

**LEASE AGREEMENT**

**BETWEEN**

**SAID ABDALLAH  
JUMA**

**AND**

**RUVUMA COAL LIMITED**



## **PART A**

### **GENERAL CONDITIONS OF LEASE**

#### **2.0 DEFINITIONS AND INTERPRETATION**

In this lease, unless the contents shall otherwise require:

- 2.1 If any provision in a definition is a substantive provision conferring rights and obligations on any party, notwithstanding that it is only a definition, effect shall be given to it as if it were a substantive provision within the body of the lease;
- 2.2 The building shall mean the building on the property in which the premises are situated, including any extensions or additions thereto from the time
- 2.3 "Common area" shall mean those portions of the building and property including parking bays and walkways other than those actually let or capable of being let to individual tenants;
- 2.4 "The designated person" shall mean the LANDLORD's servant, directors, and agents, independent Contractors and representatives;
- 2.5 In the remainder of this lease the term "appurtenances" means all the installations and appliances in the premises and includes, without prejudice to the generality of the term, any keys, locks, windows, sewerage pans, basins, water taps and fittings, access doors, remote control equipment, fire control equipment, windowpanes, window frames and air conditioning units.
- 2.6 "Day" refers to a normal calendar day.

#### **3.0 RENT AND OPERATING COSTS INSTRUCTIONS**

- 3.1 That rent for the purpose of this contract shall be Tshs 300,000 (Tanzanian Shillings Three hundred thousand only) per month.
- 3.2 The rental costs together with the attributable value added tax thereon of this lease rent and operating costs shall be paid on **semi-annual** basis in advance without deduction or set-off to the LANDLORD and the Landlord shall discharge all her obligations as provided under clause 31 herein below.

3.3 Payment of rental and other charges shall be by means of money transfer to the designated bank account which is named in this contract. The Landlord can change the bank account provided through the signatories of this contract.

3.4 The **six (6) months'** rent and operational costs plus VAT shall be paid on the signing of this lease by the TENANT.

3.5 That this agreement shall be for the period of 8 (eight) years from the day of execution.

3.6 That the location of the premises shall be at Mkeso Suburb Paradiso Village, Ruanda Ward Mbinga District, Ruvuma Region

#### **4.0 RENT REVIEW**

The LANDLORD reserves the right to;

4.10 review the rent by the renewal of the Lease to match prevailing market rates. Subject to agreement with the tenant. In case of changes, the maximum change to be allowed during the contract period will not be more than 15%. Rent will be **reviewed** after every **one year** of this lease contract.

#### **Service charge items**

4.1.1 Power supply to common areas;

4.1.2 Servicing and maintenance of lifts;

4.1.3 Services and maintenance of the generator;

4.1.4 Servicing and maintenance of fire protection systems;

4.1.5 Water supply

4.1.6 Minor Repair and maintenance - this includes repair of electrical, plumbing etc.

4.1.7 Garbage collection

4.1.8 Security services

4.1.9 Cleaning to common areas

#### **5.0 ELECTRICITY AND OTHER CHARGES PAYABLE BY TENANT**

5.1 The TENANT shall be liable for and shall pay on demand for service charges together with the value added tax thereon arising out of its use of electric current and service charges, in respect.

5.2. The TENANT's liability for such charges shall be in accordance with the TENANT's percentage proportionate share of all such charges for the property and/or the building.

5.3 Should the TENANT fail to pay the charges and/or value added tax thereon for electricity and services charges supplied to its premises within 30 days of written demand, then, without prejudice to any other right it may have, the LANDLORD shall be entitled to suspend the supply of such services to the TENANT's premises and the TENANT shall have no other remedy other than to pay for the services.

5.4 Notwithstanding the charge for operation cost reflected in the second column of clause 1.1 3 the LANDLORD shall not be obliged to provide any services to or in respect of the premises or the property save as expressly provided for in this lease.

## **6.0 VALUE ADDED TAX**

The TENANT shall pay to the LANDLORD value added tax at the prescribed rate from time to time in terms of the relevant legislation on any amounts payable to the LANDLORD in terms of this lease.

## **7.0 SECURITY DEPOSIT**

The TENANT shall be liable to pay a refundable security deposit of **one month rent** excluding VAT in this contract. At the end of the tenor should there be any damages that raised to the premises due to his cause, during his stay the TENANT shall pay all the costs associated with that damage.

## **8.0 INTEREST AND LEGAL CHARGES**

If the TENANT fails to pay rent or any other monies on due date the LANDLORD shall charge the TENANT and the TENANT shall pay on demand interest on overdue sum at the rate of 2% on the amount delayed per month. This right to charge interest on overdue amounts shall not in any way, detract from any other rights of the LANDLORD in enforcing any of its rights or the TENANT obligations under this lease. (which shall include collection charges) whether such costs are incurred prior to the institution of any such action or application, during the course of any such action or application, in enforcing any judgment, in regard to any appeal against any judgment or otherwise.

## **9.0 APPROPRIATION OF PAYMENTS**

The LANDLORD shall be entitled after notifying the TENANT to appropriate any amounts received from the TENANT (whether the TENANT has allocated it or not) towards the payment of any cause or debt or amount owing by the TENANT to the LANDLORD arising out of its Lease. This includes rent, service charges and electrical charges.

## **10.0 LANDLORD'S/ TENANT'S DOMICILIUM**

10.1 The parties choose as the domicile for all purpose under this lease, whether in respect of court processes, notice or other documents or communications of whatsoever nature, (including the exercise of any position), the following addresses: -

- The LANDLORD; SAID ABDALLAH JUMA  
MBINGA-RUVUMA  
P.O Box 573  
RUVUMA
  
- The TENANT; RUVUMA COAL LIMITED  
P.O BOX 7283  
DAR ES SALAAM

10.2 Any notice or communication required or permitted to be given in terms of this agreement shall be valid and effective only if in writing, but it shall be competent to give notice by telefax.

## **11.0 EXCLUSION OF WARRANTIES**

11.1 The premises are or will be suitable for official purpose for which the premises may be used in terms hereof. However, the Landlord will ensure that, on commencement date, the Premises are suitable for occupation having, amongst others, all walls properly painted, power and light tested and properly working, glazing done, ceiling properly installed and floor done to cement screed all in accordance with the prepared building drawings.

11.2 The TENANT will be granted or provided with any licenses, consents, authorities, services or permits in respect of the premises for the conduct of any business or any other type of use, or that such licenses, consents, authorities, service or permits will be renewed from time to time. The TENANT shall be obliged to take all steps [including incurring costs if necessary] to obtain licenses or permits from time to time.

## **12.0 LANDLORD'S COMPLIANCE WITH LAWS**

The LANDLORD shall comply with all laws, by-laws and regulations relating to tenancy and shall not contravene any of the conditions of title under which the property or any of the provisions of the Town Planning Town Planning Scheme applicable.

If the LANDLORD in order to comply with the laws, whether in force prior to or after the commencement of negotiations, is required to take any such steps as will result in the TENANT being deprived, either temporarily or permanently, of the beneficial use of any but shall be entitled to a proportionate remission in basic minimum monthly rental payable, for the relevant period.

## **13.0 TENANT'S COMPLIANCE WITH LAWS AND CONDITIONS OF TITLE**

The TENANTS shall comply with all laws, by-laws and regulations relating to tenants or occupiers of business premises or effecting the conduct of any business carried on in the premises, and shall not contravene any of the conditions of title under which the property is held by the LANDLORD or any of the provisions of the Town Planning Scheme applicable to the building, nor do or cause or permit to be done in or about the building anything which may be or cause a nuisance or disturbance to other occupiers of the building, or occupiers of neighbouring premises.

If the TENANT in order to comply with the laws, whether in force prior to or after the commencement of negotiations, is required to take any such steps as will result in the LANDLORD being deprived, either temporarily or permanently, of the rental payment payable in term of clause 1.13, above, for the relevant period.

## **14.0 SUB -LETTING AND TRANSFER OF OWNERSHIP**

14.1 The TENANT shall not sublet the premises or any portion thereof, nor cede nor assign nor pledge this lease or any of its rights hereunder without the LANDLORD's prior written consent

14.2 Notwithstanding anything to the contrary contained or implied in this lease, the LANDLORD shall, on receipt of such an application, be entitled by written notice delivered to the TENANT, either to consent to the sub-lease, or refuse to consent to the sub-lease

14.3 Cancellation of this lease in term of this clause shall in no way detract from the LANDLORD's right to enforce performance of any obligation to reinstate the lease premises.

14.4 The TENANT shall further not give up occupation or possession of the premises or any portion thereof to any person or permit any person whether as licensee, agent, occupier, custodian or otherwise, to enter into possession or to occupy or take possession of the premises or any portion thereof for either a definite period or at all, without the LANDLORD'S prior written consent.

#### **15.0 LIABILITY OF PARTNERSHIP/ JOINT TENANTS**

If the TENANT is a partnership then by their signature hereto, the individual partners of the TENANT bind themselves, both as a partnership and jointly and severally as individuals, for all the TENANT's obligations to the LANDLORD under or arising out of this lease, including but without limiting the generality of the foregoing the payment of any compensation or damages which may be payable by the TENANT as result of the cancellation or termination of this lease. Similarly, joint TENANT shall be jointly and severally being liable for all their obligations as tenants under or arising out this lease

#### **16.0 JURISDICTION OF COURTS**

At the option of the LANDLORD any action or application concerning or arising out of this lease, or breach of this lease as far as issues of rent, service charges and or any surety ship furnished for the obligation of the TENANT hereunder may be brought in the court of law in Tanzania having jurisdiction in respect of the TENANT or the sureties, as the case may be.

#### **18.0 LANDLORD'S REGULATIONS**

The TENANT agrees to comply with the LANDLORD'S security and fire protection regulations which may exist in the building from time to time and shall be liable for compliance therewith by its employees and tenantable, Provided that the LANDLORD shall communicate the said regulations to the TENANT before they start operations and further provided that the said regulations shall not be unreasonable and shall not be of the nature to disturb the business of the TENANT.

#### **19.0 LANDLORD'S MAINTENANCE**

The LANDLORD may take all such steps as it may consider necessary in its sole and absolute discretion for the maintenance and operation of the common areas and building as to render them tenantable.

## **20.0 NON-RECEIPT**

Neither the LANDLORD nor the designated person shall be liable for the receipt or non-receipt or the delivery of goods, postal matter or correspondence, nor shall they be liable for anything which the TENANT, its servants, invitees, agents, directors, representatives or clients may have deposited or left in the premises or in any part of the building or the property.

## **21.0 LANDLORD'S RIGHT OF ENTRY**

The LANDLORD and/or the designated person or the request of the TENANT shall be entitled to enter the premises at all reasonable time for the purpose of inspection the premises and for carrying out any repairs or any alterations or addition or modification or improvements on or to the building, the premises or the property or other work in respect of the premises or the building if the LANDLORD should desire to do so. The LANDLORD and the designated person will be entitled to erect scaffolding, hoardings and building equipment in at near or in front of the premises as well as such other devices required by law or which the architects may certify is necessary to carry out the work in question. Adequate notice will be given depending on the nature of work. Emergence works will not require notice.

## **22.0 DAMAGE TO OR DESTRUCTION OF PREMISES**

22.1 The LANDLORD may but shall not be obligated to cancel this lease if:

22.1.1 There is damage to the PREMISE such that the demised premises have been rendered substantially untenantable because of absence of access or supply of any necessary service or amenity; or

22.1.2 There is destruction or damage to the premise or parts thereof, whether or not the premises are involved and the LANDLORD determines to put an end to the tenancies in the building in order to engage in reconstruction, renovation or rebuilding.

22.2 The cancellation under clause 22.1 shall be by writer notice given by the LANDLORD within 60 days of the taking place of the event referred to in clause 22.1 giving rise to the cancellation, provided that in the case of notice given in terms of this clause such notice shall reasonable for the TENANT to find alternative office accommodation.

22.3 Any such cancellation shall be without prejudice to any rights or claims which the LANDLORD may have against the TENANT whether in terms hereof or otherwise or the TENANT against the LANDLORD.

22.4 If there is any dispute as whether:

22.4.1 There is damage to the premises or the building so as to affect the enjoyment of the premises, but not to such extent as to entitle the LANDLORD to cancel subject to clause 21.1: or

22.4.2 The LANDLORD does not exercise its right to cancel under clause 21.1 when entitled to do so, then the TENANT shall be entitled to a remission of rent for the period during which and to the extent to which it is deprived of beneficial occupation and enjoyment of the premises, provided that such damage was not occasioned by invitees, contractors or employees.

22.5 If there is any dispute as to

22.5.1 Whether the premises have been rendered substantially untenantable or

22.5.2 The amount of the remission of rental and/or the extent to which the TENANT is deprived of beneficial occupation and enjoyment of the leased premises, the decision of architect appointed by mutual agreement of the LANDLORD and the TENANT and approved by either the National Construction Council or the Board of Architects and Quantity Surveyors who will act as experts and not as arbitrators, and who shall determine the liability for their charges which shall be paid accordingly, shall be final and binding upon the parties.

### **23.0 PREMISES FOR BREACH AND CANCELLATION**

If:

23.1 The TENANT fails to pay any rent or other amount due by it to the LANDLORD in terms of this on due date; or

23.2 The TENANT commits any other breaches of the term of this lease which is incapable of being remedied, or

23.3 The TENANT commits any breach of the term of this lease other than a breach referred to in clause 24.1 or clause 24.2 and fails to remedy that breach within 14 days after the date of a written notice requiring that it be remedied, provided that no such notice shall be necessary in the case of a second or subsequent breach of the same term; or

23.4 The TENANT so consistently breaches the terms of this lease (whether by non-payment of rent or other amount due to the LANDLORD on due date or by non-compliance with its terms) as to justify the LANDLORD in holding that the TENANT'S conduct is inconsistent with an intention or an ability to carry out such terms: or

23.5 The TENANT allow any judgment against and known to the TENANT pertaining to this lease to remain unsatisfied for a period of 14 days or longer, or

23.6 The TENANT is declared insolvent, then,

23.6.1 The LANDLORD shall have the right, but shall not be obliged, to either

23.6.2 To cancel this lease and to resume possession of the leased premises

23.6.3 To convert this lease to one in which the LANDLORD (but not the TENANT who shall continue to be bound for the full period of the lease) shall be entitled to terminate the lease by giving 60 day's written notice to the TENANT, the remaining terms and conditions being otherwise unaffected; but without prejudice to the LANDLORD's claim for arrears of rent and/ or damages which it may suffered by reason of the TENANT's. Breach of contract or of the premature cancellation.

#### **24.0 HOLDING OVER**

While for any reason or any grounds the TENANT occupies the leased premises and the LANDLORD disputes its right to do so, then until the dispute is resolved whether by settlement litigation, the TENANT shall continue to pay an amount equivalent to the total rent that is not in dispute. unitat the expiry of the lease.

## **PART B**

### **TENANT'S OBLIGATIONS**

#### **27.0 TENANT'S GENERAL OBLIGATIONS**

27.1 Within 30 days after the commencement date of this lease the TENANT shall give the LANDLORD written notice of any defects in the premises (including adjacent yards) with particulars of any appurtenances which are defective or missing (even if such notice is required for information purposes only and the LANDLORD is not required to remedy such defects) and in the absence of such notice (or after the remedying by the LANDLORD of any matter complained of in the notice) the TENANT shall be deemed to have accepted the premises and appurtenances as being complete and without defect and in good order and repair.

27.2 At all times during the tenure of this lease the TENANT shall care for the interior of the premises; - the electrical, drainage and sanitary works and the appurtenances therein, and at the termination or expiry of the lease for whatever reason return and redeliver the same to the LANDLORD in good order. The Tenant shall repair and make good at tenant's own cost on demand any damage, breakages or, in the alternative, reimburse the LANDLORD for the cost of replacing, repairing or making good any broken, damaged or missing articles howsoever caused other than damage caused by the LANDLORD or its Agents. If the appurtenances and/or electrical, drainage and sanitary works are become defective (for any reason excluding by reason of fair wear and tear giving due regard to usage of premises by TENANT), the TENANT shall be obliged to replace them at the TENANT's expense. Without detracting from the generality of the above, the TENANT shall repair any damage caused to the premises which may be occasioned by any cause, including forcible entry by the TENANT

27.3 The TENANT shall:

27.3.1 Keep all sewerage pipes, water tap and drains within or serving the premises free from obstruction on blockage;

27.3.2 At all times keep the premises in clean, tidy and sanitary Condition.

27.3.3 Not be entitled to paint, affix or attached to the building any advertising signs, notices or other matter without the prior written consent of the LANDLORD (and any such signs, notices or other matter

shall be removed by the TENANT prior to the end of its occupation of the premises and any damage caused thereby is made good by the TENANT);  
27.3.4 Not drive into the walls or partitions or doors of the premises any screws or nails in such manner as may be calculated to damage the premises.

27.3.5 Not change or interfere with or overload the electrical installation in premises;

27.3.6 Pay for replacements of all fluorescent tubes, starters, and incandescent bulb used in the premises;

27.3.7 Not place any safe or heavy article in the premises without the LANDLORD's prior written consent, which shall not be withheld unreasonably;.

27.4.8 The TENANT, to the extent that it fails to comply with the foregoing obligations and as a result the LANDLORD incurs any liability, indemnifies the LANDLORD may sustain as a result thereof.

27.5 The TENANT warrant that all goods on the premises will throughout the period of the lease be beneficially owned by the TENANT and will not throughout the period of the lease be subject to any special notarial bond.

## **28.0 ALTERATIONS AND ADDITIONS**

28.1 The TENANT shall not make any alterations or additions to the premises, without the LANDLORD's prior written consent.

28.2 If it shall be condition of any competent authority in respect of the grant or renewal of any licenses required by the TENANT to carry on the business for which the premises are hired that the premises shall not be altered or renovated, the LANDLORD shall not be obliged, but the TENANT shall be obliged, at its own expense to carry out such alterations or renovations provided that the LANDLORD's prior written consent, which shall not be unreasonably withheld, is obtained and that the work is carried out by the contractor nominated by the TENANT in consultation with the LANDLORD whose fees shall be paid by the TENANT

29.3 If any alterations or improvements are made by the TENANT, the TENANT shall, before the expiry or termination of this lease, (unless the

LANDLORD otherwise agrees in writing in which case any alterations and/or improvements shall become LANDLORD's property without any compensation being payable to the TENANT in respect thereof) remove them and reinstate the premises to the condition in which they were before the improvement and/or alterations were affected.

### **30.0 REMBURSEMENT TO LANDLORD**

Should the TENANT fail to fulfil any obligation or to perform any act which it was obliged to fulfil or perform in terms of any clause of this lease, the LANDLORD shall be entitled but not obliged to fulfil such obligation or to perform such act for and on behalf of the TENANT and the TENANT shall be liable for all or any costs incurred by the LANDLORD thereby or as a consequence of such fulfilment or performance.

## **PART C**

### **31.0 LANDLORD'S OBLIGATIONS UNDER LEASE**

- 31.1 To pay and discharge all rates, taxes, assessments, impositions or other charges other than those covered under the service charge that relate to the maintenance of the building.
- 31.2 To keep the exterior of the premises in good and tenantable repair and condition and remedy any major or structural faults or construction affecting the convenient and proper use or occupation thereto provided such faults are not attributable to the TENANT or its agent
- 31.3 To keep the main structure, roof, water connections, drainage system, plumbing system, sewer system, walls and all the exterior parts of the house and building comprised in the demised premises in good repair provided the TENANT and or its agents do not cause damage, or alter the systems without prior written consent of the LANDLORD.
- 31.4 To insure and keep insured the Premises and fixtures against loss or damage by fire and such other risks as the LANDLORD may deem necessary.
- 31.5 To allow the TENANT peaceful enjoyment of the Premises demised under the agreement without undue interruption from the LANDLORD

### **32.0 ASSESSMENT RATES AND OTHER CHARGES**

Assessment rates or any municipal fees or charges shall be paid by the LANDLORD.

### **33.0 SALE OF PROPERTY**

The TENANT agrees that the LANDLORD shall be entitled to dispose of the property during this lease. The sale by the LANDLORD of the property during this lease shall not affect the terms of the lease in any way whatsoever nor entitle the TENANT to reside from the lease nor to claim damages as result thereof.

### **34.0 RENEWAL OF LEASE**

The LANDLORD shall at the written request of the TENANT made three calendar months before the expiring of the term hereby created (unless the

same shall have been determined under any of the provisions herein contained) and if there shall not at the time of such request be any existing breach or no-observance of any of the covenants on the part of TENANT herein contained at the expense of the TENANT grant to it a lease of the demised premises for a further term of up to 10 years from the expiration of the term hereby created containing the like covenants and provisions as are herein contained and at a revised rate as per clause 34.1 below.

#### **34.1 RENT CHANGE**

Parties agree that there shall be rent change after every one year' subject to clause 4.10. The change will be agreed by the parties to this contract.

#### **35.0 WHOLE AGREEMENT**

35.1 This lease constitutes the whole agreement between the parties and no warranties or representation, whether express or implied, not stated herein shall be binding on the parties. No party shall be bound by any express or implied term representation, warrant, promise or the like recorded herein, whether it included the contract or not.

35.2 Unless otherwise stated by the LANDLORD in writing, the receipt by the LANDLORD and/or the designated person, of any rent or other payment shall in no way whatsoever prejudice or operate as a waiver, rescission or abandonment of any cancellation or right of cancellation effected or acquired prior to such receipt.

### **36.0 COSTS AND STAMP DUTY**

The TENANT undertakes to pay the stamp duty payable hereon or any renewal hereof. The LANDLORD and TENANT undertake to pay their own expenses for the preparation of this lease agreement.

### **37.0 ARBITRATION**

If any dispute or difference shall arise between the LANDLORD and the TENANT touching on any clause, matter or thing whatsoever contained herein or the operation or construction thereof or any matter or thing in any way connected with this lease then and in every such case the dispute or difference shall be determined by a single arbitrator in accordance with the Arbitration Act (Cap.15) or any statutory modifications or re-enactment thereof for the time being in force.

### **38.0 TERMINATION CLAUSE**

38.1 Either the LANDLORD or the TENANT can terminate the agreement by giving the other three months' notice in writing. The TENANT can request for additional time from the LANDLORD in writing if necessary. Such request for extension shall not be unreasonably withheld.

38.2 If the TENANT shall desire to terminate the term hereby granted the TENANT

Shall give to the LANDLORD notice of such desire and shall up to the time of such termination pay the rent and reasonably observe and perform the covenant on its part herein before reserved and contained.

38.3 A Notice to terminate can only be issued by EITHER PARTY after four (4) calendar months from the date of commencement of lease. Then immediately on the expiration of such notice the present demise and everything herein contained shall cease and be void but without prejudice to the rights and remedies of either party against the other in respect of any antecedent claim or breach of covenant.

38.4 In the event such notice of termination is issued by the LANDLORD, the LANDLORD shall reimburse the TENANT costs of partitions should the tenant have installed any partitions.

**ATTENTION**

In witness WHEREOF the parties hereto have executed these presents in the manner and on the day hereinafter appearing.

SIGNED and DERIVERD with the said SAID ABDALLAH JUMA Who is known to me personally/identified to me by .....the letter being known to me Personally in my presence this 02..day of 03. 2020

  
.....  
LESSOR

BEFORE ME.  
Signature.....  
Name..... EDITHA GODFREY  
Address..... 22760 DAR EL SALAAM  
Qualification..... ADVOCATE




SEALED with the COMMON SEAL) Of the said RUVUMA COAL LIMITED)

And DELIVERED in our presence )

This 0...Day of 03.....2020)



Names: ALI AFIF FAWAZ .....

Signature:  .....

Postal Address: 7283 DSM .....

Designation: DIRECTOR .....

Names: EDITHA GODFREY .....

Signature:  .....

Postal Address: 22760 DAR-EL SALAAM .....

Designation: ADVOCATE .....

