

# GOVERNMENT OF MAURITIUS

## INDUSTRIAL SITE LEASE

Ministry of Housing and Lands  
CAB (2009) 319  
File No: SGEN/11206/G165/1V4  
Minute: (198) dated 22.05.09 and  
Minute (302) dated 11.12.09 in  
File No: SGEN/11206/G165/1V8

### Lease Agreement

#### Between

THE GOVERNMENT OF MAURITIUS, represented by Mr. Abdool Noorane OOZEER, Permanent Secretary, Ministry of Housing and Lands (thereafter referred to as the Ministry)

AND

LES SALINES DEVELOPMENT LIMITED, a company duly registered in Mauritius with the Registrar of Companies having Registration No. 079103, represented by Mr. Rupen Pravinbhai PATEL, holding (Indian Passport No. 21894922), its Director (thereafter referred to as the Company).

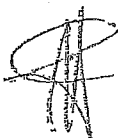
In the presence of the Mauritius Ports Authority (MPA), duly represented by its Director-General, Mr. Shekur SUNTAH, (ID No. S2712570104695).

#### PREAMBLE:

**WHEREAS** the Ministry has leased land of an extent of **twenty four hectares six thousand two hundred and fifteen square metres** (24ha 6215m<sup>2</sup>) or 58A 33P from the Mauritius Ports Authority (MPA) for the implementation of a Waterfront Development Project, pursuant to a deed of lease between the Mauritius Ports Authority (MPA) and the Ministry of Housing and Lands (MHL) signed on the eleventh day of December two thousand and nine [ **Annex I**];

**WHEREAS** the Ministry is empowered to sublease any part of that land to a promoter for the purpose of Development Projects generally in line with the Master Plan prepared by Messrs Stauch Vorster Architects (South Africa);

**WHEREAS** by letter dated 30 March 2009, the Ministry has approved the reservation of land to the extent of **twenty four hectares six thousand two hundred and fifteen square metres** (24ha 6215m<sup>2</sup>) or 58A33P, as more fully described in **Annex II**, in favour of the Company for the purposes of implementing a Waterfront Development Project, subject to the project being generally in line with the above-mentioned Master Plan and conclusion of the lease Agreement aforesaid mentioned with the MPA;



**WHEREAS** by letter of date 16 April 2009, the Ministry has informed the Company, amongst others of the Government's approval to grant to the Company an Industrial Lease over the said plot of land for a duration of ninety nine (99) years;

**WHEREAS** by letter dated 10 December 2009, enclosed at Annex III, the Mauritian Ports Authority (MPA) has informed the Company, inter alia, that the site boundaries have been constructed to retain the filled material only and has submitted to the Company the relevant drawings of the revetment works. The MPA has further informed that similar fill material has been used and the same scope of revetment works have been carried out at other locations in the port area, over which buildings/structures have been constructed. As regards height restrictions, the Company was requested to consult and comply with the requirements of the competent authorities.

**The PARTIES hereby agree as follows:**

**ARTICLE 1 - Definition**

Unless the context otherwise requires:


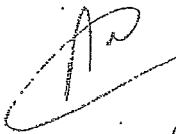

"Effective date" means the date of signature of this Agreement,  
"Master Plan" means the master plan prepared by Messrs Stauch Vorster Architects (South Africa) for the Mauritius Ports Authority;  
"Project" means the Water Front Development Project;  
"Rupees" means Mauritian Rupees;

**ARTICLE 2 - Lease of Land**

- (a) The Ministry hereby grants a lease to the Company in respect of a portion of land of an extent of 24ha 6215m<sup>2</sup> (58A33P), in the Port Area at Les Salines in the district of Port Louis, more fully described at **Annex II**, and thereafter referred to as "the Land"
- (b) The Land shall be deemed to have been handed over free and clear of all encumbrances to the Company on the effective date, except for the sites hosting Les Salines Parking and contractor working area for the cruise jetty project for the MPA, which shall be the subject matter of a side letter. It is agreed that the Ministry shall arrange with the MPA within a 3 months delay or within such reasonable time as may be mutually agreed to have all or any encumbrances, including but not limited to the above mentioned encumbrances removed from the site.

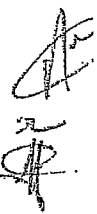
**ARTICLE 3 - Purpose of Lease**

- (a) The Land leased shall be used by the Company solely for the purpose of implementing a Waterfront Development Project which shall be generally in line with the master plan prepared by Messrs Stauch Vorster Architects (South Africa).

- (b) The Project shall be in various phases and comprises, but not limited, *inter alia*, to, a hotel, a casino, nightclubs, gaming centres, board walks and marine gardens, tourist heritage centre, a luxury condominium complex with a boutique hotel, marina club, apartment complex, office buildings, shopping malls, office campus, tourist/contextual attractions, as more particularly described in Annex IV.
- (c) The Company may, also, erect on the land such temporary watchman's night quarters or offices as may be required for implementation of the Project.

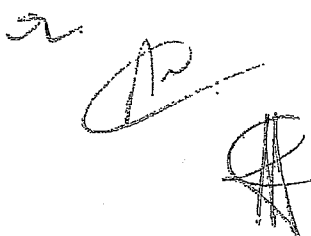
#### ARTICLE 4 - Development on the Land

- (a) The Company shall submit to the Ministry its proposed master plan for the intended development, which shall comprise, amongst others, details of land use, access roads and road network, utilities (water, electricity, drains, waste water, etc) within hundred and eighty (180) days of the signature of this Agreement, for the consideration of and approval by the Ministry. 
- (b) The Company shall have the right to modify the approved master plan, including the subdivision/amalgamation of existing plots, so long as the proposed modifications are generally in line with the approved Master Plan, and with the approved Planning Guidelines and the relevant authorities are informed within ten (10) working days about such changes.
- (c) The Company shall submit to the Ministry its implementation programme within sixty (60) days of the approval of its master plan referred to in paragraph (a), for the consideration of and approval by the Ministry.
- (d) The Company shall carry out the development of the site as per the approved implementation programme referred to in paragraph (c).
- (e) The Company shall obtain all necessary permits and clearances from all relevant authorities before starting the construction of the buildings and associated facilities on the Land leased and in order to operate in the port area.
- (f) The Company shall, prior to the construction of any building or structure, consult the Ministry in order that a layout plan for the proposed development or redevelopment shall be discussed. Thereafter, the Company shall submit three comprehensive sets of plans comprising (i) a site plan, (ii) a location plan; (iii) a layout plan, and (iv) elevation plans of the building and/or structure to the Ministry for formal approval.
- (g) The Company shall not construct any building and/or structure of any kind and/or any extension or addition of any kind thereto, unless the site and building plans have been approved in writing by the Ministry. Any temporary watchman night quarters or offices shall not require the prior approval of the Ministry, unless these constructions are of substantial nature, that is, in excess of two hundred and forty nine square metres (249m<sup>2</sup>) of floor area.

- (h) The Company shall in no way hamper directly or indirectly on port operations and movement of vessels in and out of the port.
- (i) The Company shall abide by all Ports Rules and Regulations while performing its activities.
- (j) The Company shall comply with all instructions given by the Mauritius Ports Authority and/or the Ministry or their legal representatives with regard to port security and safety.
- (k) Any damage to the Mauritius Ports Authority facilities resulting directly from the activities of the Company, and any damages caused to the facilities of the Company on the leased land shall be dealt with in accordance with the Laws of Mauritius.
- (l) The Company shall bear all costs of infrastructure on the Land and the maintenance thereof in accordance with the terms of this Agreement and to the satisfaction of all relevant authorities concerned.
- (m) Pursuant to the last paragraph of the Preamble, the Company shall carry out necessary tests, including geotechnical test to ensure suitability of the land for implementation of the development project, prior to start of construction works.
- (n) Pursuant to the last paragraph of the Preamble, the Ministry or the MPA shall not be liable for payment of any compensation in case of collapse of any structure, on site or along the boundary, including that put up by the Company or any of its assignees.
- (o) All off site infrastructural works shall be borne by Government up to the border of the site. The Company shall submit directly its request to the utility providers (Central Electricity Board and Central Water Authority) which already have a mechanism for the required services to be provided and the Ministry shall within the Joint Monitoring Committee described in ARTICLE 5, facilitate the provision by the utility providers to provide such infrastructure within the time frame stipulated in the approved implementation programme as mentioned in the Clause at paragraph (c) of the Article 4.

#### **ARTICLE 5 – Joint Monitoring Committee**

- (a) There shall be established a Joint Monitoring Committee which shall facilitate the implementation and be responsible for monitoring the progress and implementation of the project upon the leased land, namely to ensure that the project is generally in line with the Master Plan and conditions of this Lease and the Agreement at **Annex I**.
- (b) The Joint Monitoring Committee shall be chaired by the Ministry of Housing and Lands and shall consist of representatives of:
  - (i) the Mauritius Ports Authority;

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- (ii) the Prime Minister's Office;
  - (iii) Ministry of Renewable Energy and Public Utilities;
  - (iv) Ministry of Finance and Economic Empowerment;
  - (v) the Ministry of Tourism, Leisure and External Communications;
  - (vi) Ministry of Public Infrastructure, Land Transport and Shipping;
  - (vii) Ministry of Local Government, Rodrigues and Outer Islands;
  - (viii) Ministry of Environment and National Development Unit;
  - (ix) Relevant Government Institutions and Agencies; and
  - (x) Messrs. Les Salines Development Limited.
- (c) The Joint Monitoring Committee may co-opt representatives of other Ministries, inclusive of Ministry of Housing and Lands, para-statal bodies and local authorities, as appropriate.
- (d) The Joint Monitoring Committee shall be set up within sixty (60) days of the signature of this Lease. The Committee shall at its first meeting regulate its proceedings in such manner as it deems fit and proper to ensure utmost efficiency and effectiveness and shall meet at the request of any member, with the consent of the chairman, as required for the successful implementation of the project.
- (e) For the avoidance of doubt, the Joint Monitoring Committee shall not have the power to modify or amend the terms and conditions of the Lease Agreement and any such modification or amendment shall be deemed null and void, and shall have no effect.

#### **ARTICLE 6 - Period of Lease**

This lease is valid for a period of ninety-nine (99) years starting on the Effective Date.

#### **ARTICLE 7- Assignment or transfer of interest in Lease**

The Company shall not assign, encumber, charge, pledge its rights in, lease, let, sublet and transfer rights in the lease, or otherwise create third-party rights, Special Purpose Vehicles (SPV), on the land unless it has the written approval of the Ministry and in compliance with the provisions of the Code Civil, Article 1778 – 5, which stipulates as follows – “Le bail à construction confère au preneur un droit réel immobilier. Ce droit peut être hypothéqué, grevé de sûretés fixes ou flottantes de même que les constructions édifiées sur le terrain loué. Il peut être saisi dans les formes prescrites par le Sale of Immovable Property Act”. Notwithstanding such assignment, encumbrance, charge or pledge or creation of Special Purpose Vehicles the Company shall be solely responsible and accountable, at all times during the lease period, for the implementation of the project and for payment of all dues to the Lessor.

The Ministry shall, grant such request for approval in respect of the pledging of rights within a delay of ten (10) to fifteen (15) days on receipt of such request provided that the funds are or the pledging is for the purpose of the Development envisaged under this Agreement and for the implementation of the project.

#### **ARTICLE 8 - Assignment or transfer of interest in buildings**

- (a) In accordance with the provisions of the Code Civil, Article 1778 – 5, the Company may assign, sell, alienate, encumber, charge, pledge its rights in, lease, let, sublet, transfer or otherwise dispose of, create third-party rights in or upon the building and other improvements which the Company will build, develop and redevelop or cause to be built, develop or redevelop on the Land, provided the rights of the Ministry or those of the Mauritius Ports Authority in the Land are not affected or prejudiced.
- (b) Where the Company has assigned, sold, alienated, encumbered, charged, pledged or done any act under paragraph (a), it shall forthwith notify the Ministry of same.

#### **ARTICLE 8 (A)**

The Company shall include in any Agreement made under Articles 7 and 8, a clause to the effect that should this Agreement be terminated under Article 14(a), (b) and (c), the beneficiary of any agreement under these Articles shall, without any need for judicial or extra judicial process and on demand pay to the Government of Mauritius any rent which may be due by the Company to the Government of Mauritius under this Agreement or may become due as if the Agreement was in force.

#### **ARTICLE 9 - Rental and time of payment**

The rental payable by **Les Salines Development Limited** to the **Government of Mauritius** is as follows:-

- (i) Rupees twenty five million (Rs. 25M) at the time of the signing of the lease agreement;
- (ii) Thereafter **Les Salines Development Limited** paying the annual rent in advance on the eleventh day of December of each year of the lease as follows:-

**Rupees (Nil)** for period eleventh day of December two thousand and nine to tenth day of December two thousand and ten.

**Rupees one million two hundred and nineteen thousand (Rs.1,219,000)** for period eleventh day of December two thousand and ten to tenth day of December two thousand and eleven.

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**Rupees one million two hundred and nineteen thousand (Rs.1,219,000)**  
for period eleventh day of December two thousand and eleven to tenth day of  
December two thousand and twelve.

**Rupees three million six hundred and fifty six thousand (Rs.3,656,000)**  
for period eleventh day of December two thousand and twelve to tenth day of  
December two thousand and thirteen.

**Rupees four million nine hundred and twenty four thousand  
(Rs.4,924,000)** for period eleventh day of December two thousand and  
thirteen to tenth day of December two thousand and fourteen.

**Rupees eight million five hundred and eighty thousand (RS.8,580,000)**  
for period eleventh day of December two thousand and fourteen to tenth day  
of December two thousand and fifteen.

**Rupees nine million eight hundred and forty eight thousand  
(Rs.9,848,000)** for period eleventh day of December two thousand and fifteen  
to tenth day of December two thousand and sixteen.

**Rupees twelve million two hundred and eighty five thousand  
(Rs.12,285,000)** for period eleventh day of December two thousand and  
sixteen to tenth day of December two thousand and seventeen.

**Rupees fourteen million eight hundred and twenty thousand  
(Rs.14,820,000)** for period eleventh day of December two thousand and  
seventeen to tenth day of December two thousand and eighteen.

**Rupees fourteen million eight hundred and twenty thousand  
(Rs.14,820,000)** for period eleventh day of December two thousand and  
eighteen to tenth day of December two thousand and nineteen.

- (iii) On the eleventh year, the annual rent for this industrial lease will be as assessed by the Director, Valuation & Real Estate Consultancy Services (Ministry of Finance), to reflect the market rental value and shall be adjusted for maintenance and management of infrastructure by **Les Salines Development Limited**. This rental will be applicable for the eleventh year to the ninety ninth year and will be moreover adjusted every three (3) years as from the fourteenth year to the ninety ninth year by reference to the cumulative inflation rate based on the Consumer Price Index during the last three (3) years which shall not exceed 15.7625 per cent in any case.

