated by either Party giving 20 (twenty) business days' notice thereof to the other Party.

- 4.4. Despite the content of clause 4.1 the Lessee may terminate the Contract before the end of the Period, on 20 (twenty) business days' written notice to the Lessor. In such a case, in addition thereto that obligations incurred by the Lessee prior to such giving notice remain intact and that the Lessor will credit the Lessee with amounts due to it, the Lessor is entitled to impose a reasonable penalty on the Lessee for early termination of the Contract, which will be determined in the Lessor's discretion having regard to at least the following factors:

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- 4.4.1. The amount which the Lessee is still liable to pay to the Lessor to the end of the Period,
- 4.4.2. The total value of the Rental for the Period,
- 4.4.3. The time remaining of the Period,
- 4.4.4. Losses suffered or benefits accrued by the Lessee as a result of the Lessee having entered into the Contract,
- 4.4.5. The length of notice of termination provided by the Lessee,
- 4.4.6. The reasonable possibility of the Lessor finding an alternative lessee, and
- 4.4.7. The general practice of the industry.

5. RENTAL AND OPERATING COSTS

5.1. Rental:

- 5.1.1. The Lessee will pay the Lessor a rental, as at inception of the Contract, or as increased from time to time (herein referred to as the "Rental").
- 5.1.2. The Rental for the first year of the Period is per annexure A.
- 5.1.3. Rental is payable Monthly/annually **[Drafting Note: Delete whichever is not applicable.]** in advance, on or before the 1st day of the applicable subsequent Month/year, **[Drafting Note: Delete whichever is not applicable.]** without any deduction or set-off.
- 5.1.4. In addition to and at the time of payment of the Rental, the Lessee must pay Value Added Tax or any other taxes that may be due on the Rental from time to time.

- 5.1.5. In addition to and at the time of payment of the Rental, if payment of the Rental is subject to bank charges, the Lessee must pay the bank charges.

5.2. Rental Escalation

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

5.3. Operating Costs

- 5.3.1. In addition to and at the time of payment of the Rental, the Lessee must pay a *pro rata* amount, calculated as the percentage of the Leased Premises in proportion to the whole of the Property, in respect of any Operating Costs that the Lessor pays for or provides. Where any Operating Costs are paid directly to the service provider by the Lessee and where they are Operating Costs that the Lessor is obliged to provide, that actual amount will be deducted from the amount due by the Lessee as Operating Costs. The Operating Costs due by the Lessee, as at the Commencement Date, is indicatively set out in annexure A, but is subject to adjustment in terms of this clause 5.3.1.
- 5.3.2. Where amounts payable in terms of this clause are measured by a separate meter for the Leased Premises only, then the Lessee must pay the amount so levied or assessed to the entity levying these amounts and, if called upon to do so, prove such payment.
- 5.3.3. Payment by the Lessee of the costs in terms of 5.3.1 will be made Monthly in arrears, on receipt of the Lessor's demand for payment.

[Delete this sub-clause if it is not applicable.]

5.4. Parking

- 5.4.1. The Lessee leases, and the Lessor must provide, the number of parking bays per annexure A.
- 5.4.2. Parking bays can only be used to park vehicles.
- 5.4.3. **The Lessee uses and allows third parties to use the parking facilities at the Lessee's risk.**

5.4.4. **The Lessee has no claim against the Lessor, its employees or agents, arising from or incidental to the use of the parking facilities, and the Lessee indemnifies the Lessor, its employees and agents against any claim that any employee, agent or invitee of the Lessee may bring against the Lessor, its employees or agents, to the extent allowed by legislation prevailing at the time that the event in respect of which this indemnity is meant to operate, occurs.**

5.5. Payment of Rental, Operating Costs and parking

5.5.1. Rental, Operating Costs, and parking charges, where applicable, must be paid to the Lessor by way of a debit order in the format attached as annexure B.

6. DEPOSIT

- 6.1. A deposit is payable by the Lessee in an amount equal to the Rental at the Commencement Date. It will be retained by the Lessor for the duration of the Contract. This initial deposit, or as increased as intended herein, is herein referred to as the Deposit.
- 6.2. The Deposit can be applied by the Lessor at any time towards payment of any amount owing by the Lessee under this Contract, or to pay for costs incurred by the Lessor for the Lessee's failure to comply with its obligations in terms of the Contract.
- 6.3. When the Rental escalates and at the time that the first payment of the escalated Rental is due, and at any time that the Lessor has had to apply the Deposit per clause 6.2, the Lessee must increase the Deposit, so that the amount of the Deposit is always equal to the Rental at the time.

7. CONDITION OF LEASED PREMISES

- 7.1. Prior to the Lessee taking occupation of the Leased Premises, the Parties will do a joint inspection of the Leased Premises, inspecting at least the items listed in annexure C.
- 7.2. During the inspection, the Parties will prepare a list of all material defects to the Leased Premises, indicating which of these the Lessor will have to repair before occupation or as soon as possible thereafter, and any other defects.
- 7.3. The list will be kept by the Lessor and a copy will be provided to the Lessee.
- 7.4. The Parties will do a further joint inspection of the Leased Premises no more than 3 (three) business days prior to the termination of the Contract, at a mutually convenient time.
- 7.5. **During this inspection, the Parties will prepare a list of all defects in and damage to the Leased Premises, the cost of repair of which will be for the Lessee's account, save if such defects and damage are not the responsibility of or were not caused by the Lessee, its employees, agents or invitees, which the Lessee will have to prove.**
- 7.6. The Lessor may attend to this inspection in the absence of the Lessee if the Lessee does not reasonably want to co-operate to establish a mutually convenient time for the inspection.
- 7.7. The Parties record that the Leased Premises is otherwise in good working order and that the garden, where applicable, is neat and properly maintained.
- 7.8. The Lessee must, on termination of the Contract, return the Leased Premises in good order and condition, and maintained, fair wear and tear excepted.

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8. MAINTENANCE, USE AND CARE

The Lessee:

8.1. The Lessee must –

- 8.1.1. maintain, at its expense and at appropriate times, the Leased Premises, including the Installations, in good order and condition, fair wear and tear excepted, irrespective of whether it was erected or provided by the Lessor or the Lessee, and including fencing of the Leased Premises, and for this purpose must regularly inspect the Leased Premises,
- 8.1.2. if during such inspections it finds defects which are the responsibility of the Lessor, report these to the Lessor,
- 8.1.3. replace or repair, at its expense, any Installations which may be damaged or removed from the Leased Premises except where such damage or removal is the result of the sole negligence of the Lessor or its employees or agents,
- 8.1.4. allow repairs or changes to any electrical wiring or equipment of the Leased Premises only by a qualified electrician and after having obtained approval from the Lessor for such repairs or changes,
- 8.1.5. at its expense, insure in its own name and keep insured all plate glass windows in and about the Leased Premises,
- 8.1.6. not allow any object to be driven into the walls of the Leased Premises,
- 8.1.7. maintain, or repair, or replace, at its expense, any Installation, which it places within the Leased Premises, after having obtained written permission from the Lessor for the installation thereof,
- 8.1.8. obtain written approval from the Lessor if it intends replacing the carpeting or painting of the Leased Premises,
- 8.1.9. use and maintain bins or other refuse containers as may from time to time be specified by any Relevant Authority or the Lessor, on the conditions set out by the relevant service provider. All refuse must be disposed to these bins or containers only,
- 8.1.10. not cause or permit to be caused any obstruction or blockage of sewerage pipes, water pipes, sandtraps, oil reservoirs, waste management system or drains, or similar Installation in the Leased Premises and must repair, at its own cost, any obstruction or blockage so caused;

- 8.1.11. should it be necessary to have any repairs, cleaning or unblocking done to any plumbing, sanitary and sewerage equipment, connections, pipes, sandtraps, oil reservoirs, waste management systems or other drains which are in the Common Area, pay the costs thereof within seven (7) days of a written demand by the Lessor in the same proportion as the payment of the Operating Costs,
- 8.1.12. not use or deface any part or the whole of the Common Area for any purpose, other than for use in the ordinary course of leasing of the Leased Premises,
- 8.2. **If the Lessee, its employees, agents or invitees destroys or damages the Leased Premises or Installations, or fails to maintain them as set out herein, the Lessor may at any time during the currency of the Contract, require the Lessee to make repairs or replacements, or conduct the necessary maintenance, at the Lessee's costs. Should the Lessee fail to do so within a reasonable time the Lessor may conduct such repairs or maintenance, or provide replacements at the Lessee's costs, which costs are payable by the Lessee on demand from the Lessor, or the Lessor can use the Deposit to recover these costs.**

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The Lessor:

- 8.3. The Lessor must maintain, at its expense and at appropriate times –
- 8.3.1. the structure and exterior of the Property, and
- 8.3.2. any geysers or installations supplying hot water to the various bathrooms, and gutters, drains and down pipes, in good order and condition,
- 8.4. The Lessor may –
- 8.4.1. effect any repairs, alterations, improvements or additions to the Property or any part thereof and erect scaffolding, landings and any other building equipment required,
- 8.4.2. may access any portion of the Leased Premises as may be reasonably necessary for the purposes set out in this Contract, provided that the Lessor will not unreasonably interfere with the Lessee's trading or business.

[Delete the following paragraph 9 if this is not a lease of agricultural land. REMEMBER TO DO AN UPDATE TO THE FIELD CODES IN THE CASE OF A DELETION, BEFORE PRINTING, TO ENSURE CORRECT CROSS-REFERENCING.]

9. MAINTENANCE, USE AND CARE: AGRICULTURAL INSTALLATIONS

Additional obligations of the Lessee:

9.1. The Lessee must –

- 9.1.1. carry out all agricultural and related activities on the Leased Premises in an agriculturally scientific manner and not do anything, or permit anything to be done, which would be detrimental to the surface, the farming potential or agricultural value of the Leased Premises,
- 9.1.2. take all reasonable steps to prevent soil erosion, at the Lessee's expense. If the Leased Premises is subject to a soil erosion scheme, the Lessee must carry out the conditions contained therein at the Lessee's expense. Should the Lessee fail to do so, the terms of clause 8.2 will apply *mutatis mutandis*,
- 9.1.3. not overgraze the Leased Premises;
- 9.1.4. take all reasonable steps to eradicate declared weeds and invader plants on the Leased Premises, in accordance with prevailing legislation, at the Lessee's expense. Should the Lessee fail to do so, the terms of clause 8.2 will apply *mutatis mutandis*.
- 9.1.5. take precautions for the prevention of fires on the Leased Premises, in accordance with prevailing legislation, at the Lessee's expense. Should the Lessee fail to do so, the terms of clause 8.2 will apply *mutatis mutandis*,
- 9.1.6. protect game belonging to the Lessor, and not hunt or permit hunting on the Leased Premises,
- 9.1.7. not fell, damage or remove any growing trees or natural vegetation, or allow the same, on the unploughed parts of the Leased Premises,
- 9.1.8. not allow and actively prevent, using reasonable and lawful measures, any illegal occupation of the Leased Premises. The Lessee's employees, or any other persons, may not live on the Leased Premises, unless the Lessor has given its prior consent, in writing. Should this consent be granted, the Lessee must comply with all the conditions thereof. Occupation provided to occupants must be safe for occupation,

9.1.9. not trade or permit trading on the Leased Premises.

Inspection:

- 9.2. Should an inspection as stipulated in clause 7.1 require the input of an expert for the purposes of the assessment of any part of the Leased Premises, the Lessor will appoint and pay for this expert.

Indemnification:

- 9.3. **The Lessee indemnifies the Lessor against any claims from occupants that are on the Leased Premises and, on the termination of the Contract, will ensure that all occupants introduced by the Lessee have vacated the Leased Premises.**
- 9.4. **The Lessee confirms that where applicable, it has made itself aware of any rights that occupants in terms of any relevant legislation may have and must inform the Lessor should such occupants venture outside the demarcated areas or breach the conditions of their occupancy.**

Water supply:

- 9.5. **The Lessee is aware that the water supply on the Leased Premises has been destroyed or may be destroyed as a result of mining activities, or other cause, or may be insufficient, and that the Lessor does not guarantee any type or quantity or quality of water supply.**

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Exclusions from the Contract:

- 9.6. The following rights and privileges over the Leased Premises are excluded from this Contract and are specifically reserved for the Lessor:
- 9.6.1. The right to lay and utilise railway lines, power lines, pipelines, conveyor belts, shaft areas, roads or any other constructions which may be necessary for mining activities, or electricity generation, transmission or distribution purposes, on or across the Leased Premises,
- 9.6.2. The right to remove and use sand, sandstone or other stone on the Leased Premises,
- 9.7. The Lessor has the right to withdraw, in its sole discretion, which discretion does have to be exercised reasonably, the whole or parts of the Leased Premises for any purpose of the Lessor. In this case, the terms of this Contract insofar as it relates to improvements made by the Lessee will apply as if the Contract has been terminated, only in respect of the withdrawn parts,
- 9.8. If the Lessor exercises its right per the terms of clause 9.7, the following will apply:
- 9.8.1. The Lessee will not be compensated for any loss sustained as a result of hereof and indemnifies the Lessor against any claims which may arise therefrom,
- 9.8.2. The Lessor will notify the Lessee in writing at least 6 (six) Months prior to requiring the Lessee to vacate the withdrawn parts, to enable the Lessee to conduct the Lessee's operations in accordance therewith.
- 9.8.3. The Rental and Operating Costs will be adjusted proportionally.

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- 9.8.4. **The Lessee can claim crop input losses for crops planted prior to the notification date, which will be lost. Such losses will be based only on the input costs of the Lessee and does not take into account loss of profit. The said losses must be verified by an agricultural expert.**

Exclusion of obligations:

- 9.9. **Despite the content of clauses 11.1 and 11.3, the Lessor is not obliged to rebuild and/or replace agricultural Installations, irrespective of the cause of the damage to or destruction of the said Installations.**

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- 9.10. Should the Lessor elect, per clause 9.9, not to rebuild or replace, the Lessor may either request a reduced Rental, to be agreed between the Parties, for the remainder of the Period, or may, with 60 (sixty) days' notice to the Lessor, terminate the Contract where the damage or destruction is to the extent that the Lessee cannot reasonably be expected to continue with the Contract.

10. CHANGES TO THE LEASED PREMISES

- 10.1. The Lessee may not make any changes to the Leased Premises or Installations without the written consent of the Lessor.
- 10.2. Should such changes be authorised, the cost thereof will be for the Lessee. At the termination of the Contract, at the election of the Lessor, must either be removed by the Lessee, at its cost, and the Leased Premises restored to its condition before the changes were made, or left on the Leased Premises. It will, in the latter case, accrue to the Lessor without compensation to the Lessee, save if the Parties agreed otherwise at the time that the changes are made. The Lessor must exercise this election in writing at least 30 (thirty) days before the date of termination.
- 10.3. The Lessor may grant its consent conditionally and may also reserve the right to approve proposed contractors. Should conditions be attached to the consent, the Lessee must comply with these.

11. DAMAGE OR DESTRUCTION

- 11.1. Should the Leased Premises be destroyed or damaged, through any cause, to an extent which prevents the Lessee from having beneficial occupation of the Leased Premises, then either Party may elect, within 2 (two) Months of such destruction or damage, to terminate the Contract on notice to the other Party. If neither Party gives such notice to the other Party, the Contract will continue in force, in which case the Lessor will repair the Leased Premises within a reasonable time.
- 11.2. The Lessee will not be liable for any *pro rata* Rental for that period for the proportionate extent to which the Lessee is deprived of beneficial occupation of the Leased Premises, as a result thereof.
- 11.3. Should the Leased Premises be destroyed or damaged, through any cause, but not to the extent intended in clause 11.1, the Contract will continue in force, and the Lessor must repair the Leased Premises within a reasonable time.
- 11.4. **Should such repairs amount to a substantial improvement or renovation of the Leased Premises, then the Rental may be increased in the Lessor's discretion. If the Lessee does not want to pay the increased Rental, it can terminate the Contract on 1 (one) Month's notice to the Lessor.**

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12. DISPUTES IN RESPECT OF DESTRUCTION OR DAMAGE

- 12.1. Where the Parties dispute the extent to which the Leased Premises were destroyed or damaged, the dispute will be referred to an independent architect, acting as an expert and not as an arbitrator, whose decision in regard to such dispute will be final and binding on the Parties. If the Parties cannot agree the identity of the architect, either Party may request the Institute of Architects, or any substituted body, to appoint one. Any expense which may be incurred in referring such dispute will be borne equally by the Parties.
- 12.2. Where the Parties dispute the extent of the remission of Rental, the dispute will be referred to an independent auditor, acting as an expert and not as an arbitrator, whose decision in regard to such dispute will be final and binding on the Parties. If the Parties cannot agree the identity of the auditor, either Party may request the Institute of Chartered Accountants, or any substituted body, to appoint one. Any expense which may be incurred in referring such dispute will be borne equally by the Parties.

13. COMPLIANCE WITH LEGISLATION AND APPROVALS

- 13.1. Each of the Parties will comply with all legislation, and requirements of all Relevant Authorities, applicable to the performance of their obligations in terms of this Contract.
- 13.2. Without limitation of the generality of clause 13.1, Annexure D is a list of specific legislation, and their potential impacts, which the Lessee will be deemed familiar with to the extent relevant to the Leased Premises.
- 13.3. The Lessee will be responsible, at its expense, for obtaining any approvals, licenses and authorisations, or similar items in the broadest sense (herein "Approvals"), from any Relevant Authority and related to the use to which the Leased Premises is put.
- 13.4. The Lessor does not warrant that the Approvals will be granted or renewed as may be required from time to time.
- 13.5. The Lessee must advise the Lessor of any obligations or conditions imposed by any Relevant Authority in these regards.
- 13.6. Should the Lessee be convicted of an offence in respect of the Approvals, this will be deemed breach of this Contract and the Lessor may terminate the Contract in accordance with its terms.

14. NUISANCE

The Lessee will carry on and conduct its business in such a manner as not to constitute a nuisance to the Lessor or any other lessee or to the owners or occupiers of neighbouring properties.

15. CESSION AND SUB-LEASING

The Lessee may not assign all or any its rights or obligations under this Contract, sub-let the Leased Premises, or allow anyone else to occupy the Leased Premises without the Lessor's written consent.

16. INSURANCE

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

[Delete the following paragraph 16.2 if this is not a lease of agricultural land.]

- 16.2. The Lessor does not, and will not have to, insure any agricultural Installations. If the loss of such Installations could be detrimental to the business of the Lessee, it must procure appropriate insurance, at its cost.

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17. LESSOR'S ACCESS TO THE LEASED PREMISES

- 17.1. The Lessor will have reasonable access to the Leased Premises, on notice to the Lessee, for the purpose of inspecting them or effecting any repairs on or to the Leased Premises or any Installation.
- 17.2. The Lessor may display any appropriate notices required for further letting or sale of the Leased Premises on the Property at any time that this may be required by the Lessor.

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

18. LIMITATION OF LIABILITY

The Lessee, its employees, agents or invitees will have no claim against the Lessor or its employees or agents for the death of or injury to or any other loss or damage suffered by virtue of this Contract, or being on the Leased Premises, or having assets on the Leased Premises, beyond any potential liability imposed on the Lessor by legislative operation. The Lessee indemnifies the Lessor against any claim resulting from such damage, loss, death or injury.

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19. COSTS AND INTEREST

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

20. BREACH

20.1. Should –

- 20.1.1. the Lessee fail to pay the Rental or any other amount on its due date and such amount remains unpaid after the Lessor has sent a notice demanding payment of the outstanding amounts within 7 (seven) days' of the date of the notice, or
- 20.1.2. the provisions of clause 13.6 apply, or
- 20.1.3. either Party commit a material breach of any term of this Contract, or
- 20.1.4. either Party commit or permit any other breach of this Contract and fail to remedy such breach within 20 (twenty) days after written notice has been given to remedy such breach, or

20.1.5. either Party be placed under provisional or final liquidation or business rescue, as the case may be,

then the Party not in default may terminate this Contract immediately on written notice, without prejudice to any Party's rights to claim damages for breach or exercise any other remedies it may have in law.

20.2. While the Lessee remains in occupation of the Leased Premises, including where such occupation is only to restore the Leased Premises to the condition it was in before occupation, or to remove any Installations or infrastructure it is entitled or obliged to remove, and irrespective of any dispute between the Parties, the Lessee will continue to pay all amounts due to the Lessor in terms of the Contract on the due date for such amounts. The Lessor will be entitled to recover and accept such payments without thereby abandoning any accrued rights or remedies. The Lessee will then also be liable to pay a holding-over penalty which the Lessor will determine.

21. NOTICES AND ADDRESSES FOR SERVICE

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

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

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

21.3.1. be delivered by hand at the physical address chosen, or sent by facsimile or e-mail to the numbers and addresses provided in annexure A,

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

- 21.3.3. if sent by facsimile or e-mail, be presumed to have been received on the date of successful transmission of the facsimile or delivery at the recipient server.
- 21.4. Notwithstanding the above, any notice given in writing, and actually received and acknowledged by the Party to whom the notice is addressed, will be deemed to have been properly given and received, notwithstanding that such notice has not been given in accordance with this clause.

22. GENERAL

- 22.1. This Contract constitutes the whole agreement between the Parties relating to the matters dealt with herein and no undertaking, representation, term or condition relating to the subject matter of this Contract not incorporated in this Contract will be binding on either of the Parties. No addition to or variation, deletion, or termination of any or all terms and conditions of this Contract will be of effect unless reduced to writing and signed by the Parties.
- 22.2. No waiver of any of the terms and conditions of this Contract will be binding unless reduced to writing and signed by the waiving Party. Any such waiver will be effective only in the specific instance and for the specific purpose.
- 22.3. Failure or delay on the part of either Party in exercising any right or privilege provided for in this Contract, will not constitute or be deemed a waiver thereof, nor will any single or partial exercise of any right or privilege preclude any other or further exercise thereof or the exercise of any other right or privilege.
- 22.4. Any term, condition, or clause of this Contract which is or becomes unenforceable, whether due to voidness, invalidity, illegality, unlawfulness or for any other reason, will be unenforceable only to the extent that it is so unenforceable, and the remaining provisions and clauses of this Contract will remain of full effect.
- 22.5. Any consent or approval required to be given by either Party in terms of this Contract will not be unreasonably withheld.

23. JURISDICTION

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

24. SIGNATURE

24.1. This Contract is signed by the Parties on the dates and at the places indicated below.

24.2. The persons signing this Contract in a representative capacity warrant their authority to do so.

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

Signed at _____ on _____.

As witnesses:

1. _____

2. _____

The Lessor

Full name: _____

Capacity: _____

Signed at _____ on _____.

As witnesses:

1. _____

2. _____

The Lessee

Full name: Muzi Duma

Capacity: Lessee