

80

LEASE AGREEMENT

THIS AGREEMENT is made on the 1st day of June, 2017

BETWEEN

STARWAYS GROUP LTD a company duly incorporated in the United Republic of Tanzania of Post Office Box Number 72262, Dar es Salaam (hereinafter called the "Lessor" where the context so admits includes his successors and assigns) of the one part,

AND

EVERBRIGHT STEEL MATERIALS CO., LTD a company duly incorporated in the United Republic of Tanzania of P. O. Box 63149, Dar es Salaam (hereinafter referred to as the "Lessee" where the context so admits includes his successors and assigns) of the other part.

WHEREAS

- A. The Lessor is the owner of the office, located at Plot NO.4-12, Block C, Dardani Mukuranga Coast Region, Tanzania (the "space") and is desirous to lease the same to the lessee.
- B. Whereas the lessee is willing to lease the space for a period of one (1) year.

NOW THEREFORE THIS AGREEMENT WITNESSETH as follows:

1.0 TERM OF THE TENANCY:

The Lessor leases to the Lessee the space from the 1st of June, 2017 to 31st of May 2018.

PROVIDED THAT: The term hereby created may at the option of the Lessee be extended for a further term of 5 years after serving to the Lessor written notice of at least three (3) months before the expiry of the initial term of the Lease granted.

2.0 RENT PAYABLE:

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AND

EVERBRIGHT STEEL MATERIALS CO., LTD a company duly incorporated in the United Republic of Tanzania of P. O. Box 63149, Dar es Salaam (hereinafter referred to as the "Lessee" where the context so admits includes his successors and assigns) of the other part.

WHEREAS

- A. The Lessor is the owner of the office, located at Plot NO.4-12, Block G, Dardani Mukuranga Coast Region, Tanzania (the "space") and is desirous to lease the same to the lessee.
- B. Whereas the lessee is willing to lease the space for a period of one (1) year.

NOW THEREFORE THIS AGREEMENT WITNESSETH as follows:

1.0 TERM OF THE TENANCY:

The Lessor leases to the Lessee the space from the 1st of June, 2017 to 31st of May 2018.

PROVIDED THAT: The term hereby created may at the option of the Lessee be extended for a further term of 5 years after serving to the Lessor written notice of at least three (3) months before the expiry of the initial term of the Lease granted.

2.0 RENT PAYABLE:

2.1 The Lessee shall pay rent of USD 150 per month, exclusive of VAT, which means the Lessee shall pay rent of USD 2,124 per year, inclusive of 18% VAT.

2.2 The rent for the extended term of the lease, as specified in Clause 1.0, shall be payable to the Lessor in advance at the beginning of that term.

3.0 LESSEE'S COVENANTS:

THE LESSEE COVENANTS WITH LESSOR as follows:

- (a) To pay the reserved rent on the days. And to pay a ten percent (10%) of the total annual rent being the amount of withholding tax and a one percent (1%) of the total annual rent being the amount of stamp duty payable to the Commissioner of Income Tax. Such amount shall not be deducted from the rent paid to the Lessor.
- (b) To pay all water, telephone, internet and electricity bills during the tenancy period and as demanded by the relevant utility companies. The Lessee shall be responsible for their own transformer and all related accessories, cables etc;
- (c) At all material time during the said term to keep the premises including floors, windows, water taps, electric light fittings and other Lessor's fixtures and fittings in good and tenable repair, damage arising from accidental fire or reasonable and proper use excepted;
- (d) To permit the Lessor or its agent, at all reasonable times during the said term with or without workmen with prior reasonable notice to enter upon and examine the condition of the premises and in case the same shall be found to be defective or in need of repair to leave notice in writing on the premises of such defects or maintenance for which the Lessee is liable under the provisions of paragraph (d) hereof and require the Lessee to make good the same in a proper manner to the satisfaction of the Lessor within the space of one calendar month next after service to the Lessee of every such notice, any maintenance costs should be paid by the Lessee;
- (e) Not to make any alterations in or additions to the premises without the consent of the Lessor which consent shall not be unreasonably withheld or delayed;

- (f) Not to cut, maim or injure any of the walls or timbers of the premises on the said building or suffer or permit the same to be done save as may be reasonably required;
- (g) To use the premises for commercial purpose only;
- (h) Not to do anything that would invalidate the insurance policy or increase the premium payable for the premises;
- (i) Unless otherwise agreed by the Lessor not to assign, lease or sublet the premises or any part thereof without the written consent of the Lessor, but such consent shall not be unreasonably withheld or delayed;
- (j) In the event the Lease is not renewed at or before the expiry date of the initial term to yield up the premises in such repair or condition as shall be in accordance with the Lessee's covenants herein contained.
- (k) Not to sub lease the premises without the written consent of the lessor, such consent shall not be withheld unreasonably.
- (l) To buy insurance for their own properties.
- (m) The Lessee should obey all the related industrial park management rules made by Lessor.
- (n) The Chinese staff of the Lessee can enjoy the recreational facilities inside the industrial park.

4.0 LESSOR'S COVENANTS:

THE LESSOR COVENANTS WITH THE LESSEE as follows:

- (a) To keep the roof, main walls of the house, and the drains, septic tanks and water supply and the pipes in good and tenable repair and condition before handing over the premises to the Lessee and during the period of occupancy by the Lessee and the Lessor shall charge in terms with the related payment;

(b) To permit the Lessee paying the rent hereby reserved and observing the covenants and conditions hereby contained or implied and on its part to be performed and observed, peacefully and quietly to possess and enjoy the premises during the tenancy hereby created without any interruption from or by the Lessor or any person rightfully claiming from or under him;

5.0 PROVIDED ALWAYS AND IT IS HEREBY AGREED AND DECLARED as follows:

- (a) If default shall be made in the performance of any of the covenants on the part of the Lessor or the Lessee, then the term herein contained shall upon failure by the Lessee or the Lessor to remedy such default within thirty (30) days of a written notice cease notwithstanding anything to the contrary and without prejudice to any right of action or remedy of the Lessor in respect of any antecedent breach of any covenants by the Lessee hereinbefore;
- (b) That Security of the leased premises shall be the responsibility of the lessee and the lessor shall carry no liability of any theft or loss that may occur at the leased premises.
- (c) The Lease hereby created can be terminated by any of the parties in accordance with clause 5.0 (a); or by either party serving the other a written notice of not less than thirty (30) days.
- (d) This Agreement shall be governed by and interpreted in accordance with the Laws of Tanzania.

IN WITNESS WHEREOF the Lessor and the Lessee have executed these presents on the day hereinbefore appearing:-

SEALED with the COMMON SEAL of the Said

STARTWAYS GROUP LTD and

Delivered in our presence this 14 day of June, 2017

Name: U. WANG

Signature: [Handwritten Signature]



Address: 76128 DIM

Qualification: Director

Name: M. J. B. B. B.

Signature: [Signature]

Address: 5600

Qualification: Company Director

SEALED with a COMMON SEAL of the Said

EVERBRIGHT STEEL MATERIALS CO.,LTD and

Delivered in our presence this 1st day of June, 2017



Name: Jiaoping Lu

Signature: [Signature]

Address: 76128 DIM

Qualification: Director

Name: Jiaoping Lu

Signature: [Signature]

Address: 76128 DIM

Qualification: Director

[Signature]



STAMP DUTY

Shs. 46,728/= collected

Receipt No. 04923434 Dated. 15/6/17

[Signature]

Stamp Duty Officer