

ANNEXURE “A”

1. INITIAL PERIOD

This lease is for the INITIAL PERIOD recorded in clause 4 of the SCHEDULE. During the INITIAL PERIOD the BASIC RENTAL payable is that recorded in clause 5 of the SCHEDULE.

2. RENEWAL

Provided the TENANT shall have faithfully carried out and performed all the terms, conditions and stipulations herein, the LANDLORD hereby grants to the TENANT an option to renew this lease for the RENEWAL PERIOD referred to in clause 6 of the SCHEDULE at a new basic rental and annual escalation as set out in clause 7 of the SCHEDULE and otherwise on the same terms and conditions as are contained in this lease, save that there will be no further right of renewal. Should the new basic rental and escalation be subject to agreement by both parties, such agreement shall be reached and confirmed in writing not later than 3 calendar months prior to expiry of the initial period of this lease, or the LANDLORD shall, within the said period, be entitled to accept the minimum rental provided for in clause 7 of the schedule and the TENANT shall be bound thereby. Failing the aforesaid, this option of renewal shall lapse and the TENANT shall vacate the leased premises at the end of the initial period.

The TENANT shall give the LANDLORD written notice of its intention to exercise this option of renewal not later than SIX (6) CALENDAR MONTHS prior to the expiry of the INITIAL PERIOD of this lease. If the TENANT does not give notice by then, this option of renewal shall lapse.

3. INCREASE IN RATES AND OPERATING COSTS

3.1. LANDLORD'S RIGHT TO RECOVER FROM TENANT

If at any time during the currency of this lease:

- 3.1.1. the amount of rates or levy on the LAND and/or the BUILDING is increased over and above the amount payable for the Municipal year ending immediately prior to the commencement of this lease: and/or
- 3.1.2. Any new tax or levy is imposed by any lawful authority in respect of the LEASED PREMISES or the LAND or the BUILDING; and/or
- 3.1.3. there is an increase in any of the following operating expenses over and above those applicable at the date of commencement of the lease or any of the following operating expenses not being incurred at the date of commencement of the lease are subsequently incurred:
 - 3.1.3.1. the wages, salaries and other employment costs of all employees of the LANDLORD engaged in the supervision, operation, cleaning, maintenance and security of the BUILDING and/or the LAND;
 - 3.1.3.2. the cost to the LANDLORD of goods and materials relating to the provision of supervision, operation, cleaning, maintenance and security to the LAND and/or BUILDING;
 - 3.1.3.3. the amount payable by the LANDLORD for lift service and maintenance in respect of the lifts (if any) in the BUILDING;
 - 3.1.3.4. the insurance premiums payable by the LANDLORD;
 - 3.1.3.5. the costs of operating and maintaining the air conditioning plant (if any) and the sprinkler system (if any) applicable to the LEASED PREMISES;
 - 3.1.3.6. the charges in terms of any contract relating to cleaning services, security services and property management services.
 - 3.1.3.7. Any levy payable in terms of the Sectional Title Act, No. 95 of 1986 (as amended) or the Use Agreement of the Property owning Company formed in terms of Section 17 of the Share Block Control Act 1980, including any legislation promulgated thereunder as amended from time to time;
 - 3.1.3.8. Any lawful changes incurred by the LANDLORD which are levied by the Municipality in respect of the future consumption of rates, services and utilities and/or any other municipal charges.

then the LANDLORD shall be entitled to recover from the TENANT from time to time with effect from the date on which such increases or new tax or levy or new expense, as the case may be, becomes effective;

- 3.1.3.9. the amount in question if it relates exclusively to the LEASED PREMISES;

3.1.3.10. where the amount in question does not relate exclusively to the LEASED PREMISES the TENANT'S PROPORTIONATE SHARE of the amount in question;

in respect of any period of this lease which does not coincide with the applicable period over which the charges referred to above levied, the TENANT shall pay a pro rata share of the increases, or new tax or new levy or new expense.

3.2. PAYMENT OF INCREASES

Any amount due by the TENANT to the LANDLORD in terms of sub-clause 3.1 shall, at the election of the LANDLORD, be payable:

3.2.1. within such period as may be stipulated by the LANDLORD which period shall not be less than SEVEN (7) DAYS after the delivery to the TENANT of a written notice advising the TENANT thereof;

or

3.2.2. by one twelfth share of the amount due by the TENANT being added to the monthly BASIC RENTAL payable by the TENANT;

all such payments shall be deemed to be additional rental payable in terms of this LEASE.

3.3. DISPUTES

Should the TENANT dispute in respect of any of the charges referred to in sub-clause 3.1 and/or in clause 4:

3.3.1. the date upon which same becomes effective; and/or

3.3.2. the amount of same; and/or

3.3.3. the amount of the additional rentals;

then that dispute shall be determined as experts and not as arbitrators by the LANDLORD's Auditors for the time being, whose decision shall be final and binding on all the parties.

3.4. DEFINITION OF PROPORTIONATE SHARE

The PROPORTIONATE SHARE referred to in sub-clause 3.1 and/or 4.2 shall be the application as recorded in clause 11 of the SCHEDULE of one of the following definitions of that terms;

3.4.1. **Pro Rata to Area**

That proportion which the area of the LEASED PREMISES bears to the total lettable area of the BUILDING,

or

3.4.2. **Predetermined Percentage**

The Predetermined Percentage specified in **CLAUSE 11** of the SCHEDULE.

4. UTILITY AND OTHER CHARGES

The TENANT shall be liable for and shall pay for:

4.1. All electricity, power and water used on the LEASED PREMISES;

4.2. A proportionate share of all electricity, power and water consumed on or in the common areas of the BUILDING;

4.3. Any charges or amounts levied by or payable to the Local Authority or to any other competent authority in respect of the drainage purification or treatment or removal of effluent or waste from the LEASED PREMISES;

4.4. Rubbish removal charges and/or any special refuse removal charges levied by or payable to the Local Authority or to any other competent authority;

4.5. Any utility or service or encroachment charges which may be levied on the PROPERTY by the Local Authority or any other competent authority.

- 4.6** Should any amounts payable in terms the above provisions;
- 4.6.1 be levied or assessed by separate meter or separate sub-meter or separate account in respect of the LEASED PREMISES only, then the liability of the TENANT shall be to pay the amount so levied or assessed and the TENANT, if called upon to do so, shall exhibit to the LANDLORD the receipts in respect thereof;
- 4.6.2 not be levied or assessed by separate meter or separate sub-meter or separate accounts in respect of the LEASED PREMISES only, then the amount for which the TENANT shall be liable in terms of this clause shall be an equitable share of the amount levied for such charge in respect of the whole BUILDING to be determined by the LANDLORD's LETTING AND ADMINISTRATION AGENTS; and a certificate from the LETTING AND ADMINISTRATION AGENTS certifying the amount payable by the TENANT shall be conclusive proof of the amount payable by the TENANT.
- Should the TENANT fail to pay the charges for electricity or any other amount due in terms of this lease within SEVEN (7) DAYS of written demand, then, without prejudice to any other rights it may have, the LANDLORD shall be entitled to terminate the supply of electric current or such other service as may be applicable to the LEASED PREMISES.
- 4.7** Upon termination of this lease, the LANDLORD shall be entitled to withhold the deposits referred to in Clause 20 and to apply same in settlement of any outstanding Municipal Accounts due for payment by the TENANT in respect of the LEASED PREMISES.

5. TENANT'S RIGHTS AND OBLIGATIONS

The TENANT:

5.1. ACKNOWLEDGEMENT

acknowledges itself to be fully acquainted with the locality and full details of the LEASED PREMISES.

5.2. USE

shall use the LEASED PREMISES only for the purposes specified in **CLAUSE 12** of the SCHEDULE.

5.3. CONDUCT OF BUSINESS

5.3.1. shall conduct its business and keep the LEASED PREMISES continuously open for that purpose on all permissible days.

5.3.2. shall not exceed the floor loading capacity of the LEASED PREMISES.

5.4. CONDITION OF PREMISES

shall within FOURTEEN (14) DAYS of taking possession, notify the LANDLORD photographically and in writing of the details of any defects in the condition of the LEASED PREMISES and, failing such notification, the TENANT shall be deemed to have received the LEASED PREMISES in a thoroughly good state of tenantable repair and condition.

5.5. MAINTAIN INTERIOR

shall at its expense:

5.5.1. keep and maintain the interior of the LEASED PREMISES, including paintwork, in good order and repair;

5.5.2. repair and/or replace all fluorescent tubes, ballasts and electric light globes, locks, keys, windows, glazing, window fittings, electrical fittings (including electrical hot water geyser, if any) and other interior fittings that may be damaged, destroyed or lost, and shall do any painting which may be necessary from time to time to the interior of the LEASED PREMISES;

5.5.3. at the termination of the lease hand over and deliver the LEASED PREMISES to the LANDLORD in the same good order and condition as they were in when the TENANT first took occupation of the LEASED PREMISES.

5.6. FIRE EQUIPMENT

Shall maintain and service all fire prevention (including alarms and sprinkler) systems and fire fighting equipment on the premises and ensure full compliance at all times with any and all regulations, by-laws and/or other legislation relating thereto, including the supply, installation and maintenance of any additional fire equipment which may from time to time be required.

5.7. DOORS, PLATE GLASS, WALLS, CEILINGS AND FLOORS

- 5.7.1. shall keep and maintain all doors, plate glass and beading surrounds (whether interior or exterior) in the LEASED PREMISES in good order and condition and replace, at its own cost, any damaged or broken plate glass;
- 5.7.2. shall not drive any object into the walls or ceilings or floors of any part of the LEASED PREMISES;
- 5.7.3. shall not do anything which damages the walls or ceilings or floor of any part of the LEASED PREMISES;
- 5.7.4. shall care for and maintain any carpets provided in the LEASED PREMISES. Should the said carpets be damaged from any cause whatsoever, the TENANT shall make good such damage and, should it not do so, the LANDLORD shall be entitled to repair the damage and recover the cost of such repairs from the TENANT, which cost the TENANT shall pay to the LANDLORD upon demand. The LANDLORD shall not be obliged under any circumstances to replace any carpets in the LEASED PREMISES.

Should the TENANT wish to install new or replace existing carpeting, the written consent of the LANDLORD shall first be obtained, and on termination of this lease the TENANT shall not be entitled to re-imbursement in respect of any carpets, which carpets become the sole and absolute property of the LANDLORD.

5.8. FIXTURES AND FITTINGS

- 5.8.1. may at any time install such fixtures or fittings in the LEASED PREMISES for the purpose of its business as are approved by the LANDLORD;
- 5.8.2. may at any time and shall upon the termination of this lease remove those fixtures or fittings;
- 5.8.3. shall repair any damage caused by such installation or removal before handing over the LEASED PREMISES to the satisfaction of the LANDLORD and/or its agents, failing which the LANDLORD shall be entitled to repair such damage and the TENANT shall pay the costs so incurred by the LANDLORD upon demand.

5.9. ELECTRICAL INSTALLATIONS

- 5.9.1. shall not alter, interfere with or overload the electrical or other lighting or heating installations in the LEASED PREMISES;
- 5.9.2. shall be liable to repair any short circuits or blown fuses or other damage caused by such alterations, interference or over-loading;

5.10. PLUMBING, SANITARY EQUIPMENT AND SEWER BLOCKAGES

- 5.10.1. shall comply with all sanitary and/or other bylaws affecting the LEASED PREMISES and shall keep and maintain all plumbing, sanitary and sewerage equipment, connections, pipes and drains of the LEASED PREMISES in good working order and condition, and shall at all times purge, cleanse, scour, keep and maintain in good sanitary condition all such drains and other sanitary arrangements including washbasins, sanitary fittings and urinals;
- 5.10.2. shall not cause or permit to be caused any obstruction or blockage of sewerage pipes, water pipes or drains in the BUILDING and shall remove and repair, at its cost, any obstruction or any blockage of any sewerage or water pipes or drains so caused.

5.11. AIRCONDITIONING

- 5.11.1. shall not interfere with any airconditioning installations in the BUILDING or in the LEASED PREMISES (where these have been provided otherwise than by the TENANT in terms of sub-paragraph 5.11.2 hereof) and shall be liable for the cost of any damage caused by such interference.
- 5.11.2. shall not be entitled to install in or on any part of the LEASED PREMISES any airconditioning plant or unit without the prior written consent of the LANDLORD, which shall not be unreasonably withheld.
- 5.11.3. shall not have any claim against the LANDLORD arising out of any defect in or interruption of the operation of airconditioning in the LEASED PREMISES.
- 5.11.4. shall be solely responsible for keeping, maintaining and repairing, at its sole cost and expense, all individual airconditioning units installed in the LEASED PREMISES in working order during the currency of this lease, and the TENANT shall not have any claim against the LANDLORD arising out of any defect in or interruption in the operation of such units in the LEASED PREMISES.

5.12. AWNINGS

Shall not affix any window blinds, shades or awnings to any part of the LEASED PREMISES or the BUILDING without the prior written consent of the LANDLORD, which shall not be unreasonably withheld.

5.13. NO ALTERATIONS

- 5.13.1. shall not, without the prior written consent of the LANDLORD, which shall not be unreasonably withheld, make any alterations or additions of any nature whatsoever to the LEASED PREMISES or the BUILDING;
- 5.13.2. shall observe all terms and conditions which the LANDLORD may prescribe in giving consent under 5.13.1;
- 5.13.3. agrees that should the LANDLORD give consent under 5.13.1, the LANDLORD shall be entitled upon the termination of the lease either to call upon the TENANT to hand over the LEASED PREMISES as altered without compensation or payment by the LANDLORD or to have the LEASED PREMISES restored to their original condition at the expense of the TENANT;
- 5.13.4. agrees that the LANDLORD shall be entitled to require that such alterations or additions be effected and, if applicable, be removed subject to the reasonable approval of an architect nominated by it and that the fees of such architect be paid by the TENANT. It is further agreed that all costs and expenses in respect of such alterations or additions and, if applicable, the removal thereof, shall be borne by the TENANT;
- 5.13.5. agrees that any removal and re-installation required by the LANDLORD shall be effected prior to the termination of this lease.

5.14. ADVERTISING SIGNS

- 5.14.1. shall not affix or paint any advertising or hanging sign on the exterior of the BUILDING or on the windows or doors of the LEASED PREMISES without the LANDLORD'S prior written consent, which shall not be unreasonably withheld.
- 5.14.2. Shall:
 - 5.14.2.1. maintain the good appearance of any advertising or other sign erected in terms of 5.14.1;
 - 5.14.2.2. keep it in proper working order;
 - 5.14.2.3. comply with all the requirements of any competent authority in respect of any advertising or other sign erected in terms of 5.14.1;
 - 5.14.2.4. remove any sign affixed or painted in terms of 5.14.1 and make good any damage caused to the BUILDING or the LEASED PREMISES by such removal upon the termination of this lease;

5.15. INSURANCE

Shall not keep or permit to be done or kept in or on the LEASED PREMISES anything which may render void or voidable any fire or other insurance policy of the BUILDING or which may give rise to any increase in the premiums, without the prior written consent of the LANDLORD, which shall not be unreasonably withheld, and the whole of any additional premiums payable by reason of anything done or kept or permitted to be done or kept in or on the LEASED PREMISES shall, notwithstanding the provisions of clause 3, be paid by the TENANT to the LANDLORD on demand.

5.16. LAWS AND BY-LAWS

Shall not contravene or permit the contravention of any laws, by-laws, regulations or requirements of any competent authority, relevant to the conduct of the TENANT's business in and occupation of the LEASED PREMISES and shall comply with same including, but not limited to, the requirements of the Environment Conservation Act No. 73 of 1989, the National Environmental Management Act No. 107 of 1998, the Hazardous Substances Act No. 15 of 1973, the Atmospheric Pollution Prevention Act No. 45 of 1965, the National Water Act No. 36 of 1998, the Occupational Health and Safety Act No. 85 of 1993 and the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993, relating to tenants or occupiers of business premises or affecting the conduct of any business carried on in the Leased Premises.

5.17. NO CLAIMS

Shall not have any claim against the LANDLORD for any loss or damage which the TENANT may suffer:

- 5.17.1. by reason of the PROPERTY or any part thereof being in a defective condition or state of disrepair or any particular repair or maintenance not being effected by the LANDLORD; or
- 5.17.2. arising out of *vis major* or *casus fortuitus* or any other cause, either wholly or partly outside the LANDLORD's control; or
- 5.17.3. arising out of the negligence of the LANDLORD or the LANDLORD's agents or servants; or
- 5.17.4. arising out of any act or omission by any other TENANT in the BUILDING; or
- 5.17.5. as a result of the LEASED PREMISES or the BUILDING being damaged or destroyed; or
- 5.17.6. as a result of housebreaking, forcible entry and/or burglary of the LEASED PREMISES (the TENANT shall, at its expense, make good all damage caused thereby); or
- 5.17.7. by theft.

All the provisions of this clause 5.17 shall apply and be fully operative notwithstanding that any loss, damage, injury or loss of life hereinbefore referred to may occur or be sustained in consequence of anything done or omitted by the LANDLORD or any of its employees, directors, agents or independent contractors, whether negligently or otherwise and notwithstanding that the LANDLORD may have been in breach of any of its obligations hereunder.

The TENANT, notwithstanding anything to the contrary contained herein, shall not, under any circumstances, have any claim for any loss of profit or other special damages or any indirect or consequential damages of any nature which the TENANT may suffer as a result of any breach by the LANDLORD of any of its obligations to the TENANT.

5.18. INDEMNITY

Indemnifies the LANDLORD against any claim made against the LANDLORD by anyone for any loss or damage suffered in or on the LEASED PREMISES or in consequence of any act or omission of the TENANT, or the TENANTS servants or agents, or arising from any defect in the LEASED PREMISES or the BUILDING or from any other cause whatever.

5.19. NO WITHHOLDING PAYMENTS

Shall not be entitled to withhold or delay payment of any amounts due to the LANDLORD in terms of this lease and the TENANT hereby abandons all or any rights of set off.

5.20. NUISANCE

Shall carry on and conduct its business in such a manner as not to constitute or become a nuisance to the LANDLORD or any other tenant in the PROPERTY or to the owners or occupiers of neighbouring properties. Any excessive noise caused or permitted to be caused in the LEASED PREMISES or the PROPERTY by the TENANT shall be deemed to be a nuisance within the meaning of this sub-clause.

5.21. OUTSIDE APPEARANCES

- 5.21.1 shall not place or do anything on any part of its external area or the common property and external walls which, at the discretion of the LANDLORD, is aesthetically displeasing or undesirable.
- 5.21.2 may not install any external air conditioning unit, awning, aerial or DStv dish without the LANDLORD having first approved in writing the nature and design of the device, the manner and location, as well as the proposed screen walling.

5.22. COSTS & INTEREST

Shall:

- 5.22.1 pay to the LANDLORD interest on any overdue amount at the rate of 2% above the current prime overdraft rate of the LANDLORD'S bankers, reckoned from the due date of payment of such amount to the actual date of payment thereof.
- 5.22.2 be liable for all administration and legal costs incurred by the LANDLORD (including Attorney and Client costs and collection charges) with regard to the recovery of arrear rent or any other amounts due in terms of this lease, or arising out of same, or arising out of a cancellation or termination of same, notwithstanding the fact that legal action may not have been instituted against the TENANT.
- 5.22.3 be liable for any bank charges that may be incurred by the LANDLORD in respect of cash deposits of rental or any other amounts paid.

5.23. CESSION AND SUB-LEASING

Shall not, without the prior written consent of the LANDLORD, which shall not be unreasonably withheld.

- 5.23.1 cede or in any way alienate or encumber any of the TENANT's rights hereunder; nor
- 5.23.2 sublet the LEASED PREMISES or any part thereof; nor
- 5.23.3 permit anyone else to occupy the LEASED PREMISES or any part thereof.
- 5.23.4 If the LANDLORD furnishes its consent to sub-let, then, without prejudice to any other reasonable conditions which the LANDLORD may stipulate, the TENANT shall be deemed to have ceded in favour of the LANDLORD all its rights against the sub-tenant, including its right to receive payment of the rental and of other amounts payable in terms of the sub-lease, as security for the TENANT's obligations to the LANDLORD under this agreement of lease.

5.24. LICENCES

- 5.24.1 shall be solely responsible, at its own expense, for obtaining the necessary certificates and licences from the Local Municipal Authority and/or any other relevant authorities enabling the TENANT to carry on the business referred to in clause 11 of the SCHEDULE in the LEASED PREMISES.
- 5.24.2 shall apply for and at all proper times use its best endeavours to obtain at its expense, renewal of the certificates and licences referred to in sub-clause 5.24.1 and pay for the same;
- 5.24.3 acknowledges that the LANDLORD gives no warranties or assurances whatsoever that such licence or licences which may be required by the Local Municipal Authority and/or any other relevant authorities will be granted or renewed;

5.24.4. shall advise the LANDLORD of any obligation or condition imposed by any competent authority concerning the LEASED PREMISES or the licences held in respect thereof;

5.24.5. shall, during the currency of this lease, carry on and maintain its business so as to preserve the goodwill thereof.

5.25. REFUSE CONTAINERS AND WASTE

Shall provide its own refuse container (to conform with the Local Municipal Authority and/or other lawful authority requirements) in the area of the PROPERTY set aside for the keeping of refuse containers. Such refuse containers must be maintained in good order by the TENANT. Any waste accumulating in the LEASED PREMISES in excess of that put into the refuse containers must be removed daily by the TENANT.

5.26. MUNICIPAL SERVICES

5.26.1. shall at all times during the currency of this lease ensure that all accounts levied directly upon the TENANT in respect of the LEASED PREMISES for Municipal Services including Electricity, Water and Refuse Removal are paid strictly on or before due date. Failure by the TENANT to keep such accounts strictly current shall constitute a material breach in terms of this lease.

5.26.2. shall make available to the LANDLORD at any reasonable time, copies of its latest Municipal Account for the LEASED PREMISES in respect of the above services.

5.26.3. undertakes upon termination of this lease to formally terminate its contracts with the Municipality for the supply of electricity, water and refuse removal and to settle outstanding accounts in full.

5.27. CONTRAVENTION

Shall not contravene or allow the contravention of the Tobacco Products Control Act No. 83 of 1993 (including the regulations thereunder) or any other legislation that may replace such act, by members of its staff or any person on the LEASED PREMISES. The TENANT further indemnifies and holds the LANDLORD harmless against any penalty imposed by any local, provincial, national or other authority as a result of the TENANT'S failure to comply with the provisions of such an Act and/or the regulations.

5.28. ODOURS AND SMOKE

Shall furnish the LANDLORD with procedures, which are acceptable to the LANDLORD, regarding the extraction of odours and smoke in addition to its proposed designated smoking area that it will implement in respect of smoking and non-smoking areas on the LEASED PREMISES, if applicable.

6. LANDLORDS RIGHTS AND OBLIGATIONS

6.1. MAINTAIN EXTERIOR

The LANDLORD shall keep and maintain the exterior, roof, gutters and downpipes of the BUILDINGS, as well as all common areas on the PROPERTY, in good order and condition.

6.2. ACCESS

The LANDLORD or its agents or servants shall be entitled to:

6.2.1. effect any repairs, alterations, improvements, and/or additions to the BUILDING or any part thereof and for such purposes erect scaffolding, hoardings and/or any other building equipment required for the carrying out of such work and shall be entitled to access any portion of the LEASED PREMISES as may be reasonably necessary for the purposes aforesaid.

6.2.2. have reasonable access to the LEASED PREMISES for the purposes of inspecting or repairing the LEASED PREMISES or the BUILDINGS;

- 6.2.3. call upon the TENANT to repair any damage to the LEASED PREMISES for which the TENANT is responsible under this lease and in default of the TENANT effecting such repairs within FOURTEEN (14) DAYS after receipt of such notice, may itself effect such repairs at the cost and expense of the TENANT and any costs and expenses incurred by the LANDLORD shall be recoverable from the TENANT as additional rental;
- 6.2.4. display
 - 6.2.4.1. a "To Let" notice during the THREE (3) MONTHS immediately preceding, the expiration of this lease;
 - 6.2.4.2. a "For Sale" notice at any time during the period of this lease;
- 6.2.5. show any prospective tenants or buyers the interior of the LEASED PREMISES during reasonable hours on business days;
- 6.2.6. display on the LEASED PREMISES, during the last THREE (3) MONTHS of this lease, any notice which may be required by the LANDLORD or any of the LANDLORD's tenants or prospective tenants in connection with any application for a licence for any business to be carried on in the LEASED PREMISES.

6.3. WARRANTY

THE LANDLORD:

- 6.3.1. does not warrant or represent that the LEASED PREMISES are fit for the purpose for which they are let, or that the TENANT will be granted licences in respect thereof for the conduct of its business or that any licences will be renewed.
- 6.3.2. shall not be under any obligation at any time during the currency of this lease to make any improvements, additions or alterations, or to carry out any work in respect of the LEASED PREMISES in order to render or to keep them fit for the purposes of the TENANT's business and all the requirements in connection therewith shall be carried out, subject to the LANDLORD's approval at the expense of the TENANT.
In the event of the Local Municipal Authority, any Factories and/or Labour Inspector or official and/or any other legally constituted authority at any time during the currency of this lease requiring any work to be carried out in respect of any alterations, additions or improvements in the LEASED PREMISES for the purposes of the TENANT's trade or business, all costs or charges necessitated by any such work shall be borne and paid for by the TENANT and the LANDLORD shall not be called upon to pay any such costs and charges or to comply with any other requirements of any legally constituted authority in regard to the TENANT's trade or business. The LANDLORD shall be entitled to require that any of the aforesaid work be effected subject to the reasonable approval of an architect nominated by it and that the fees of such architect be paid for by the TENANT.

6.4. CLEANING SERVICES

The LANDLORD shall provide such cleaning services, if any, to the LEASED PREMISES as it may in its sole and absolute discretion deem necessary or advisable, it being understood that the LANDLORD shall be under no obligation whatsoever to provide such cleaning services.

6.5. REPAIRS AND RENOVATIONS ON TERMINATION

If, on termination of the lease, repairs or renovations are necessary to the LEASED PREMISES by virtue of a failure of the TENANT to carry out the obligations imposed upon the TENANT in terms of this lease, the LANDLORD shall be entitled to carry out such repairs or renovations as are necessary and to recover the costs from the TENANT. The TENANT shall also be responsible for damages for loss of rental during the period the repairs and renovations are being carried out at not less than the rental payable immediately prior to termination of the lease and reckoned until the end of the month in which the work is completed.

7. USE OF COMMON FACILITIES

- 7.1. The COMMON AREAS shall at all times be subject to the exclusive control and management of the LANDLORD, and the LANDLORD shall have the right, directly or through its duly nominated employees or agents, generally to exercise such control and perform such acts in and to the COMMON AREAS as in the use of good business judgement, the LANDLORD in its sole discretion, shall determine to be advisable with a view to the improvement of the convenience and the use of the COMMON AREAS by tenants, their officers, agents, employees and customers.

- 7.2. The TENANT undertakes that it shall not operate or permit to be operated in or about the LEASED PREMISES and/or the COMMON AREAS, any coin or token operated vending machine or similar device for the sale of any goods, merchandise, beverages, sweets, cigarettes, other commodities or service, nor any scales, paylockers, amusement devices and machines, without the prior written consent of the LANDLORD.
- 7.3. The TENANT or its directors, employees, clients, servants, invitees and visitors (hereinafter called invitees) together with the other tenants of the BUILDING, shall be entitled to use the COMMON AREAS provided that they shall at all times adhere to rules and controls implemented by the LANDLORD and provided further that they shall do so in a manner so as not to cause an interference or nuisance to other users.
- 7.4. Should there be any interruption in any of the common services or facilities or should any such services and conveniences or equipment become unusable, the TENANT shall not be entitled to reduce the rental or withhold or defer payment of rental, or terminate this lease.
- 7.5. COMMON AREAS such as, inter alia, the background, loading zones, passages, malls and service corridors shall not be used by the TENANT for storage, display of sale goods, supplying of services, the parking of vehicles or for any other purpose not permitted by the LANDLORD.
- 7.6. No goods, packing cases, furniture, safes or other such furniture may be taken into the passenger lift of the BUILDING without the prior consent of the LANDLORD. No vehicles of whatsoever nature may be brought through any of the entrances of the property, except through vehicle entrances.
- 7.7. The TENANT shall ensure that COMMON AREAS and facilities which are not designated for such purpose are not used as eating places or general resting places by its employees or invitees and it shall do anything reasonably possible to prevent them from doing so.
- 7.8. Common conveniences and facilities are used at own risk, and the LANDLORD shall not be liable for any injury to the TENANT or its invitees or for any damage or loss, however caused.
- 7.9.
 - a) The TENANT hereby acknowledges that any goods hoist and related equipment supplied by the LANDLORD to the TENANT or which form part of the premises hereby let, are used solely at the risk of the TENANT, the LANDLORD making no warranty as to the loading capacity and/or working order of such hoist/s and/or equipment and it is further agreed that the LANDLORD shall not be responsible for any loss or damages sustained resulting from the operation of such hoist/s and/or equipment, the TENANT hereby indemnifying and holding harmless the LANDLORD against any claim that may be made against the LANDLORD arising out of and/or in connection with the mechanical failure and/or malfunctioning of the hoist/s and/or equipment of whatsoever nature.
 - b) Any goods hoist is for transporting goods only – no passengers allowed.

8. DAMAGE OR DESTRUCTION

8.1. TOTAL DESTRUCTION

- 8.1.1. Should the LEASED PREMISES be destroyed or damaged by any cause whatsoever to an extent which prevents the TENANT from having beneficial occupation of the LEASED PREMISES, then:
 - 8.1.1.1. the TENANT shall have no claim of any nature whatsoever against the LANDLORD as a result thereof;
 - 8.1.1.2. the LANDLORD will be entitled to determine within TWO (2) CALENDAR MONTHS after such destruction or damage whether or not this lease shall be cancelled and shall notify the TENANT in writing of its decision.
 - 8.1.1.3. should the LANDLORD not notify the TENANT of that decision then it shall be deemed to have elected to cancel this lease.
- 8.1.2. Should the LANDLORD elect or be deemed to have elected to cancel this lease then the TENANT shall have no claim of any nature whatsoever against the LANDLORD as a result of such cancellation of the lease.
- 8.1.3. Should the LANDLORD elect not to cancel this lease, then:

- 8.1.3.1. the LANDLORD shall reinstate the LEASED PREMISES with reasonable despatch;
- 8.1.3.2. the TENANT shall not be liable for any rent for so long as the TENANT is deprived of beneficial occupation of the LEASED PREMISES;
- 8.1.3.3. should the TENANT be given beneficial occupation from time to time of any part of the LEASED PREMISES, then the TENANT shall make payment of the rental therefore on a pro rata basis.
- 8.1.3.4. the period of this lease shall be extended by the period during which the TENANT is deprived of beneficial occupation of the whole of the LEASED PREMISES.

8.2. PARTIAL DESTRUCTION

Should any part (but not the whole) of the LEASED PREMISES be destroyed or damaged by any cause whatsoever then:

- 8.2.1. this lease shall not be cancelled;
- 8.2.2. the rental payable by the TENANT shall be reduced pro rata and to the extent to which the TENANT is deprived of the beneficial occupation of that part of the LEASED PREMISES;
- 8.2.3. the LANDLORD shall repair at its cost the damaged or destroyed portion of the LEASED PREMISES with reasonable despatch;
- 8.2.4. the TENANT shall have no claim of any nature whatsoever against the LANDLORD as a result of the said destruction or damage from whatsoever cause the same arises.

8.3. DISPUTES

Should any dispute arising between the parties:

- 8.3.1. as to whether the BUILDING or LEASED PREMISES are wholly untenable or not at any time and/or the period that the BUILDING or LEASED PREMISES are wholly untenable, then such disputes shall be referred to the LANDLORD's architect, acting as an expert and not as an arbitrator, whose decision in regard to such dispute shall be final and binding on the parties. Any expense which may be incurred in referring such dispute to the LANDLORD's architect shall be borne by the TENANT.
- 8.3.2. in regard to the reduced amount of rental payable at any time or from time to time by the TENANT, in terms of 8.2.2 hereof, then such dispute shall be referred to the Auditors for the time being of the LANDLORD, acting as experts and not as arbitrators, the decision of whom in regard to such dispute shall be final and binding on the parties and any expense which may be incurred in referring such dispute to the LANDLORD's Auditors shall be borne by the TENANT.

9. OTHER DAMAGE OR DESTRUCTION

If any other premises in the BUILDING hereby let are damaged or destroyed either partially or wholly, and the LEASED PREMISES (hereby let) are affected by such damage or destruction or access thereto is reasonably required by the LANDLORD for the purpose of effecting the necessary repairs to and/or restoration of such other premises, then the LANDLORD shall have the right (but shall not be obliged) to deal with the LEASED PREMISES as if they had been totally or partially destroyed and the provisions of clause 9 hereof shall, *mutatis mutandis*, be applicable.

10. BREACH

Should:

- 10.1. the rental or any other amount due by the TENANT in terms of this lease not be paid on due date; or
- 10.2. the TENANT commit or suffer or permit the commission of a breach of Clauses 5.22 or 18; or
- 10.3. the TENANT commit or suffer or permit the commission of a breach of any of the other terms of this lease, (and for the purposes of this clause, his failure to comply with any of the terms and conditions stipulated by the LANDLORD as provided for in Clause 26.2 shall be deemed to constitute a breach of the terms of this lease) whether or not such breach goes to the root of this contract, and fail to remedy such breach;
 - 10.3.1. within FOURTEEN (14) DAYS after written notice has been given by the LANDLORD to the TENANT requiring the TENANT to remedy such breach where it is one which is capable of being remedied within such period;

10.3.2. within a reasonable time after written notice has been given by the LANDLORD to the TENANT requiring the TENANT to remedy such breach where it is not one which is capable of being remedied within FOURTEEN (14) DAYS; or

10.4. the TENANT be placed under provisional or final sequestration, liquidation or judicial management, as the case may be;

the LANDLORD shall be entitled, but not obliged, notwithstanding any previous waiver or anything to the contrary herein contained, to cancel this lease forthwith and retake possession of the LEASED PREMISES, without prejudice to its claim for any arrear rentals or other sums payable hereunder or for any damages which it may suffer by reason of such breach and/or cancellation, or to any other remedy which it may have against the TENANT arising out of this lease or in law and to allocate, at its discretion, any sum of money received for rental, or any other amount due by the TENANT in terms of this lease, to the debt which has been unpaid for the longest period of time. It is specifically recorded that the LANDLORD shall not be obliged to give the notice stipulated in 10.3.1 in relation to any breach referred to in 10.1 or 10.2 above, it being the intention of the parties that the LANDLORD shall in the event of breach other than those referred to in 10.3 above, be entitled to cancel this Lease forthwith, without giving the TENANT any notification to remedy such breach.

10.5. the TENANT consistently breach the LEASE so as to justify the inference that the TENANT'S conduct is inconsistent with an intention or an ability to comply therewith.

10.6. the LANDLORD shall be entitled to report, without prior notice to the TENANT, to a credit bureau, the conduct of the TENANT where rental or any other amount due by the TENANT in terms of this lease has not been paid on due date, and such information shall be available to credit grantors.

10.7. the TENANT become "financially distressed" within the meaning of Section 128 of Act 71 of 2008 (The Act) and/or have reason to believe that it may be placed under business rescue in terms of Chapter 6 of The Act, whether at the instance of its Board or the Court, then the TENANT agrees and undertakes that it will immediately notify the LANDLORD in writing thereof, whereupon the LANDLORD will be entitled to take such action as it may deem fit to protect its interests under this lease, including its immediate cancellation.

11. HOLDING OVER

11.1. Should the LANDLORD cancel this lease; and

11.2. the TENANT disputes the LANDLORD's right to do so and remains in occupation of the LEASED PREMISES:

11.2.1. the TENANT shall continue to pay all amounts due by the TENANT in terms of this lease on the due dates of the same;

11.2.2. the LANDLORD shall be entitled to recover and accept those payments;

11.2.3. the acceptance by the LANDLORD of those payments shall be without prejudice to and shall not in any manner whatsoever affect the LANDLORD's claim to cancellation then in dispute.

11.3. Should the dispute be determined in favour of the LANDLORD, the payments made and received in terms of 11.2 hereof shall be deemed to be amounts paid by the TENANT on account of damages suffered by the LANDLORD by reason of the cancellation of the lease and/or the unlawful holding over by the TENANT.

12. PREMATURE TERMINATION

Upon premature termination of this lease for any reason (including, without departing from the generality of the foregoing, termination by a trustee or liquidator of the TENANT following insolvency or liquidation) then until the TENANT or its legal representative prove to the contrary, the TENANT shall be deemed to be indebted to the LANDLORD, *inter alia* for damages for loss of rental in a sum equal to the aggregate of the basic and additional rental which would be payable under the lease but for its termination.

13. NO RELAXATION

No relaxation which the LANDLORD may give at any time whatsoever in regard to the carrying out of any of the TENANT's obligations in terms of this lease shall prejudice or be a waiver of any of the LANDLORD's rights in terms of this lease.

14. NO VARIATIONS

14.1. This lease contains all the terms and conditions of the agreement between the LANDLORD and the TENANT.

14.2. No variation of this lease shall be binding unless it is in writing and is signed by both the LANDLORD and the TENANT.

15. NOTICES AND DOMICILIUM

All notices hereunder by:

15.1. the LANDLORD to the TENANT shall be considered to be duly served when delivered either by hand or by telefax or electronic mail to the TENANT to the LEASED PREMISES which address the TENANT nominates and chooses as its *domicilium citandi ex executandi* or to its telefax number or e-mail address;

15.2. the TENANT to the LANDLORD shall be considered to be duly served when delivered by hand to the current place of payment of rental, which address the LANDLORD nominates and chooses as its *domicilium citandi et executandi* or sent by electronic mail or telefax to the LANDLORD'S e-mail address or telefax number.

16. UNLISTED COMPANIES

If the TENANT is a company whose shares are not listed on a recognised stock exchange no shares therein shall be beneficially transferred from its shareholders, nor may any shares be beneficially allotted to any person other than such shareholders without the LANDLORD's prior written consent which, in the case of an allotment or transfer of shares which will still leave control of the TENANT with the beneficial shareholders as at the commencement of the lease or of a transfer of shares to a deceased shareholders heirs, shall not be unreasonably withheld. Any transfer of allotment of shares effected without such consent shall constitute a breach by the TENANT of the terms of this lease. For the purposes hereof a change of ownership of shares even if not accomplished by a transfer of such shares shall be deemed to be a transfer of shares. The provision of this clause relating to the transfer or allotment of shares in a private company shall apply, *mutatis mutandis*, to the transfer or allotment of any member's interest in a close corporation, where the TENANT is a close corporation.

17. PAYMENT OF RENTAL

The rental shall be paid in advance on the first day of each and every month, without deduction or demand and free from bank exchange at the address of the LANDLORD specified in **CLAUSE 13** of the SCHEDULE, or at such place or places in the Republic of South Africa or to such other persons as the LANDLORD may from time to time by previous written notice appoint. The TENANT shall, if required to do so by the LANDLORD, arrange for a debit order on the TENANT's bank account providing for payment of rental and other amounts in terms of this lease and shall revise that debit order from time to time as required by changed circumstances. Acceptance of payments by cheque and/or the use of the postal services to remit payment is without prejudice and risk shall be entirely that of the TENANT.

18. COSTS

The costs of and incidental to the preparation, execution and stamping of this lease and any guarantee shall be paid by the TENANT See **CLAUSE 9** of the SCHEDULE.

19. DEPOSITS

The TENANT shall:

19.1. On the signing hereof, pay the deposit stated in clause 8 of the SCHEDULE. The LANDLORD shall have the right to apply the whole or any portion thereof towards payment of any liability of whatsoever nature for which the TENANT is responsible. If the whole or any portion of the deposit is so applied, the LANDLORD shall notify the TENANT in writing and the TENANT shall immediately reinstate the deposit to its original amount. The deposit shall be retained by the LANDLORD or its agents until the expiry of this lease or any renewal thereof, the vacating of the premises by the TENANT and the complete discharge of all the TENANTS obligations to the LANDLORD arising from this lease, or a cancellation or termination thereof. The TENANT shall not be entitled to set off against the deposit any rental or other amount payable by it. The TENANT acknowledges that it shall not be paid any interest on the deposit. Any such interest will accrue to the benefit of the LANDLORD or its agents, whichever of them retains the deposit, until the expiry of this lease or any renewal hereof. With the consent of the LANDLORD, the deposit may be given in the form of an irrevocable bankers' guarantee.

19.2. Pay to the LANDLORD on request the standard municipal deposit for the LANDLORD's provision of water and electricity.

20. GUARANTEE

Each of the GUARANTORS binds himself to and in favour of the LANDLORD as Surety for and Co-Principal Debtor *in solidum*, jointly and severally with the TENANT for the due and punctual payment of all amounts payable and for the due and punctual performance by the TENANT of all the terms and conditions incumbent upon it under and in terms of this agreement of lease or arising out of same, or arising out of a cancellation or termination thereof, including without departing from the generality of the foregoing, a termination of the lease by a liquidator or trustee of the TENANT. This guarantee shall also cover any amendments, variations or extensions of the agreement of lease although the GUARANTORS may not have specifically agreed thereto. Each of the GUARANTORS hereby renounces the benefits of "excussion", "division", "cession of action" and "no value received" with the full force and effect whereof they acknowledge themselves to be fully acquainted. Any indulgence, neglect or forbearance on the part of the LANDLORD shall in no way release any of the GUARANTORS from liability under this guarantee. Each of the GUARANTORS agrees that a certificate signed by the LANDLORD or its authorised representative shall be conclusive proof, at all times, of the amount owing to the LANDLORD by the TENANT for the purpose of any action taken by the LANDLORD in terms of this document, whether such action is for provisional sentence or otherwise.

Each of the GUARANTORS chooses *domicilium citandi et executandi* at the LEASED PREMISES as defined in this lease at which address all notices may be given and all processes served. A GUARANTOR may change such address to another in the Republic of South Africa on the expiry of 30 days written notice to the LANDLORD.

This Guarantee shall remain in full force and effect until the expiry of THIRTY (30) DAYS written notice given to the LANDLORD at a time when all indebtedness, commitments and obligations of the TENANT to the LANDLORD shall fully have been discharged, provided that no such notice may be given until after the termination of this lease. If this guarantee ceases to be binding on any of the GUARANTORS for any reason whatsoever, it shall remain binding as a continuing guarantee on the other GUARANTORS.

In the event of the TENANT's insolvency/liquidation or it being placed under Business Rescue in terms of Chapter 6 of Act 71 of 2008 or the adoption of a business rescue plan in terms of which the TENANT's liability to the LANDLORD is compromised at less than its full value, the LANDLORD shall nevertheless be entitled to claim from the GUARANTORS under this suretyship the full amount owing to it by the TENANT, or would but for any such compromise have been owing, together with interest and costs on the attorney and own client scale and any dividends or other payments received by the LANDLORD shall not prejudice the rights of the LANDLORD to recover from the GUARANTORS to the full extent of this Guarantee any sum, which after the receipt of such dividends or payments may remain owing by the TENANT, or would have but for the insolvency/liquidation business rescue or adoption of a business rescue plan have been owing by the TENANT, in respect of which liability the GUARANTORS shall be principal debtors or deemed to be such. Furthermore, the GUARANTORS bind themselves not to file any claim against the TENANT in competition with the LANDLORD.

Each GUARANTOR who signs this document acknowledges and records that notwithstanding the fact that it provides for signature hereof by other GUARANTORS there is a separate, distinct and independent contract of guarantee brought into existence by each GUARANTOR who does sign it, for any reason, any GUARANTOR named in the SCHEDULE shall fail to sign this guarantee or if this guarantee shall for any reason cease to be or is not binding on any one or more of the GUARANTORS then the obligations of the others shall be and continue to be binding and remain of full force and effect in terms hereof.

A failure by any GUARANTOR named in **CLAUSE 15** of the SCHEDULE to sign this agreement shall be deemed to constitute a breach of the lease by the TENANT.

21. MISCELLANEOUS

21.1. In this agreement, unless the context clearly indicates otherwise:

- 21.1.1. the BUILDING means the building accommodating the LEASED PREMISES;
- 21.1.2. the LAND means the immovable property on which the BUILDING is erected;
- 21.1.3. the PROPERTY means the LAND and the BUILDING;
- 21.1.4. Electrical Installation Regulations means the Electrical Installation Regulations to the Machinery and Occupational Safety Act 1983 (Act No 6 of 1983), promulgated on the 23 October 1992 and any amendments thereto;
- 21.1.5. Electrical Installation means any electrical installation as defined in the Electrical Installation Regulations read with the definitions contained in the Machinery and Occupational Safety Act 1993 (Act No 6 of 1993) and includes electrical plug points, light fittings and the like;

- 21.1.6. Certificate of Compliance means a Certificate of Compliance as defined in the Electrical Installation Regulations, which is a certificate in the form of Annexure 1 to such regulations issued by a person registered in terms of Regulation 9 of such regulations as an electrical tester for single phase, and Installation Electrician or a Master Installation Electrician, as the case may be, in respect of an Electrical Installation or part of an electrical installation, or any amendment to such definition.
- 21.2. This lease has been drafted with reference to the TENANT in the singular neuter. In the event of the TENANT being a natural person or consisting of more than ONE (1) person, the provisions of this lease shall be construed accordingly;
- 21.3. In the event of the TENANT consisting of more than ONE (1) person, the liability of the persons who constitute the TENANT for the due fulfillment by the TENANT of all the obligations imposed on the TENANT in terms of this lease, shall be a joint and several liability.
- 21.4. This agreement is entered into:
- 21.4.1. by the LANDLORD for itself and its successors-in-title and assigns; if the property of which the LEASED premises forms part, is alienated for any reason the TENANT shall be deemed to have entered into a lease with the new owner on the same terms and conditions as are contained in this lease.
- 21.4.2. by the TENANT for itself and its successors-in-title and permitted assigns.
- 21.5. Should the LEASED PREMISES not be ready for occupation by the TENANT upon the commencement date by reason of:
- 21.5.1. building operations not having been completed; or
- 22.5.2 delay in plans approval by the Municipality or any relevant authority.
- 22.5.3 their being in a state of disrepair; or
- 22.5.4 the failure of the previous tenant to vacate; or
- 22.5.5 any other cause whatsoever;
- then the TENANT shall have no claim for cancellation of this lease or damages or other right of action against the LANDLORD and the TENANT agrees and undertakes to take occupation of the LEASED PREMISES upon the date the LEASED PREMISES will be available for occupation by the TENANT. The LANDLORD'S decision as to when the LEASED PREMISES will be available for occupation shall be final and binding on the TENANT and the lease shall commence on the date the LEASED PREMISES are available for occupation and shall, *mutatis mutandi* continue thereafter for the period set out in clause 4 of the SCHEDULE.
- 21.6 This lease shall only take effect and become binding upon the LANDLORD when signed by the LANDLORD, failing which the TENANT may not claim the existence of a lease from negotiations having been conducted or concluded in regard thereto or by reason of this lease having been drafted or signed by the TENANT. The signature by the TENANT of this document shall amount to an offer by the TENANT to enter into this agreement upon the terms and conditions set out herein which shall remain open for acceptance and shall be irrevocable for a period of thirty (30) days from the date of signature by the TENANT or until finally declined by the LANDLORD or its agents in writing within that period or an amended contract in writing is entered into before such time and date. This offer shall not be affected in any way by subsequent negotiations which may be entered into by and between the LANDLORD and/or its agents with the TENANT, whether such negotiations amount to a counter offer or not.
- 21.7 This document shall form the whole and only contract between the LANDLORD and the TENANT and any representations made by or on behalf of the LANDLORD or the Agent shall not affect it unless set out herein.
- 21.8 This lease supersedes the provision of any other lease in respect of the **LEASED PREMISES**.

22 COMMISSION

- 22.1 The LANDLORD shall pay commission to the AGENT named in Clause 16 of the SCHEDULE in terms of Estate Agents Commission as per the recommended SAPOA tariff. Such commission shall upon agreement of this lease, be deemed to have been earned and shall be payable on occupation of the premises hereby leased. No commission shall be payable on any renewal period of this lease.
- 22.2 The LANDLORD shall pay interest on any overdue amount at the rate of 2% (TWO PER CENTUM) above the current prime overdraft rate of the LANDLORD'S bankers, reckoned from the due date of payment of such amount to the actual date of payment thereof.

22.3 The TENANT hereby warrants that he has been introduced to the said property by the AGENT named in Clause 16 of the SCHEDULE and hereby indemnifies and holds the LANDLORD free from and against any claim which may be made by any other agent in respect of commission arising out of the letting of the property, where such other agent claims to have actually introduced the TENANT to the property and/or to the LANDLORD in connection with the agreement of lease therein set forth.

22.4 In the event of a cancellation or termination of this Agreement for any reason whatsoever prior to the TENANT taking occupation of the premises, no commission shall be payable by the LANDLORD to the AGENT.

In the event of the AGENT named in Clause 16 of the SCHEDULE instructing Attorneys to recover the commission stipulated in terms hereof the LANDLORD shall be liable for such costs on Attorney and Client scale.

23 CONSENT TO MAGISTRATE'S COURT JURISDICTION

23.1 The TENANT consents in terms of Section 45 of the Magistrates Court Act No. 32 of 1944, as amended, to the jurisdiction of the Magistrates Court having jurisdiction in respect of the TENANT by virtue of Section 28(1) of the aforesaid Act.

23.2 Each GUARANTOR consents in terms of Section 45 of the Magistrates Court Act No 32 of 1944, as amended, to the jurisdiction of the Magistrates Court having jurisdiction in respect of such GUARANTOR by virtue of Section 28 (1) of the aforesaid Act.

23.3 The consents in Sub-Paragraphs 23.1 and 23.2 shall not preclude the LANDLORD, at its election from instituting proceedings in any other Court of competent jurisdiction.

24 ELECTRICAL INSTALLATIONS

24.1 The TENANT shall not alter any existing electrical installations on the property nor fit or install any additional electrical installation on the property without first obtaining the LANDLORD's written consent thereto.

24.2 The LANDLORD, if he grants the aforesaid consent, may impose such terms and conditions, as he in his sole discretion deems necessary to ensure that the TENANT complies with the provisions of the Electrical Installation Regulations.

24.3 In respect of every such electrical installation alteration or addition carried out by or at the instance of the TENANT (whether done with or without the LANDLORD's required consent) the TENANT shall, at his own cost, procure and, within fourteen (14) days of completion of such alteration or addition, deliver a certificate of compliance in respect of such alteration or addition, to the LANDLORD.

24.4 Should the TENANT fail to deliver the Certificate of Compliance to the LANDLORD as is required in terms of sub-clause 24.3 above, the LANDLORD, without prejudice to any other rights he enjoys in terms of this lease or otherwise, shall be entitled to do or to cause to be done, whatever may be necessary to obtain the Certificate in respect of the electrical installation, alteration or addition and the TENANT hereby consents, under such circumstances, to the LANDLORD, his agents or employees, gaining access to the property to carry out any work which may, in the opinion of the LANDLORD, be necessary to achieve the foregoing. All costs incurred by the LANDLORD in respect of such work and in procuring a Certificate of Compliance, shall be paid by the TENANT to the LANDLORD on demand.

25 V.A.T.

25.1 It is hereby recorded that should V.A.T. be payable on the Basic Monthly Rental as detailed per **CLAUSE 5** of The Schedule, the said V.A.T. shall be paid, in addition to the Basic Monthly Rental, by the Tenant, in accordance with current V.A.T. legislation.

25.2 Commission

Further to the Agreement of Lease, the LANDLORD shall pay the V.A.T. due, in terms of current V.A.T. legislation, on the said commission and charges payable.

26 SEVERABILITY

If any provision of this lease is unenforceable, the LANDLORD shall be entitled to elect, at any time, that such provision shall be severed from the remaining provisions of this lease which shall not be affected and shall remain of full force and effect.

This lease supersedes the provision of any other lease in respect of the LEASED PREMISES.

27 KEYS AND LOCKS

No duplicate keys of any lock on the LEASED PREMISES or any other premises in the BUILDING shall be made, nor shall any additional lock or locks be placed on any door of the LEASED PREMISES or the BUILDING without the written consent of the LANDLORD. If the TENANT vacates the LEASED PREMISES, all keys shall be delivered in good order to the LANDLORD. The TENANT shall be liable for any loss or damage to the keys and locks of the LEASED PREMISES and shall, at the request of the LANDLORD, replace the keys or have the lock mechanism and lock combination changed, as the LANDLORD prefers, in addition to providing new keys.

28 FURTHER ADDITIONS TO OR REDEVELOPMENT OF THE BUILDING

It is an express condition of this agreement that the LANDLORD shall be entitled to:

28.1. Terminate this lease or any renewal thereof by giving the TENANT six (6) months written notice to that effect in the following circumstances:

28.1.1. Should the LANDLORD wish to demolish the building or part thereof;

or

28.1.2. Should the LANDLORD wish to re-construct or re-develop or renovate the building or premises or any part thereof, provided always that such re-construction or re-development or renovation would be of a substantial and major nature.

28.2. Make additions or alterations to the buildings of which the LEASED PREMISES form part, without interference in any way by the TENANT, or without any claim being made by the TENANT for remission of rent, unless the LANDLORD, its workmen or agents are forced to enter upon the LEASED PREMISES and interfere with the normal business of the TENANT, in which case the LANDLORD shall be entitled to cause the building to be closed and/or the supply of electricity and water to be suspended during such periods as it shall from time to time reasonably decide, provided that:

28.2.1. The building shall not be closed during normal business hours, and

28.2.2. The water and/or electricity supply shall be suspended during normal business hours only to the extent reasonably necessary for the purpose of maintenance repair and/or additions; and

28.2.3. The TENANT may make arrangements with the LANDLORD for ingress to and egress from the building during any period when it is closed in terms of the foregoing.

29 SUCCESSORS IN TITLE

If the LEASED PREMISES or the property of which the LEASED PREMISES form a part are sold, the LANDLORD shall be deemed to have assigned all of its rights and obligations in terms of the lease to the purchaser, and the TENANT shall continue to remain bound by this lease in all respects.

SIGNED BY THE PARTIES as follows:

	PLACE	DATE
LANDLORD	_____	_____
WITNESS	_____	_____
TENANT	_____	_____
WITNESS	_____	_____
GUARANTOR	_____	_____
WITNESS	_____	_____