

LEASE AGREEMENT

BETWEEN

SHAFIK BADRUDIN MERALI

P.O. BOX 800, MWANZA

AND

NESCH MINTEC TANZANIA LTD.

P.O.BOX 11216, MKYUNI, MWANZA

IN RESPECT OF

YARD

ON

PLOT NO. 27

KENYATTA ROAD

MKUYUNI INDUSTRIAL AREA

MWANZA

Prepared by:

SHAFIK BADRUDIN MERALI

P.O.BOX.800

MWAMZA

LEASE AGREEMENT

This **LEASE AGREEMENT** is made on this 28th day of March, 2019.

BETWEEN

SHAFIK BADRUDIN MERALI of Post Office Box 800, Plot No.27, Kenyatta Road, Mkuyuni Industrial Area, Mwanza (hereinafter called the "**Lessor**" which expression shall include and extend to person deriving title under the **Lessor**, its successors and assigns) of the one part;

AND

NESCH MINTEC TANZANIA LTD. of Post Office Box No. 11216, Mwanza (hereinafter called the "**Lessee**" which expression shall include and extend to persons deriving title under the **Lessee**, its successors and assigns) of the other part.

PREAMBLE

Whereas the **Lessor** is the owner of Plot No.27, Kenyatta Road, Mkuyuni Industrial Area, Mwanza and all the buildings, outer houses and other structures standing on the said plot (hereinafter called the "**Property**").

Whereas the **Lessor** is desirous of leasing to the **Lessee** and the **Lessee** is desirous of renting a warehouse-cum-showroom on the terms and conditions as hereinafter appearing.

NOW THIS LEASE AGREEMENT WITNESSETH AS FOLLOW:

ARTICLE 1 DEFINITIONS

- "**Agreement**" Means this Lease Agreement between the Lessor and Lessee for a period of **36 Months**.
- "**Lease Period**" Means the period from the **1st day of April, 2019 to 31st day of March, 2022**.
- "**Parties**" Means the signatories to this Agreement.



"Rent" Means the monthly rent of \$ 2300 /-Inclusive VAT (United State Dollars Two Thousand Three hundred only inclusive VAT). Such rent as may be agreed by the parties.

- 1.1 Reference to the singular include when the context so admits, references to the plural and vice versa and references to clauses and annexes are references to clauses of and to this agreement.
- 1.2 Words importing the masculine gender shall include the feminine gender and vice-versa and words importing person shall include Companies.
- 1.3 The headings as used in this agreement are for convenience of reference only and shall not effect the construction of any of the terms and Provision thereof.
- 1.4 If any one more of the provision contains in this agreement shall for any reason be held to be invalid, illegal or not enforceable in any respect, such invalidity, illegality or non-enforceable provision shall be deemed never to have been contained herein.

ARTICLE 2

LEASE PREMISES AND PERIOD

- 2.1 The **Lessor** hereby demises onto the Lessee the said lease premises for a Period of **36 Months** commencing from the **1st day of April, 2019** until the **31st day of March 2022**. The Lease Period is subject to extension by the creation of a new lease agreement in accordance of the provision of Article 3.4 herein.

ARTICLE 3

RENT PAYABLE

- 3.1 In consideration of the Leasing stated herein above, the Lessee shall pay the monthly rent of United State Dollars Two Thousand Three Hundred only. (**USD \$ 2300/- inclusive VAT**) per month as the said property is **460 SQM** on Ground level commencing from the **1st day of April, 2019**.
- 3.2 The Lessee shall pay **1st 6 months'** full rent in advance and subsequently for the next six months on half-yearly payment basis.
- 3.3 Rent shall be revised on further constructions
- 3.4 The Lessee may renew upon Lessor approval to renew or extend the lease for a further such term as shall be deemed appropriate where conditions are to be agreed upon by both parties hereto, subject to change and market rental values


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ARTICLE 4
THE LESSEE'S COVENANTS

The Lessee hereby covenants to the Lessor as follows:

- 4.1 To pay the reserved rent in the aforesaid in time;
- 4.2 To use the said Lease Premises for lawful commercial purposes only
- 4.3 To maintain the Lease Premises in a clean and hygienic condition. The Lessee shall store any fuel or hazardous, volatile and/or dangerous chemicals, explosives, acids or any other material, which may constitute a danger to the Lease Premises and/or adjacent premises only according to APPROVAL OF GOVERNMENT CHEMIST AGENCY OF REPUBLIC OF TANZANIA AND SHOULD HOLD VALID CERTIFICATES OF APPROVAL AT ANY TIME.
- 4.4 Lessee agrees to have a sufficient fire extinguisher of acceptable size as determined by the Lease Premises. Such fire extinguisher(s) shall be readily accessible in the event of a fire.
- 4.5 Lessee should provide his own insurance coverage for any personal property located in or on the Lease Premises.
- 4.6 To keep the said Lease Premises in good tenantable repair
- 4.7 To keep the surroundings of the said Lease Premises clean and tidy and to comply with all municipal and health and safety regulations applicable to the purposes for occupation and use of the Lease Premises.
- 4.8 Not to use the said Lease Premises in a way, which would create nuisance or annoyance to the neighbors.
- 4.9 To maintain general utility services and promptly pay for all charges liable on telephone, electricity, water and sanitary services provided to the Lease Premises by the concerned authority to pre-empt disconnection of the same.
- 4.10 To provide adequate security for the said property and all goods kept by the Lessee on the said Property. The Lessee acknowledges and agrees that the Lessor shall not be held liable as a result of any theft or loss on the said property.
- 4.11 Not to do anything which might invalidate any insurance policy covering the said property or which might increase the premium.



4.12 Lessee shall not engage in any act intended to facilitate illegal activity including Drug related illegal activity, storage of drugs on or nearby said premises.

4.13 Not to hold any auction sale in the said property.

4.14 To comply with the terms of every Act or Parliament, order, regulation byelaw, rule license, and registration authorizing or regulating how the said property is used and to obtain, renew and continue any license or registration, which is required.

4.15 Not to sub-let or assign the Lease Premises under any condition.

4.16 To affect repairs and replace all the fixtures that may be damaged by the Lessee and/or its agents, visitors or licenses.

4.17 The Lessee to safely keep and carefully use the Lease Premises and not sell or attempt to sell the same.

4.18 ACCESS

The Lessee is to give the Lessor or anyone authorized by him in writing, access to the said property on receipt of adequate prior request in writing for the following purposes;

- (a) Inspecting the condition of the said property, or how it is being Used.
- (b) Complying with any statutory obligation.
- (c) Showing the said property to a mortgagee or during the last six months of the lease period to prospective tenants.
- (d) Valuing the said Property
- (e) Inspecting, cleaning or repairing neighboring, property or any sewers, drains, pipes, wires and cables serving the said property or any neighboring property.

4.19 Not to make any alteration to the permanent structures of the said Lease Premises without obtaining prior written consent of the Lessor.

4.20 To deliver the Lease Premises to the Lessor with all locks, keys and fasteners complete and in such state of repair and condition and presentations shall be strict compliance with the covenants and agreement in that behalf on the part of the Lessee herein contained upon expiration or sooner determination, natural wear and tear excepted.

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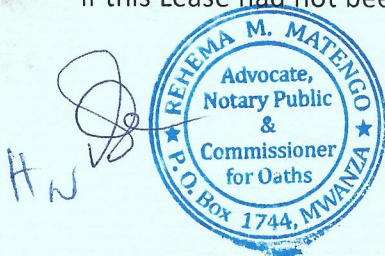
ARTICLE 5
THE LESSOR'S COVENANTS

The Lessor hereby covenants to the Lessee as follows:

- 5.1 To keep the exterior of the Lease Premises together with the roof, Trusses, main Structural walls of the Lease premises in fair tenable repair and condition.
- 5.2 That the Lessee paying the rent hereby reserved and observing and performing the several covenants and conditions as hereinabove on their part, shall peacefully hold unto and enjoy the tenancy of the demises throughout the term here in created WITHOUT interruption by the Lessor or any person rightfully claiming under or in the trust for the Lessor.
- 5.3 To provide separate meter for Electricity (LUKU)
- 5.4 To pay land rent and municipal rates to the relevant authorities promptly.
- 5.5 The Lessor shall provide external security service.

ARTICLE 6
THE LESSOR AND THE LESSEE'S DECLARATION

- 6.1 The Lessor and the Lessee hereby further agree and confirm.
- 6.2 That the toilet facilities provided for and existing at the said Property for common and careful use by all the Lessees and occupants of the said property including the Lessee.
- 6.3 In the event the rent hereby reserved or any part thereof shall at any time be in arrears and remain unpaid for a period of thirty (30) days after the same has become due and payable, whether or not formally or legally Demanded or if the Lessee fails or neglects to perform and observe any of the covenants and conditions herein contained and on his part to be performed and observed, or of the Lessee becomes bankrupt or is wound up whether voluntarily or compulsorily otherwise than for the purpose of amalgamation or reconstruction's then and in the event of any such case the Lessor may at any time thereafter re-enter upon and repossess the Lease Premises or any part thereof and hold onto the same as if this Lease had not been granted but without prejudice to any right of action or



remedy of either party for any antecedent breach of the covenants herein contained.

6.4 That the Stamp Duty on this Lease Agreement shall be paid by the Lessee and Lessor on 50:50 basis

6.5 NEW GOVERNMENT LEVIES. In the event that the Government of the United Republic of Tanzania or any sub-division or agency thereof imposes any new or additional taxes, levies or imposts relating to tenancies that are payable by lessees, the Lessee agrees that it shall be responsible for such new or additional taxes, levies or imposts relating to this Lease.

ARTICLE 7

NOTICE OF TERMINATION OR RENEWAL OF THE LEASE AGREEMENT

7.1 Either party of this Lease Agreement may terminate the Lease agreement upon giving atleast (3) months written notice of the intention to terminate the Lease Agreement.

ARTICLE 8

SERVICE OF NOTICE

8.1 For the purposes of Service of Notice, any Notice under this Lease Agreement shall be in writing. Notice to either party by the other shall be deemed to be successfully served and sent by Registered Postal Mail at their respective postal address shown herein above.

ARTICLE 9

DISPUTE CLAUSE

9.1 Any dispute arising from or in connection with the Lease Agreement shall be settled amicably between the parties, failing which the aggrieved party may take legal action at the Commercial Division of the High Court of Tanzania.

ARTICLE 10

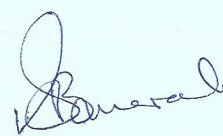
MISCELLANEOUS PROVISIONS

10.1 Notwithstanding the above terms and conditions of this Lease Agreement, it is hereby further agreed that any permanent structures and improvements made by the Lessee shall be considered as part of the Lease Premises.

10.2 All matters arising from or in connection to this Lease Agreement shall be governed and construed in accordance with Tanzania Laws.

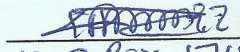
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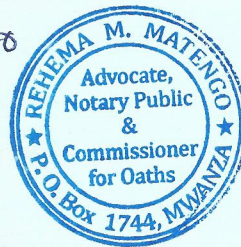
SIGNED BY **Shafik Badrudin Merali** and
DELIVERED in the presence of us this

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Witness

Name : REHEMA M. MATENGO

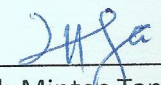
Signature : 
Postal Address: P.O. Box 1744 Mwanza
Qualification : ADVOCATE




SEALED with the **COMMON SEAL** of the
said **NESCH MINTEC TANZANIA LTD.** and
DELIVERED in the Presence of us this

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Name : HAPPINESS NESVINGA

Signature : 
Postal Address: Nesch Mintec Tanzania Ltd., PO. Box.11216, Mwanza
Qualification : **DIRECTOR**

Name : PRIVILEGE CHIKATI

Signature : 
Postal Address: Nesch Mintec Tanzania Ltd., PO. Box.11216, Mwanza
Qualification : Technical Signatory