

**SUB-LEASE AGREEMENT**

**THIS SUB-LEASE is made this 1<sup>st</sup> day of January 2020**

**BETWEEN**

**GRUMETI RESERVES LIMITED**

**AND**

**GRUMETI CONSTRUCTION LIMITED**

**Drawn by:**

**Mawalla Advocates,  
Mawalla Road, Mawalla Heritage Park,  
Mawalla Law Offices, Plot No. 175/20,  
Arusha Tanzania, P. O. Box 6101.  
Telephone: 0754 - 282038  
Email: [info@mawalla.co.tz](mailto:info@mawalla.co.tz)**

## **SUB- LEASE AGREEMENT**

**THIS AGREEMENT** is made this 1<sup>st</sup> day of January 2020

### **BETWEEN**

**GRUMETI RESERVES LIMITED**, a private company limited by shares registered under the Companies Ordinance (Cap. 212) as repealed and replaced by the Companies Act, No. 12 of 2002 of the Laws of the United Republic of Tanzania whose address is Postal Office Box Number 65, Mugumu, Tanzania (hereinafter called "**the Sub-lessor**") which expression shall include and extend to persons deriving title under the Seller, its successors and assigns) of the one part;

### **AND**

**GRUMETI CONSTRUCTION LIMITED**, a private company limited by shares registered under the Companies Act, No. 12 of 2002 of the Laws of the United Republic of Tanzania whose address is Postal Office Box Number 65, Mugumu, Tanzania (hereinafter referred to as "**the Sub-lessee**") which expression shall where the context so admits include it's successors and assigns of the other part;

**WHEREAS** the Sub-Lessor is the lawful lessee of Plot No. 98 comprised under Certificate of Title No. 16028 situated in Makundusi Village Serengeti District (The demised property) and has agreed with the Sub-lessee to enter into a sublease agreement in respect of 450 square meters of the above mentioned Demised Property subject to the terms and conditions herein below and the Sub-Lessee has agreed to the same;

**NOW THIS AGREEMENT WITNESSETH;**

#### **1.0 GRANT OF SUBLEASE**

It is agreed that the Sub-Lessor shall bestow upon the Sub-Lessee in respect of the Demised Property the same rights, privileges and conditions as are bestowed upon the Lessee under the Lease Agreement which this sub-lease is derived from in

respect of the Demised Property. The Sub-Lessee shall ensure strict adherence to the conditions set by the Sub-lessor in this Agreement.

## **2.0 THE PROPERTY**

- 2.1 That the subleased office space which is the subject matter of this Agreement is 450 square meters of the Demised Premises together with all improvements and developments thereon.
- 2.2 It is agreed that the Sub-Lessor shall bestow upon the Sub-Lessee in respect of the Demised Property the same rights and privileges as are bestowed upon the Sub-Lessor under the Lease and in respect of the Demised Property.

## **3.0 COMMENCEMENT, DURATION, AND RENEWAL OF THE SUBLEASE**

- 3.1 This Sub-Lease shall commence on the 1<sup>st</sup> day of January 2020 the date on which the Lessee shall take possession of the Demised Premises and shall expire on 31<sup>st</sup> day of December 2022.
- 3.2 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.

## **3.0 RENT**

- 3.1 The annual rent payable by Sub-Lessee to the Sub-Lessor with respect to the leased space agreed between the Sub-lessor and Sub-lessee is **United States Dollars One Thousand Five Hundred** net being inclusive of all levies and service charges.
- 3.2 The said rent in 3.1 above shall be paid in advance annually.

## **4.0 SUB-LESSEE'S COVENANTS**

5.1 The Sub-Lessee covenants with the Sub-Lessor and agrees as follows;

5.1.1 The Sub-Lessee shall not materially or knowingly contravene or knowingly permit any material contravention of any law, by-law or regulations relating or affecting the occupation of the Demised Property.

5.1.2 The Sub-Lessee shall not materially or knowingly contravene or knowingly permit any material contravention of:

5.1.2.1 any of the conditions of the Lease and under which the Demised Property is owned which includes land use of the Demised Property,

5.1.2.2 any laws which the Sub-Lessor is required to observe by reason of its tenancy of the Demised Property.

5.1.3 The Sub-lessee shall not sublet any leased part of the Demised Property during the whole period of this Agreement.

## **6.0 OPTION TO RENEW**

6.1 The Sub-Lessee shall be entitled to renew this Sub-Lease Agreement on the same basis as the Sub-Lessor is entitled to renew its Lease on the Demised Property.

6.2 Where the Lease is renewed in favor of the Sub-Lessor, the Sub-Lessee shall have the first option in writing to renew this Sub-Lease for a similar or lesser period of time, upon similar terms or as agreed between the parties.

## **7.0 INDEMNITY**

The Sub-Lessor shall indemnify and keep indemnified the Sub-Lessee against all proceedings, costs, claims, demands, charge, or expenses and liabilities whatsoever arising out of any fact not disclosed or known to the Sub-Lessee before the signing of this Agreement or to the extent that the same shall have been occasioned through misrepresentation as to any warranty here-in contained.

#### **8.0 QUIET ENJOYMENT**

So long as the Sub-Lessee shall perform its obligations under this Agreement, the Sub-Lessee shall have the right to quiet enjoyment of the leased office space throughout the term hereof without interruption by the Sub-Lessor or by any person claiming by, through, under or in trust for the Sub-Lessor.

#### **9.0 GOOD FAITH**

In their dealing with each other in the implementation of this Agreement, the parties undertake to observe the utmost good faith to give full effect to the intent and purpose of this Agreement they shall refrain from doing anything which might in any way prejudice or detract from the rights, property or interest of any of them.

#### **10.0 PROVISIONS AS TO BREACH**

- 10.1 Should either party fail to comply with any of the provisions of this Agreement and the aggrieved party in writing addresses the defaulting party at its selected address to demand compliance therewith and if the defaulting party remains in default fourteen (14) days after receipt of such notice, then the aggrieved party may either;
- 10.2 Terminate this Agreement and claim damages from the defaulting party; or;
- 10.3 Alternatively and in its sole discretion, claim specific performance of all the terms of this Agreement without prejudice to any claim which it may have against the defaulting party.

**11.0 ARBITRATION**

11.1 Should any dispute or difference arise between the Parties to or in connection with this Agreement (or its construction, operation or termination) or other arrangements between them connected with its implementation, which the Parties have been unable to settle amicably, then that dispute or difference shall be referred by the Parties to Mediation whereby a Mediator shall be jointly chosen by the Parties to mediate.

11.2 If the dispute has failed to be resolved by Mediation the same shall be referred to Arbitration by the Parties. Further, each Party shall appoint one arbitrator and the two appointed arbitrators shall appoint an umpire who shall arbitrate the matter to its finality and their decision shall be final and conclusive. The Arbitration proceedings shall be construed in accordance with the Arbitration Act, Cap. 15 of the Laws of United Republic of Tanzania R.E. 2006.

11.3 The place of arbitration shall be in the United Republic of Tanzania.

**12.0 NOTICES**

All notices and other communications called for or required by this Agreement shall be in writing and shall be deemed to have been validly given if addressed to the Representative concerned at the address furnished as provided herein below:

**To The Sub-Lessor**

Name:	<b>GRUMETI RESERVES LIMITED</b>
Postal Address:	<b>65 MUGUMU, SERENGETI - TANZANIA</b>

**To The Sub-Lessee**

Name:	<b>GRUMETI CONSTRUCTION LIMITED</b>
Postal Address:	<b>65 , MUGUMU, SERENGETI - TANZANIA</b>

Or such other address as a party shall designate by written notice given in accordance with this sub-clause.

**13.0 TERMINATION OF THIS AGREEMENT**

The Parties hereby agree that this agreement may be terminated prematurely prior to the lapse of its term by parties discussing and agreeing amicably on the termination modality.

**14.0 GOVERNING LAW**

This Agreement shall be governed by the laws of the United Republic of Tanzania.

**15.0 GENERAL MAINTENANCE**

15.1 The Sub-Lessee shall be responsible to ensure that the Demised Premises are maintained and kept in habitable and clean condition at all times.

15.2 The Sub-Lessee shall not cause to be removed from the Demised Premises any item that has been installed at any time during the term of the Sublease without the consent of the Sub-Lessor.

**16.0 NOTICE TO REPAIR**

16.1 The Sub-Lessee shall comply with any written notice served by the Sub-Lessor reasonably requiring making good of the leased office space or any want of repair or failure to keep the leased office space in

good condition and properly cleaned, within the period reasonably required in the notice.

- 16.2 If the Sub-Lessee fails to comply within that period the Sub-Lessor may do the work and charge the expense to the Sub-Lessee. The expense shall be a debt due from the Sub-Lessee to the Sub-Lessor.

#### **17.0 MISCELLANEOUS PROVISIONS**

- 17.1 This document constitutes the sole record of the agreement between the parties with regard to the subject matter hereof and supersedes any prior oral or written agreements or arrangements with respect to the subject matter of this Agreement.
- 17.2 This Agreement or any rights and/or obligations arising under it may only be assigned to a Third Party with the written consent of the other Party. For avoidance of doubt such written consent should not be unreasonably withheld.
- 17.3 No party shall be bound by any representation, warranty, promised or the like not recorded herein.
- 17.4 No addition to or variation or agreed cancellation of this Agreement shall be of any force or effect unless in writing and signed by or on behalf of both parties.
- 17.5 No indulgence which any party may grant to any other shall constitute a waiver of any of the rights of the said party, who shall not thereby be precluded from exercising any rights against the other party which may have arisen in the past or which may arise in the future.

**IN WITNESS HEREOF**, the Parties hereto have executed this Agreement on the date and year first herein above written in the following manner:

**SEALED** with the **COMMON SEAL** of  
**GRUMETI RESERVES LIMITED** in our  
presence on this 1<sup>st</sup> day of January 2020



**SUB-LESSOR**

Name: GRAHAM JACK LEDGER

Signature:  .....

Qualification: Director

Name: LEMMY BARTHOLOMEW KIMARIYO

Signature:  .....

Qualification: Director/Company secretary

**SEALED** with the **COMMON SEAL** of the  
**GRUMETI CONSTRUCTION LIMITED** in  
our presence this 1<sup>st</sup> day of January 2020



**SUB-LESSEE**

Name: GRAHAM JACK LEDGER

Signature:  .....

Qualification: Director

Name: JACKLINE SAMSON TWEVE

Signature:  .....

Qualification: Director/ Company secretary