

LEASE AGREEMENT

Entered into by and between

Harlequin Duck Properties 231 (Pty) Ltd trading as Office Space Online; company registration number **2002/023799/07** hereafter called "The Lessor" and herein represented by **Craig Bosman (ID No: 6810265024089)**, who warrants that he is duly authorised hereto

And

Association of Plastic & Reconstructive Surgeons of Southern Africa T/A APRSSA (Registration number: 1927/000136/05), hereafter called "The Lessee" and herein represented by **Dr Peter Desmond Scott (ID No: 5306255071082)** who warrants that he is duly authorised hereto.

Introduction

This agreement is entered into between the two parties, mentioned on the first page, and serves as an acknowledgement to all parties that with this Agreement, the Lessor will, offer a serviced office environment as listed below:

1. OFFICE USE:

- 1.1. The Lessee will have the use of FURNISHED **Suite number 30** shown as "**Suite 30**" on the attached floor plan marked as "Annexure A" at UnitE0002&E1003&E1004, Building 4, Albury Park, Magalieszicht Avenue, Dunkeld West, Johannesburg.
- 1.2. The Lessee will have the use of **one (1)** parking bay/s. Specific bays are not allocated, and basement bays will be available on a first come first served basis, where after shaded and open bays will be available.
- 1.3. The Lessee will have the use of **one (1) exclusive storage area of approximately four (4) square meters.**

2. PERIOD:

The duration of the contract is for a **period of twelve (12) months** and shall be automatically **renewed in three month periods**, provided notice is not given as per clause 7.

3. COMMENCEMENT DATE:

The lease shall commence on the **1st July 2015.**

4. BENEFICIAL OCCUPATION:

Beneficial occupation is to be granted by the Lessor to the Lessee from **22nd June 2015** until the lease commencement date, on condition that the lease has been signed and the deposit paid or bank guarantee submitted. During the beneficial occupation period a nominal contribution will be charged for consumables (telephone and printer usage, electricity, water, teas etc).

5. MONTHLY COSTS:

- 5.1. The cost for the Office and work station/s including parking and storage as specified in clause 1 above, shall be **R5 940.00 per month PLUS VAT (R6 771.60 per month including VAT)**, pro-rated for any portion of a month.
- 5.2. The charges shall be payable monthly in advance by no later than the first working day of the month. No Cheques accepted, only EFT or cash deposits.
- 5.3. The monthly costs include, other than the actual office space, all other services mentioned under clause 9.
- 5.4. 10% penalties on total invoice amount will be applicable to payments, being 7 days late or more. The Lessor reserves the right to deny access to the offices should rental not be timeously made.
- 5.5. Cost for legal action taken against the Lessee for late payments or non-payments by the Lessee will be for the account of the Lessee. The parties agree that all legal action will be limited to a magistrate pursuant to this action.

6. DEPOSITS:

- 6.1. On the signature date of this Lease, the Lessee shall furnish the Lessor with, in addition to any rental then payable, a **rental deposit of R13 543.20** (equal to **2** times the monthly rental including VAT), which amount the Lessor may apply, in whole or part, in meeting any payment due by the Lessee (including but not limited to:- rent, telephone calls, printing costs, damage repair costs) to the Lessor at any time during the Lease or after the termination of this Lease. The Lessee shall not be entitled to set off against the deposit any amount payable by it to the Lessor. The deposit will be refunded to the Lessee, subject to any deductions, within one month after termination date of this lease.
- 6.2. The Lessor may apply the rental deposit referred to in clause 6.1 above, in whole or part, in meeting any payment due by the Lessee for all costs involved in replacing lost or damaged keys, access discs or electronic entry devices issued to the Lessee. The deposit shall be refunded on the return of these items in good working order on the termination of the contract.
- 6.3. The Lessor may apply the rental deposit referred to in clause 6.1 above, in whole or part, in meeting any payment due by the Lessee for all costs involved in replacing damaged telephone instruments issued to the Lessee. The deposit shall be refunded on the return of these items in good working order on the termination of the contract.

7. NOTICE PERIOD:

The Lessee is obliged to give **written notice of three (3) full calendar months** to the Lessor in the event of cancelling the contract at any point in time, providing this notice is not given more than 3 months before the termination of the initial lease period as per clause 2 above. Should the Property Owner at any time during the currency of this Lease decide to sell, demolish or redevelop the

property for any reason whatsoever, then notwithstanding anything to the contrary elsewhere contained herein, the Lessor shall be entitled to terminate this Lease on three month's notice to the lessee.

8. ESCALATION:

An **annual escalation of 10%** will apply, should the Lessee wish to continue the contract for a period longer than 12 months. The escalation of 10% will furthermore apply to every following full lease period of 12 months. The Lessor may, at his sole discretion, implement a lower escalation if he should choose to do so. The Lessee will not be notified of the pending escalation, but a notice on the first new invoice will bring attention to the escalation that has been implemented.

9. LESSOR'S SERVICES:

The Lessor shall provide the following services for the use of the Lessee in addition to the office;

- 9.1. Furnished reception and waiting area;
- 9.2. Receptionist, who shall, during normal working hours, receive calls and visitors on the Lessee's behalf;
- 9.3. Call diverts and call conferencing;
- 9.4. Photocopy, scan, print and fax facilities provided by the receptionist at a cost per page.
- 9.5. The use of a furnished board room and meeting room based on a booking system. Unlimited but reasonable usage is allowed, however the Lessor reserves the right to limit the meetings to a maximum of 1 hour. This restriction will not be implemented unless the demand on the meeting rooms exceeds "normal" usage.
- 9.6. An equipped kitchen, containing fridge, microwave, kettle, toaster, cutlery, crockery and glassware;
- 9.7. The supply of coffee, tea, sugar and milk for making of tea and coffee;
- 9.8. Cleaning of the offices and common areas;
- 9.9. Clean and serviced toilet facilities;
- 9.10. Parking as specified in Clause 1.2 above is based on a first come first served basis, with a cone being used for visitors that are booked. If more than one vehicle is required for visitors, this arrangement will need to be subject to available parking or as per prior arrangement with management;
- 9.11. Signage in reception at Lessor's expense and in keeping with signage parameters of the property as laid out by the Lessor;
- 9.12. Uncapped internet on the basis as laid out by the service provider and subject to the Lessor's fair use policy which the Lessor reserves the right to change from time to time;
- 9.13. Basic IT setup through local area and wireless network for printing and internet connectivity;
- 9.14. Provide driver services on a cost per trip basis (reliant on part-time driver and his vehicle);
- 9.15. Provide security (high fence, secure boomed access and roaming guards, 24 hour security);
- 9.16. Provide utilities such as electricity and water;
- 9.17. Collection and distribution of mail to physical address;
- 9.18. Provide a maintained garden setting

10. ADDITIONAL INFORMATION

The Lessee shall supply the following information for the purposes of credit checks and FICA regulations and hereby gives consent for the Lessor to conduct any necessary credit checks based on the details provided below.

- 10.1. ID Document (certified copy) of signatory to lease
- 10.2. A cancelled cheque/official bank letter with bank account details
- 10.3. A VAT Certificate for Company, CC, Trust or Entity
- 10.4. Registration documents of Company, CC, Trust or Entity (Old Form CM1, CM22, CM29 or New form COR15.1A, COR21, COR39), CC (CK1, CK2), Trust (Letter of Authority) or Entity
- 10.5. Three month's Bank Statements for Company, CC, Trust or Entity
- 10.6. Proof of Residence (Utility bill i.e. Lights and water or Telkom bill) of signatory to lease
- 10.7. Company resolution (where the signatory to lease is not a director/member of the Company/CC)

11. LESSEE'S OBLIGATIONS:

- 11.1. The Lessee shall use the office for the sole purpose of administrative offices.
- 11.2. The Lessee shall not;
 - 11.2.1. Be entitled to install any advertising or signs to the building without the Lessor's written consent;
 - 11.2.2. Change or interfere with the electrical installations on the premises without the prior written consent of the Lessor;
 - 11.2.3. Hold any dangerous chemicals or other illegal substances including illegal drugs on or near the premises;
 - 11.2.4. Drill any nails into the walls without the prior written consent of the Lessor.
- 11.3. The Lessee shall;
 - 11.3.1. Comply with the Lessor's security and fire regulations;
 - 11.3.2. Be responsible for securing the office and insuring own possessions;
 - 11.3.3. Care and keep in good order the premises and all amenities provided, and deliver same in good order to the Lessor on termination of the lease, normal wear and tear excepted. The Lessee shall repair any damage or alternatively reimburse the Lessor for the costs incurred to repair any damage to paint work;
 - 11.3.4. Permit the Lessor to inspect the premises at reasonable times and effect such repairs as are necessary;
 - 11.3.5. Not cede or assign any of his rights under the agreement, without the written consent of the Lessor;
 - 11.3.6. Not make any alteration or additions, structural or otherwise, to the premises without the written consent of the Lessor.
 - 11.3.7. This lease shall bind the Lessee mutatis mutandis to all terms and conditions of the head lease between Harlequin Duck Properties 231 (Pty) Ltd and Freestone Property Investments (Pty) Ltd. This lease is available for inspection on request.
- 11.4. The Lessee accepts to perform the following duties and obligations which are acknowledged, and are for the common good of all:

- 11.4.1. To make reservations for the meeting room via a diary to be kept at reception. Reservations are to be on a first come first served basis. To allow all Lessees fair access to the meeting room, meetings should not exceed 1.5 hours, unless no subsequent reservations are made. Each meeting should terminate 5 minutes before allotted time to allow for clearing and tidying;
- 11.4.2. To close windows to the premises each night; when departing after normal working hours, to ensure that the lights & air-conditioner are extinguished, blinds drawn closed and the front door is securely locked ;
- 11.4.3. To adhere to such rules as the Managing Agents or the Lessor may impose from time to time to ensure the smooth running of the premises;
- 11.4.4. With the exception of clauses relating to the security of the premises, it is agreed that the above terms per clauses 11.4.1 to 11.4.3, may be varied by the Lessor upon request by the majority of Lessees;
- 11.4.5. The Lessor shall have the right to change the offices allocated to tenants within the building when necessary, subject to the Lessee paying or receiving such pro-rata adjustment in rent as may be due. This shall not be implemented unless absolutely necessary;
- 11.4.6. No smoking whatsoever shall be allowed within the premises, or within 10m of any open door or window. Any individual or employee of the Lessee shall be fined R1000.00 for the first offence and on the second offence asked to leave the premises permanently.

12. FACILITIES AND SERVICES:

- 12.1. The Lessee will be responsible for securing his/her phone/s against misuse and the Lessor will have no liability in this regard;
- 12.2. The Lessee shall pay for photocopy, scan, fax, print and driver facilities at prescribed rates available at reception, on presentation of the monthly account;
- 12.3. The Lessor shall be entitled to vary charges for services and facilities on a month's written notice;
- 12.4. The Lessee shall pay for all telephone charges incurred, including calls and line rentals, at normal Telkom rates, on presentation of the monthly account.

13. LIMITATION OF LIABILITY OF LESSOR:

The Lessee shall;

- 13.1. have no claim, including consequential loss, for damages, reduction of rent or otherwise, due to a failure or interruption of services provided by the Lessor;
- 13.2. not withhold or defer payments of any amounts due in terms of this agreement for any reason;
- 13.3. not hold the Lessor liable for any damages or whatsoever in the event of theft, fire or as a result of force majeure;
- 13.4. shall acknowledge that the reception will close over the festive period between Christmas and New Year.

14. BREACH AND CANCELLATION

If-

- 14.1. the total monthly rental, (or any portion thereof) or any other amount due in terms of this lease is not paid on due date and remains unpaid for a period of 3 (three) days, notification will be sent to the lessee of such breach;
- 14.2. the lessee remains in default for a further 4 (four) days, formal demand will be sent to the lessee to remedy such breach, the lessee will be listed with the Tenant Payment Network (TPN) and the Lessor reserves the right to suspend all services provided to the lessee until such time as the breach has been rectified;
- 14.3. the lessee fails to remedy the breach for a period of 7 (seven) days from the date of formal demand, or should the lessee fail to remedy any other breach of this lease within 7 (seven) days after notice requiring the lessee to remedy such breach has been given by the landlord to the lessee, then the landlord shall be entitled, but not obliged to, 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 claims for any arrear rental or other sums payable hereunder or for any damages which it may suffer by reason of such breach and/or cancellation, or any other remedy which it may have against the lessee arising out of this lease or in law.
- 14.4. A certificate signed by a director, general manager, company secretary or internal accountant of the landlord, shall be *prima facie* proof of the amount of any indebtedness owing by the lessee to the landlord at any time and also the fact that the due date of payment of the whole or, as the case may be, any portion of that amount has arrived or passed.

15. COSTS

If the landlord instructs its attorney to take steps to enforce any of the landlords rights in terms of this lease by reason of any breach by the lessee, the tenant shall pay to the Landlord on demand all collection charges and legal costs, including attorney and client charges, incurred by the landlord as a result of such breach, whether or not legal proceedings have been instituted.

16. INTERNET – FAIR USE POLICY

- 16.1. The lessee may not use the internet for any purpose that may be illegal or that will prevent or hamper the efficiency of the network, more specifically the tenant is prohibited from:
 - 16.1.1. accessing pornography of any nature whatsoever;
 - 16.1.2. taking part in any online acts that are related to pornography;
 - 16.1.3. hacking, cracking or any other activities related to the illegal access or secure networks and/or software whether direct or indirect;
 - 16.1.4. downloading of multimedia files such as movie or music files (these include all pirate sites, such as torrent, as well as you tube);
 - 16.1.5. streaming audio (including radio) and/or film and animation type files;
- 16.2. The lessor is entitled to add additional restrictions from time to time.
- 16.3. In the event that the lessee is required to download any of the above-mentioned restrictions for BUSINESS purposes, authorisation must be obtained from the lessor.
- 16.4. The lessee, and any employees of the lessee, will be required to have up to date virus protection on their computers.

- 16.5. In the event that the lessee wishes to use peer to peer communication to access the network from a remote location, express permission must be obtained from the lessor.
- 16.6. The Lessor will monitor the lessee's internet and data usage and on commencement of the lease agreement, but prior to internet access being granted, the Lessee undertakes to furnish the lessor with all IP addresses including, but not limited to, computers, laptop, tablets, cellphones and any other device which is able to access the network.
- 16.7. To help ensure that all tenants have fair and equal use of the service and to protect the integrity of the network the Lessor reserves the right to take necessary steps to prevent improper and excessive usage thereof.
- 16.8. In the event that the lessee fails to adhere to the terms contained herein and if the lessee's actions are determined to be affecting the user experience of the other tenants, the landlord reserves the right to apply restrictions on the lessee's account. More specifically, the landlord will be entitled to cap the lessee's data usage, alternatively internet access will be disabled.

17. WEEKEND USE OF OFFICES

- 17.1. Whilst the lessee will have access to the offices on Weekends, it must be borne in my mind that the premises are cleaned on Saturdays between 8h00 and 16h00 so any use of kitchen items. ie. plates, utensils, coffee mugs etc. over the weekend **MUST** be cleaned by the lessee.
- 17.2. Further, in the event that the lessee requires the use of the boardroom on the weekend, notification must be sent to reception prior thereto and the boardroom must be left in a clean condition.

18. GENERATOR

- 18.1. Due to the increasing power outages and load shedding, the landlord has installed a generator to allow their tenants uninterrupted use of power in the offices. The Landlord will be required to re-fuel and maintain the generator from time to time and the costs thereof will be shared pro rata amongst the tenants.
- 18.2. The landlord will invoice the lessee from time to time for the above-mentioned costs and the lessee hereby consents to such charges and undertakes to make payment thereof on receipt of the invoice.

19. ACCESS

- 19.1. The lessee is not entitled to give their keys to any third party under any circumstance whatsoever.
- 19.2. In the event that a third party is going to attend at the leased premises over a weekend the lessee **MUST** be in attendance at the office during such time and the lessee is required to notify the lessor via email on such intention for safety purposes.
- 19.3. A third party is not entitled to access the network without express consent of the lessor.

20. DOMICILIUM:

The parties hereby choose domicilium citandi et executandi for all notices under this agreement as follows:

- 20.1. The Lessor:
Office Space Online, UnitE0002, Building 4, Albury Park, Magalieszight Avenue, Dunkeld West, Johannesburg.
- 20.2. The Lessee:
APRSSA, Suite 30, UnitE0002, Building 4, Albury Park, Magalieszight Avenue, Dunkeld West, Johannesburg.

21. SPECIAL CONDITIONS

- 21.1. The office will be **furnished with one (1) workstation/s** and **two (2) cupboard/s**. Each workstation includes a desk, with a set of mobile drawers and an executive swivel chair on wheels. The Lessor will make every effort to configure and position the workstations according to the Lessee's requirements.

22. WHOLE AGREEMENT

This document constitutes the sole record of the agreement between the Lessor and the Lessee in regard to the subject matter thereof. Unless otherwise stipulated in this Lease, no addition to, variation or consensual cancellation of this Lease shall be of any force or effect unless in writing and signed by or on behalf of both the Lessor and the Lessee.

SIGNED AT _____ ON THE _____

SIGNED ON BEHALF OF **LESSEE** _____

WITNESS _____

SIGNED AT _____ ON THE _____

SIGNED ON BEHALF OF **LESSOR** _____

WITNESS _____

Annexure A

Albure Office Park
Building 4 - First Floor

Albure Office Park

Building 4 - Ground Floor



CONFIDENTIAL INFORMATION

AUTHORISED SIGNATORY

NAME IN FULL

RESIDENTIAL ADDRESS

ID. NUMBER

TEL: CELLULAR

TEL: HOME

E MAIL ADDRESS

COMPANY DETAILS

REGISTRATION NUMBER

BANK NAME

ACCOUNT NUMBER

PERIOD THAT BUSINESS HAS BEEN RUNNING

VAT REGISTRATION NUMBER (if applicable)

BUSINESS REFERENCES (COMPANY, CONTACT and NUMBERS):

ACCOUNTS CONTACT PERSON & EMAIL (Rental invoices will be sent to this person):
