

REPUBLIC OF VANUATU

LAND LEASES ACT CAP 163

LEASE

(Section 31 and 35)

CLASS COMMERCIAL

TITLE No. 12/0523/101

(PLEASE READ THE NOTES ON BACK PAGE BEFORE COMPLETING THIS FORM)

*Full name(s)
description(s)
and address(es)
in Vanuatu*

LESSOR(S) CHIEF ARRIER & FAMILY of North Efate
represented by,
CHIEF ARRIER LAPSAR FELIX KALORUK

*Full name(s)
description(s)
and address(es)
in Vanuatu*

LESSEE(S) TRUSTEES INTERNATIONAL LIMITED ATF T766
PO BOX 240, PORT VILA

*Delete this paragraph if
inapplicable*

** Delete whichever asterisked
phrase if inapplicable*

**Delete as appropriate*

*Delete if Lessee is a single
person or corporation. If
paragraph is not deleted,
delete whichever asterisked
phrase is inapplicable.*

1. The Lessor has received from the Lessee the sum of **NIL VATU** for the grant of this Lease.
2. The Lessor lease to the Lessee the land - * comprised in the above-mentioned title and attached plan certified by the Director of Surveys and signed by the persons signing this instrument * for the term of **Seventy Five (75) years** commencing on the **1st day of November 2006**.
3. The Lessee shall pay to the Lessor the yearly rent of **ONE HUNDRED THOUSAND VATU (VT 100,000)** reviewable in accordance with the provisions of the Act and payable on the **1st NOVEMBER** to be paid each year in advance (*date rent is to be paid*).
4. This Lease is granted subject to the provisions of the Land Leases Act and of any Rule relating to leases made thereunder and to those agreements and conditions specified in the Schedule hereto.
5. The Lessees holds this Lease as *joint proprietors/*proprietors in common in the following undivided shares:

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VANUATU STAMP DUTY	
	paid on original
3,000	VT
Controller of Stamp Duties	
Dated this 11 th day of May 2016	

SCHEDULE

(The purpose and use for which the land is leased and the development conditions, if any, in addition to those set out in any Rule under the Act, MUST be set out below).

- A. The purpose and use for which the land is leased is for Commercial Purposes.
- B. There are no development conditions in addition to those set out in any Rule under the Act.
- C. See Annexure A for further conditions.

ANNEXURE A

for Commercial Lease

1. Term Commencement

- 1.1 The Term shall commence on the date stated in Item 2 of the cover page of this Lease.

2. Payment of Rent and Premium

- 2.1 The Lessee shall pay during the Term of this Lease to the Lessor the yearly Rent for the first five (5) Lease Years, as indicated in Item 3 of the cover page of this Lease by yearly instalments in advance.
- 2.2 The Lessee shall pay the Rent to the Lessor or into a bank account nominated by the Lessor.
- 2.3 The first payment of rent is to be calculated on a pro-rata basis and is payable on or before the commencement date of this Lease.

3. Rent Review

- 3.1 The Rent shall be reviewed in accordance with the provisions of the Land Leases Act [CAP 163].
- 3.2 Not less than three (3) months prior to the end of the fifth Lease Year, and each subsequent five Lease Year period, the Lessor must serve a written notice on the Lessee with respect to the Rent that is payable for the subsequent five (5) year period of the Lease (**Rent Notice**). The Rent Notice must specify:
- (a) the proposed yearly Rent for the next five (5) year period;
 - (b) the date from which the new Rent is required to be paid, which date shall not be earlier than five (5) years from any of the following events:
 - (1) the date of the Lease;
 - (2) the date of the last Rent review under the Lease; or
 - (3) the date from which there took effect a direction from the Lands Referee that the Rent should continue unchanged;

whichever is the last.
- 3.3 If the Lessee within one (1) month of receiving the Rent Notice fails to advise the Lessor that it agrees to the new Rent specified in the Rent Notice and the parties are subsequently unable to agree on the amount, the matter is to be referred to the Lands Referee.
- 3.4 In determining the Rent payable for the next five year period, the Lands Referee shall have regard to the following matters:
- (a) fair open market rental value of the Leased Land at the relevant review date as if the full Term of the Lease had yet to run;
 - (b) all of the terms, conditions and agreements of the Lease (other than those relating to Rent) on the assumption that the environment of the Leased Land is in all respects as it is or may reasonably be expected to be as at the date from which the new Rent is to become payable, but disregarding:

- (1) any effect on Rent of the fact that the Lessee or any person claiming through or under it is in occupation of the Leased Land; and
- (2) the value of any improvements on or to the Leased Land made or carried out, or in respect of which valuable consideration was provided, by the Lessee or predecessors in title of the Lessee or any person claiming through or under the Lessee.

3.5 The decision of the Lands Referee as to the Rent payable for the subsequent five (5) year period shall be final and binding.

4. Agreements by the Lessee

4.1 The Lessee covenants:

- (a) not to permit or suffer any part of the Leased Land to be used for any purpose other than for private residential dwellings or for commercial purposes or for uses associated with them and not to use or permit the use of the Leased Land for any noxious, noisome or offensive trade, business or occupation or calling or in any such manner as to cause annoyance, nuisance or inconvenience to occupiers or owners of adjacent premises or the neighbourhood;
- (b) to promptly pay the Rent hereby reserved or any new Rent substituted therefore in accordance with the provisions of this Lease;
- (c) to pay all existing and future rates, taxes, assessments and outgoings whatever imposed or charged upon the Leased Land or improvements thereon or upon the owner or occupier in respect thereof including charges for electricity, water and other services;
- (d) to indemnify the Lessor against all rates and taxes payable by or charged upon the occupiers of the Leased Land;
- (e) to repair or replace as required, and keep in good order and condition all buildings together with all fixtures and fittings, drains, sewers, water supplies and fences in and upon the Leased Land and to keep in good working order all sewage disposal systems in and upon the Leased Land;
- (f) to allow the free and uninterrupted passage of water, electricity, telephone, drainage and other services and to allow entry for the repair of same;
- (g) not without the prior consent in writing of the lessors (which consent shall not be unreasonably withheld) to assign, sublease, underlet, mortgage or part with possession of the demised land or any part thereof.
- (h) In the event of sub-leasing the demised land to covenant with the sub-lessee that he shall perform and observe the covenant on the lessee's part contained herein.
- (i) Not to subdivide the demised land without the written consent of the lessors, and in any event not without the approval of the Director of Survey;
- (j) to use its best endeavours to prevent squatters entering or residing on the Leased Land;
- (k) to keep the Leased Land clean of all refuse, noxious weeds, vermin and rubbish;
- (l) subject to clause 5, on expiration of the said Term or other sooner determination of the lease to peaceably and quietly deliver up vacant possession of the Leased Land including all improvements thereon to the Lessor;
- (m) to abide by all government rules and regulations affecting health;

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- (n) to take the risk of all operations undertaken on the Leased Land pursuant to this Lease and to indemnify the Lessor against any action, claim, cost, damage or proceeding whatsoever caused arising either directly or indirectly from the Lessee's operation;
- (o) not to commit or allow any wilful or voluntary waste, soilage or destruction of the Leased Land or allow anything to occur on the Leased Land which may be or become a nuisance or annoyance to the Lessor or to the owners or occupiers of adjoining land; and

5. End of Term – Market Value or New Lease

- 5.1 The obligation of the lessee clause 4.1(l) to deliver up vacant possession of the Leased Land and all improvements thereon is subject to the Lessor paying, on such expiration or determination, to:
- (a) the market value of any building or part of a building forming the land held at the date of expiration of the Term or determination; and
 - (b) a person appointed by the Chairman of the Finance Centre of the Republic of Vanuatu at the request of either the Lessor or the Lessee.
- 5.2 The decision of the person appointed under clause 5.1(b) shall be final and binding.
- 5.3 If the Lessor does not comply with or elects not to comply with clause 5.1, then the Lessor must grant to the Lessee a new lease of the Leased Land:
- (a) for a term of seventy five (75) years from and including the date of such expiration or determination of this Lease;
 - (b) at an initial annual Rent equal to the annual Rent under this Lease at the date of such expiration or determination; and
 - (c) otherwise on the same terms as this Lease.

6. Agreements by the Lessor

- 6.1 The Lessor agrees with the Lessee as follows:
- (a) to permit the Lessee on the Rent hereby reserved being paid and the stipulations and provisions herein contained to be observed by the Lessee being performed, peaceably to use, enjoy the Leased Land without any interruption by the Lessor or any person deriving title under or in trust for the Lessor;
 - (b) to indemnify the Lessee and its successors in title from any claim that the money for the Rent paid by the Lessee to the Lessor has not been properly paid out by the Lessor.
- 6.2 Payment by the Lessee to the Lessor of the money for premium or Rent due and payable under this Lease shall discharge absolutely the Lessee's obligation to pay that money.
- 6.3 The Lessor must at the request of the Lessee execute any further documents and do anything necessary to enable this Lease to be registered under the Act.

7. Re-entry Provisions

- 7.1 If the Lessee commits a breach of any of the conditions, agreements or obligations imposed or implied under the Lease or by any law imposed on the Lessee and fails to rectify the breach within 60 days of the date on which it receives a Breach Notice or if there is any breach by the Lessee the Lessor is entitled to re-enter the Leased Land and take possession of it.
- 7.2 Before the Lessor exercises its rights under clause 7.1, the Lessor must first serve a written notice on the Lessee with respect to the breach (**Breach Notice**). The Breach Notice must:

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- (a) specify the particular breach complained of;
 - (b) if the breach is capable of remedy, require the Lessee to remedy the breach within 60 days of the Breach Notice;
 - (c) if the breach is not capable of remedy, require the Lessee to make monetary compensation for the breach within sixty (60) days after the Lessee's receipt of the Breach Notice.
- 7.3 If the Lessee disputes any amount referred to in clause 7.2(c) by the Lessor in a Breach Notice, then:
- (a) the Lessee may give written notice to the Lessor within thirty (30) days after receipt of the Breach Notice;
 - (b) if the Lessor and the Lessee do not agree on the amount payable in respect of such alleged breach before the expiration of forty-five (45) days after the Lessee's receipt of the Breach Notice, the issue in dispute will be deemed a dispute for the purpose of clause 9.
- 7.4 If the Lessee complies with the requirements of a Breach Notice within sixty (60) days after receipt of the Breach Notice or pays any amount determined by the Lands Referee as a result of a referral to the Lands Referee under clause 9 pursuant to clause 7.3(b), within thirty (30) days after that determination, the alleged breach shall be deemed remedied and the Lessor shall have no right whatever against the Lessee in respect of that alleged breach.
- 7.5 If the Lessee does not comply with the requirements of a Breach Notice within sixty (60) days after receipt of the Breach Notice or pay any amount determined by the Lands Referee as a result of a referral to the Lands Referee under clause 9 pursuant to clause 7.3(b) within thirty (30) days after that determination, the Lessor may:
- (a) determine the Lease by re-entry, by notice or by any other action available to it;
 - (b) by notice to the Lessee convert the Term into a monthly tenancy as if the Lessee was holding over at the end of the Term at the monthly rent current on receipt of the notice;
 - (c) take any action it considers necessary or desirable in order to give effect to its rights under this Lease;
 - (d) elect to treat the conduct or failure to perform as a repudiation of this Lease by the Lessee;
 - (e) recover from the Lessee an amount equal to the damages or loss it sustains; and
 - (f) apply any guarantee in reduction of its damages or loss.
- 7.6 Acceptance by the Lessor of arrears of Rent or other money or of any breach of this Lease by the Lessee does not constitute a waiver of the Lessor's rights.

8. Registration of Lease

- 8.1 All costs and disbursements existing at the date of this Lease in respect to the stamp duty and registration of this Lease at the Vanuatu Land Records Office shall be borne by the Lessee.

9. Determination of Disputes

- 9.1 In the event that a dispute arises between the parties in respect of this Lease which the parties are unable to resolve themselves, either party may refer the matter to the Lands Referee, appointed under the Lands Referee Act [CAP 148] or in the absence of such an authority to an independent arbitrator who shall be nominated by agreement between the Lessee and Lessor or failing such agreement shall

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be appointed by the Minister responsible for Lands, who has the jurisdiction to adjudicate on any matter arising under the Lease.

10. Governed by Republic of Vanuatu Laws

This Lease shall at all times be governed by the laws of the Republic of Vanuatu excluding French laws.

11. Authority

11.1 The Lessor hereby declares, warrants and confirms to the Lessee that:

- (a) they are or that they represent as the case may be the Custom Owners according to custom and according to law who are under the Constitution of the Republic of Vanuatu the Custom Owners entitled to create this leasehold interest in the Leased Land and otherwise deal with the Leased Land as Custom Owners in accordance with the laws of Vanuatu; and
- (b) there is no present customary dispute relating to the Leased Land and that there is no present adjudicated Custom Owner or owners of the Leased Land; and
- (c) under the Constitution of the Republic of Vanuatu the Custom Owners are entitled to create a leasehold interest in the Leased Land and otherwise deal with the Leased Land in accordance with the terms of this Lease.

12. Definitions

12.1 For the purposes of this Lease the following words have the following meanings:

Act means the Land Leases Act [CAP 163];

Breach Notice has the meaning given in clause 7.2;

Custom Owners means the recognised legal custom owners of the Leased Land according to all the laws, including without limitation, the Constitution of the Republic of Vanuatu;

Lease means this Lease registered pursuant to the Act;

Lease Year means each twelve (12) months of the Term calculated from the date the Term starts or from the anniversary of that date, as the case may be;

Leased Land means the land contained in this Lease and each and every part of it;

Lessee means the Lessee named in this Lease;

Lessor means the Lessor named in this Lease;

Lands Referee means the Lands Referee appointed under the Lands Referee Act [CAP 148];

Rent means the rent payable to the Lessor by the Lessee under this Lease;

Term means the term of seventy five (75) years from and including the date this Lease commences;

Title means Title No. **12/0523/101**

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REPUBLIC OF VANUATU



REPUBLIQUE DE VANUATU

Island Ile EFATE

Title Titre 12 / 0523 / 101

Name of Property
Nom de la Propriété

Area Superficie 0 ha 40 a 81 ca

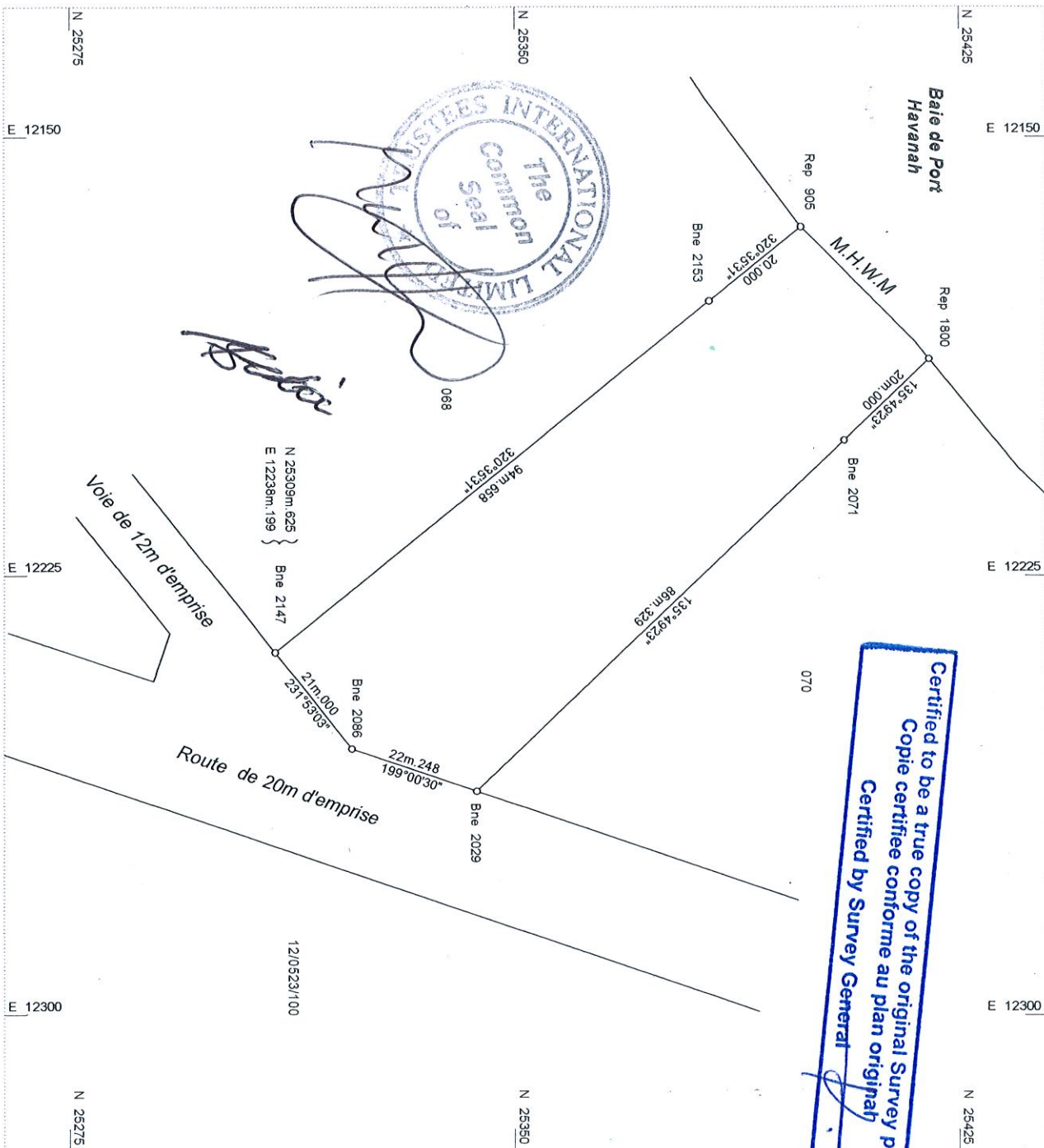


Scale Echelle 1 / 750 Date 04 MAR 2016

Survey Department Service Topographique

Surveyed by Levé par GEOMAP	Computed by Calculé par GEOMAP	Checked by Vérifié par GEOMAP	S.R. 26817
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Certified to be a true copy of the original Survey plan
Copie certifiée conforme au plan original
Certified by Survey General



I, MELTENOVEN MARIAL of GEOMAP being a registered Land Surveyor N° 12 hereby certify that the attached plan has been drawn as a result of a survey carried out, by me or under my direction, at PORT VILA on April 2016. Made at PORT VILA - this 28th day of April 2016.

System : EFATE TM 1977

MELTENOVEN MARIAL
Registered Surveyor



Dated at 9 this Monday day of May 2016.

SIGNED by the Lessor(s)

in the presence of

Chief ARRIER LAPSAR FELIX KALORUK

Signature of witness

Name of witness

Address

I certify that the above-named

appeared before me at 7.15.19 this 9th day of May 2016.

*being identified to me by

of

*or being personally known to me and that *he/ *she/ *they freely and voluntarily signed and appeared fully to understand this instrument.

*Delete the underlined

alternatives

inapplicable



Signature, name, designation and seal/stamp of office of person completing certificate.

SIGNED by the Lessee

THE COMMON SEAL of TRUSTEES INTERNATIONAL LIMITED was affixed by the authority of the Board of Directors in the presence of:

M. Sparr
(Signature of Secretary)

Melanie Sparr
(Name of Secretary in Full)



(Signature of Director)

Mark Stafford
(Name of Director in Full)

Notes

Alterations. Do not rub out or write over any words. If you have made a mistake draw one line through it (so that it can be read) and write or type clearly above it the new words. Everyone who signs the instrument should also sign again at the side near to the alteration.

Signing. Both parties to the instrument must sign. If a party consists of more than one person and they cannot get to a person authorised to complete the verification certificate at the same time or place it will be necessary for separate verification certificates to be prepared, completed and attached to this instrument. In such cases the persons completing the separate certificates should also sign at the end of the instrument. Persons authorised to complete verification certificates in Vanuatu include Secretaries to Local Government Councils, Magistrates, Barristers, Solicitors, Notaries Public, commissioners for Oaths and Managers of Banks. A full list is contained in the Act.

Execution by Corporations. The form should be changed by crossing out the words "Signed by etc" and substituting the usual form of words recording the affixing of the corporation's seal. No verification certificate is required.

Approved this

26

day of

July,

2016



Registered at

Port Vila

hours this

9:00

9th

day of

August

Director of Land Records

REPUBLIC OF VANUATU
Department of Lands, Survey
and Records
Director of Lands, Survey & Records

The Original closed date 9th May 2016
L'Acte Original en date du
of which this deed is expressed to be
Duplicate/Triplicate/Quaduplicate was registrate
Le présent document est destiné à constituer
un/dupli-cat/triplicat/Quatre Exemplicies a été exemgiate
on 9th August 2016
le against the above mentioned title
sous le numéro susmentionné

Director of Lands, Survey & Records
DIRECTEUR DES TERRES, DU SERVICE TOPOGRAPHIQUE
ET DE L'ENREGISTREMENT
REPUBLIC OF VANUATU REPUBLIQUE DE VANUATU

LANDS REGISTRY
BUREAU DE L'ENREGISTREMENT ET DES HYPOTHEQUES

SAC POSTAL PRIVE 9026
PORT VILA – VANUATU

PRIVATE MAIL BAG 9026
PORT VILA – VANUATU

**ADVICE OF REGISTRATION OF A DEALING
AFFECTING REGISTERED LAND
AVIS D'ENREGISTREMENT D'UNE OPERATION
INTERESSANT UN FONDS DE TERRE IMMATRICULE**

Application Number : **3878/2016**

No. de la demande :

Name of Registered Proprietor(s) : **TRUSTEES INTERNATIONAL LIMITED ATF T766**

Non du / des Propriétaires

Title(s) affected :

Titre(s) intéressé(s) :

12/0523/101	

Particulars of dealing or other matters registered :

Renseignements concernant l'opération ou

Les autres dispositions enregistrées :

Priority <i>Ordre des Inscriptions</i>	Nature <i>Nature</i>	Other Particulars <i>Reneseignements complémentaires</i>
1	Rural Commercial Lease	Dated 9th of May 2016, made between the Lessor - CHIEF ARRIER & FAMILY represented by Chief Arrier Lapsar Felix Kaloruk and the Lessee - TRUSTEES INTERNATIONAL LIMITED ATF T766 Lease for 75 years commencing on the 1st of November 2006. Land rent: VT 100,000 p.a. Land area: 0ha 40a 81ca.

Date Registered:

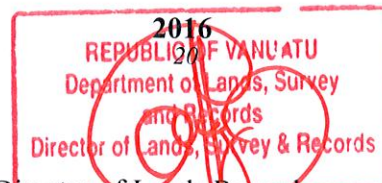
Date d'enregistrement :

9th

of

de

August



Director of Lands Records

Directeur de l'enregistrement et des Hypothèque

- 1. CHIEF ARRIER & FAMILY represented by Chief Arrier Lapsar Felix Kaloruk - NORTH EFATE**
- 2. TRUSTEES INTERNATIONAL LIMITED ATF T766 - PO BOX 240 - PORT VILA - VANUATU**
- 3. LANDS DEPARTMENT - PMB 9090 - PORT VILA**
- 4. VALUER GENERAL'S OFFICE - PORT VILA**
- 5. TITLE No. 12/0523/101.**