

LEASE AGREEMENT

BETWEEN

LAKE OIL LIMITED

AND

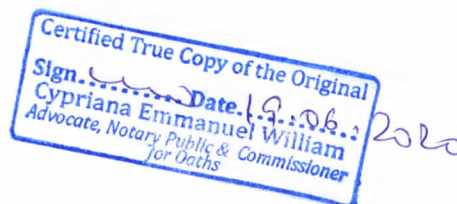
**VERCOE VEHICLE AUTO PARTS
COMPANY LIMITED**

DRAWN BY:

MACRINA CHALE

Dar es salaam – Tanzania, P.O. BOX 5055

E-Mail: macrina.chale@lakeoilgroup.com



LEASE AGREEMENT

THIS LEASE AGREEMENT is made the¹..... day of DECEMBER 2018

BETWEEN

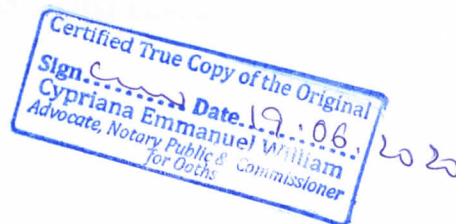
LAKE OIL LIMITED a limited liability company incorporated under the Companies Ordinance, Chapter 212 as repealed by the Companies Act No. 12 of 2002 of the Laws of the United Republic of Tanzania of Postal Address Box Number 5055, **Dar es salaam Region**, (hereinafter called "the Lessor" which expression shall where the context so admits, include its assigns and successors in title) of the one part.

AND

VERCO VEHICLE AUTO PARTS COMPANY LIMITED a limited liability company incorporated under the Companies Ordinance, Chapter 212 as repealed by the Companies Act No. 12 of 2002 of the Laws of the United Republic of Tanzania of Postal Address Box Number 16344, **Dar es salaam Region**, (hereinafter called "the Lessee" which the expression shall where the context so admits, include their personal representatives and assigns) of the other part.

WHEREAS the Lessor is the registered owner of the LAKE OIL petrol station , situated at Mabibo, Morogoro Road plot no 1 in **Ubungo industrial Dar es salaam Region, Tanzania** (herein after called "the Demised Properties")

WHEREAS the Lessees plan to use and/or underlet the Demised Properties for commercial purposes, being the provision of services center and other services related thereto.



NOW THE PARTIES WITNESSETH AS FOLLOWS;

The Lessor hereby leases to the Lessees the Demised Properties under the terms and conditions stipulated hereunder;

1. THE DEMISED PROPERTIES USE

The Lessees shall use and/or underlet the Demised Properties for commercial purposes of selling auto parts being the provision of services centre and other services related thereto, provided always that the Lessor shall be at all material times informed of the activities carried on the Demised Properties.

2. PERIOD OF LEASE

2.1 This lease is for a period of **five (5) years** effective from **1st day of December 2018 to 1st day of December 2023.**

2.2 This Lease Agreement may be extended by the parties after the expiration of the lease period stated herein above. The parties hereto may elect to extend this Agreement upon such terms and conditions as may be agreed upon in writing and signed by the parties at the time of any such extension.

3. RENT PRICE

3.1 The rent price shall be the sum of **United States Dollars Three thousand (US \$ 3,000)** per month.

3.2 The Lessee shall pay six months' rent of **United States Dollars Eighteen Thousand only (US \$ 18,000)** to the Lessor by automatic Bank Transfer on the account of the Lessor details of which will be provided by the Lessor.

- 3.3 The rent may be subject of review at the end of the second year by negotiation of both parties herein with a maximum increase or decrease of Ten Per Cent (10%) from the date first hereinabove appearing.

4. OBLIGATIONS

4.1 THE LESSOR'S OBLIGATIONS

That the Lessor shall pay all existing and future land rents, withholding taxes, assessments and outgoings imposed or charged by the appropriate authority in respect of the demised properties (whether parliamentary or local or otherwise) now or herein after imposed or charged upon the Lessor, except only such as the Lessees is by law bound to pay notwithstanding any contract to the contrary during the term of the Lease hereby granted.

4.2 LESSEE'S OBLIGATIONS

4.2.1 That the Lessee shall pay the appropriate water authority any sums or charges payable in respect of water consumed thereon and shall observe and perform all regulations and requirements of the said water authority and shall keep the Lessor indemnified against any loss or damage resulting from any infringement by the Lessees of any such regulation or non compliance with any such requirement;

4.2.2 That the Lessee shall pay all electricity bills during the lease period and shall observe and perform all regulations, including safety regulations and requirements of the electricity authority;

4.2.3 The Lessee hereof shall keep the exterior of all demised property and the interior of the said properties in good condition and tenantable repair order and condition (fair wear and tear by reasonable user or damage by earthquake and all acts of God only excepted) and also to make good any stoppage of or damage to the drains caused by the negligence of the Lessees or a member of their staff, their servants or visitors and at the expiration or sooner determination of the term hereby granted;

4.2.4 The Lessee shall peaceably and quietly yield up, upon determination of the term hereby granted, the said properties to the Lessor in such state of repair order and condition as the same were in at the commencement of the said term (excepting fair wear and tear by reasonable user) and with all locks, keys and fastenings complete;

4.2.5 To permit the Lessor and any person authorised by him after giving three days notice to the Lessee to view the condition of the demised properties or immediately in case of emergency to enter upon the Demised Properties;

5. RIGHTS OF THE LESSOR

5.1 The right to maintain any easements or services upon or under the Demised Properties for the benefit of the Demised Properties or, when agreed with the Lessee, the right to construct upon or under the Demised Properties;

5.2 The right at any time during the term hereby granted but (except in emergency) only after giving reasonable notice to the Lessees to enter (or in emergency to break and enter) upon the Demised Properties to execute or inspect works in connection with such easements or services

as aforesaid or to execute or to inspect the condition or works upon any adjoining or adjacent premises;

6. **AND IT IS HEREBY FURTHER EXPRESSLY AGREED AND DECLARED** by and between the parties hereto that: -

- 6.1 The Lessee shall not park or permit any of its employees to park any vehicles on any portion of the said properties except in the reserved parking bays provided by the Lessor.
- 6.2 The Lessee ensures that the capacity of existing feeders and wiring is sufficient to run the necessary equipments of the demised Properties.
- 6.3 The Lessee shall supply a copy to the Lessor of any notice or direction or license or consent or permission relating to the demised Properties within seven days of the receipt thereof by the Lessees.
- 6.4 The Lessee shall comply with all such reasonable regulations governing the management of the demised Properties or of the building(s) on the said piece of land;
- 6.5 The Lessee shall allow anything to be done in or upon the demised Property or any part thereof which would or might be or become a nuisance, annoyance, inconvenience or disturbance to any person whatsoever;
- 6.6 That whether a signboard, advertisement placard, neon sign or name plate shall be exhibited on the exterior of the Demised Properties (or the interior thereof so as to be visible from the outside) except such as shall

have been previously approved by the Lessor and that no articles shall be hung or exposed outside the Demised Properties;

- 6.7 Not to allow anything or act to be done whereby any insurance of the Building against loss or damage by fire may become void or voidable or whereby the rate of premium for any such insurance may be increased and to repay to the Lessor all sums paid by him by way of additional or increased premium and all expenses incurred by him in or about such insurance or the renewal thereof rendered necessary by a breach of this covenant **AND** in the event of any insurance monies being withheld or becoming wholly or partially irrecoverable by reason of any breach of this covenant to indemnify the Lessor in respect of the cost of rebuilding or reinstating the Building and all damage suffered by the Lessor;
- 6.8 That with the previous consent in writing of the Lessor, and in accordance with drawings and specifications submitted and approved by the Lessor, the Lessees shall make alteration or addition whatsoever in or to the Demised Properties. That the Lessees shall not be compensated by the Lessor in any way whatsoever for alterations made for Lessees benefit on the Demised Properties after the expiration of the said period of Two (2) years.
- 6.9 All personal property, furnishings and equipment presently shall remain the property of the Lessor.

7 THE LESSOR hereby covenants with the Lessee as follows:

- 7.1 If the Lessor at any time thereafter to re-enter upon the Demised Properties or any part thereof in the name of the whole and thereupon the term hereby granted shall absolutely determine but without prejudice

to any claim by the Lessor in respect of any antecedent breach of any covenant or provision herein contained;

- 7.1.1 If the Lessee shall make default in paying the sum referred to in Clause 3.2 or any other sum payable by it to the Lessor such sum shall be recoverable (whether formally demanded or not) as if rent in arrears;
- 7.1.2 If the Lessee shall delay in paying any rents falling due hereunder on its due dates the Lessee shall pay to the Lessor interest on arrears from due dates until full payment at prevailing bank rates.
- 7.1.3 Any notice served under or in respect of this lease may be served by posting it in a prepaid envelope to its last known postal address in Tanzania;
- 7.1.4 Nothing in this Lease contained shall be construed as imposing upon the Lessor any duty or obligation to enforce any terms, covenants, agreements, conditions, restrictions, stipulations or provisions in any other Lease as against the servants, employees, agents, visitors of the Lessee.
- 7.1.5 If any default happens on the part of the Lessee, and the lessee failed to remedy the same within two (2) weeks, the Lessor shall have the right to terminate the lease.
- 7.1.6 The Lessee shall be entitled to terminate the lease before its expiry, in case of Force Majeure (e.g. when the contract of the Lessee at the ICTR is not further extended or when other reasons force the Lessee to leave the country).

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Postal Address... P.O. BOX 5055 DSM .

Qualification... Managing Director

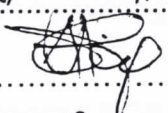
SEALED with a COMMON SEAL

of the said VERC O VEHICLE AUTO PARTS
COMPANY LIMITED and DELIVERED in our

presence this... 1 ...day of
DECEMBER ...2018.

.....
LESSEE

Name... AMY A SALIM

Signature... 

Postal Address... BOX 16344 DSM

Qualification... DIRECTOR.

Name... Modest S. Magessa

Signature... 

Postal Address... P O Box 2980

Qualification... Director

Certified True Copy of the Original
Sign... Date... 1.12.2018
Cypriana Emmanuel William
Advocate, Notary Public & Commissioner
for Oaths

DRAWN BY:-


MACRINA CHALE
LAKE OIL LIMITED
Dar es Salaam – Tanzania, P.O. BOX 5055
E-Mail: macrina.chale@lakeoilgroup.com

12. ASSIGNMENT AND SUBLETTING

The Lessees shall not transfer and assign this lease or sublet all or any portion of the Demised Properties or to cease operating their business on the Demised Properties provided that at the time of such assignment or sublease the Lessor may terminate the contract.

13. ENTIRE AGREEMENT:-

This instrument contains the entire and only agreement between the parties, and no oral statements or representations or prior written matter not contained in this instrument shall have any force and effect. This Lease shall not be modified in any way except by writing executed by both parties.

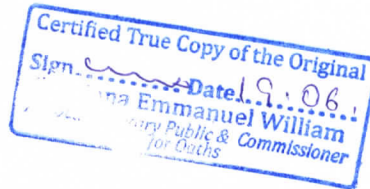
IN WITNESS WHEREOF this Lease was duly executed the day and the year first above written.

SEALED with a COMMON SEAL
of the said LAKE OIL LIMITED and
DELIVERED in our
presence thisst.....day of
.....*December*.....2018



LESSOR

Name *JAMAL KHALID*
Signature.....
Postal Address.....*5055 DSM*.....
Qualification.....*Company Secretary*.....



Name.....*MURALI UPPAL*.....
Signature.....*[Signature]*.....