

LEASE AGREEMENT

THIS LEASE made as on the 7th day of 10.12 2020.

BETWEEN

TANGANYIKA MOTORS LIMITED, a company incorporated in Tanzania and having its registered office at Peugeot House, Plot No. 36 Bibi Titi Mohamed Road and abutting Upanga Road, P.O. Box 1526, Dar es Salaam, hereinafter called "the Landlord", which expression shall where the context so admits include its successors and assigns, of the one part.

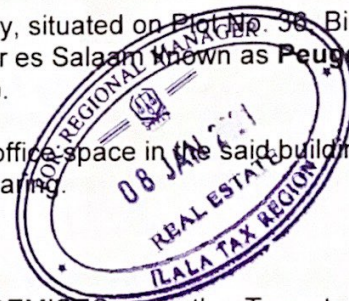
AND

SENDAN LIMITED of P.O. Box 38315, Dar es Salaam Tanzania hereinafter called "the Tenant", which term shall where the context so admits include its successors of the other part.

- A. **WHEREAS** the Landlord is the owner of the property, situated on Plot No. 36 Bibi Titi Mohamed Road and abutting Upanga Road, Dar es Salaam known as **Peugeot House** (hereinafter referred to as the said 'building').
- B. **AND WHEREAS** the Tenant is desirous of leasing office space in the said building based on the terms and conditions hereinafter appearing.

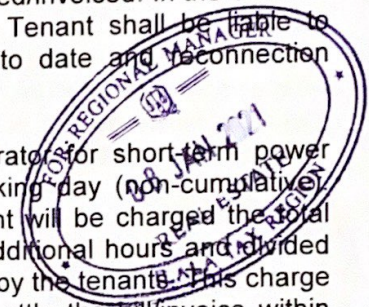
NOW THIS AGREEMENT WITNESSETH as follows:

- DEMISED PREMISES:** The Landlord HEREBY DEMISES unto the Tenant ALL THAT area situated on the ground floor of the said Building having a total area of approximately 163 square meters of the said building as set down in the Schedule to this agreement and as delineated in red on the floor plan hereto and hereinafter referred to as the "Demised Premises" AND TOGETHER WITH:
 - The right so far as necessary and as the Landlord can lawfully grant the same of ingress to and egress from the additional Demised Premises in over and along all usual entrances landings and passageways leading thereto in common with the Landlord and all others so authorized by the Landlord and all other persons entitled thereto.
- TERM:** Notwithstanding the date of signature of this lease, the term of this Lease shall be for Three (3) years commencing on the 1st day of January 2021 referred as the commencement date as set down in the Schedule to this agreement and ending on the 31st December 2023 referred as the expiry date as set in the Schedule to this agreement subject to conditions of termination as provided in this Lease.



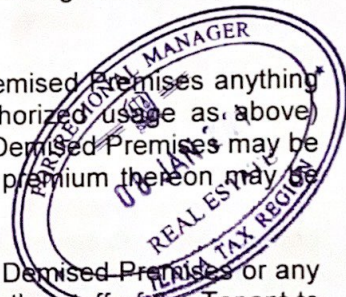
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3. **RENT:** The rent for the demised premises shall be United States Dollars Two Thousand Four Hundred forty five Only (US \$ 2,445 /=-) per month and payable monthly in advance but not later than 7th day of the month for which the rent is billed/invoiced. Late payments will attract a penalty of 2.0% per month on the total rental amount. The said rent shall be exclusive of charges of electricity, telephone or any other service charges or amenities save as relates to water. Further the said rent payable shall be exclusive of VAT and subject to the statutory Withholding Tax applicable at prevailing rates.
4. **ELECTRICITY:** The tenant shall accept and pay the electricity charges billed to the tenant by the landlord at the current rate of US \$ 1,111.66 (United Dollars One Thousand One hundred Eleven and cents Sixty Six only) per month plus VAT. The rate is subject to revision from time to time based on the revision made by the power supply company. Payments for electricity charges have to be received no later than 7th day of the month for which the charge is billed/invoiced. In the event of late payment, short payment and/or non-payment the Tenant shall be liable to disconnection of electric supply till payments are up to date and reconnection charges if any shall be the Tenant's liability.
5. **GENERATOR:** The landlord provides a back-up generator for short-term power outages not exceeding two (2) hours in a normal working day (non-cumulative). Where the power outages exceed this period, the tenant will be charged the total cost of consumables for running the generator for all additional hours and divided proportionately to all tenants Vis a vis the area occupied by the tenants. This charge will be billed in arrears and the tenant is required to settle the bill/invoice within seven days failure of which will result in NO back-up power being provided to the tenant.
6. **CAR PARKING:** The Tenant shall be entitled to the exclusive use of **Two (2)** car parking spaces as set down in the Schedule to this agreement in the immediate environs of the demised premises, to be assigned by the Landlord.
7. **ADVERTISING SIGNS:** The Tenant shall be entitled to erect, at his own expense, one standard advertising signboard as is applicable to the premises occupied in accordance with the guidelines laid down elsewhere by the Landlord governing the size, placement, number and content of such advertising signs. The landlord shall not accept any liability portending to the content of such advertisement.
8. **TENANT'S COVENANTS:** The Tenant HEREBY COVENANTS with the Landlord during the term of this Lease as follows:
- (1) To pay the rents and charges reserved herein together with the prevailing rate of VAT at the times and in the manner aforesaid clear of all deductions save and except as stated above.
 - (2) To carry out at its cost and expense and with the Landlord's prior written consent such repairs and renovations to the interior of the Demised Premises as may be necessary to prepare the Demised Premises for the Tenant's use and occupation.



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- (3) To occupy and use the Demised Premises as office space and not to use or suffer or permit the same to be used for any other purposes except with the prior written consent of the Landlord,
- (4) Not to install or operate any heavy machinery or industrial plant on the Demised Premises.
- (5) At all times, with the consent in writing of the Landlord first had and obtained (such consent not to be unreasonably withheld), to use the services of Registered Electrical Contractors to carry out repairs and additions to existing installations and to desist from overloading electrical circuits by use of unauthorized connections through extension wires/cables.
- (6) At all times to keep the Demised Premises and appurtenances thereof including the doors, windows, fixtures, fastenings, wires, waste drains and other pipes and sanitary and water apparatus therein in good repair and condition throughout the term of this Lease and to replace from time to time all Landlord's fixtures, fittings and appurtenances in the Demised Premises which may be or become replaceable at any time during or at the expiration or sooner determination of the term of this Lease.
- (7) Not to do or permit or suffer to be done on the Demised Premises anything (otherwise than in the reasonable course of authorized usage as above) whereby the policy or policies of insurance on the Demised Premises may be rendered void or voidable or whereby the rate of premium thereon may be increased.
- (8) Not to assign sublet or part with possession of the Demised Premises or any part thereof or permit any other person apart from the staff of the Tenant to use or occupy the Demised Premises without first obtaining previous written consent of the Landlord such consent not to be unreasonably withheld.
- (9) Not to do or permit anything to be done in or upon the Demised Premises or any part thereof which may be or become a nuisance, annoyance, cause damage or inconvenience to the Landlord, neighbors or other occupiers of the surrounding/adjacent Buildings or in any way interfere with their quiet enjoyment.
- (10) To comply with all the Municipal and Health regulations relating to the Demised Premises and to arrange for collection and disposal of refuse from the Demised Premises.
- (11) To permit the Landlord or the Landlord's duly authorized agents at all reasonable times of the day with or without workmen or others to enter upon the Demised Premises or any part thereof to view the state of repair and condition thereof and to give or leave on the Demised Premises notice in writing addressed to the Tenant of all defects and wants of reparation in the Demised Premises then and there found and the Tenant shall and will within



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a period of one calendar month after such notice or sooner if required repair and make good the same according to such notice and the covenant in that behalf hereinbefore contained and if the Tenant shall fail so to do the Tenant shall permit the Landlord to enter upon the Demised Premises for the purpose of carrying out such repairs and the cost thereof shall be repaid by the Tenant to the Landlord. PROVIDED that the exercise of all right of entry hereunder (except in the case of an emergency) shall not be more frequent than once in every six months and shall be in such a manner as not to disrupt or interfere with the business of the Tenant.

- (12) To insure or cause to be insured and to keep insured all the Tenant's belongings and properties in and on the Demised Premises against loss burglary or damage by fire public liability and such other risks (including third party claims but not limited to, burglary, property damage or personal injury suffered by any person on or about the Demised Premises) as the Tenant shall deem desirable or expedient.
- (13) To comply at all times with all statutory and other requirements for ensuring the safety and welfare of the persons using or employed in or about the Demised Premises or any part thereof and for this purpose to install on the Demised Premises fire extinguishers or other apparatus for fire detection and/or extinguishing.
- (14) Not at any time without the consent in writing of the Landlord first had and obtained (such consent not to be unreasonably withheld) to make any alterations or additions to the interior of the Demised Premises or any part thereof; Provided that the Tenant shall comply with all building codes and by-laws applicable to such alterations or additions and, unless otherwise agreed by the Landlord in writing, to remove them at the expiration or sooner termination of the term of this Lease and restore the Demised Premises to its original state and condition in which it existed immediately prior to such alterations and additions.
- (15) To pay to the suppliers thereof all charges for telephone(s), facsimile and/or any other facilities contracted by the Tenant as and when they become due. The Landlord shall accept no liability for unpaid bills incurred by the tenant during or after the end of the lease period.
- (16) To pay all charges, taxes costs and expenses in connection with, arising out of or necessary for giving effect to this Lease including, but not limited to, realization of rent or any other payments outstanding, Value Added Tax, Stamp Duty and advocate's fees (if any).
- (17) To yield up the Demised Premises at the expiration or sooner determination of the term in good and tenantable repair and condition in accordance with the covenants herein contained, fair wear and tear excepted, provided that the Tenant shall, subject to the proviso in main clause 9 (6) above, be entitled to remove its fittings and equipment which are not a permanent part of the Building, such fittings and equipment may include, but not limited to,

air conditioners, electronic equipment, electrical fittings, furniture, floor partitioning installed or brought upon the Demised Premises by the Tenant, Provided that the Tenant shall repair any damage caused thereby and restore the Demised Premises to their original state and condition.

9. LANDLORD'S COVENANT: The Landlord HEREBY COVENANTS with the Tenant during the term of this Lease as follows:

- a. Landlord acknowledges that the Tenant of the Premises has executed the lease for the sole purpose of operating Subway restaurant pursuant to the franchise agreement with Subway International B.V ("SIBV"). SIBV is a Netherlands corporation, which sells franchise for Subway restaurants in many countries. In return for providing the Tenants access to the Subway system, Tenants pay a royalty to SIBV.
- b. The person(s) or corporation which has executed this Lease shall herein be referred to as the "Occupying Tenants. Landlord acknowledges that the Occupying Tenant of the Demise Premises has executed the Lease with the intention of operation a SUBWAY restaurant pursuant to a franchise agreement the Subway International B.V. Landlord further acknowledges that such occupying tenants has executed this lease personally or on behalf of its own duly formed corporation. This lease shall not be a binding on (the franchisor) unless it is assumed by (the franchisor).
- c. Should the Occupying tenant default on its obligation to landlord, (the franchisor) at its sole option, can assume or elect to designate an authorized subsequent Occupying Tenant to assume this lease and its obligations including any outstanding liabilities for the purpose of continuing the operation of a Subway sandwich shop. In this event, Landlord agrees to assign to subway International B.V or its assignee all the occupying Tenant's rights, obligations and liabilities under this lease.
- d. Landlord and Tenant acknowledge that SIBV has an interest in the continuing operation of the Subway restaurant at the Premises for the entire term of the Lease and renewal terms, if any. Therefore the landlord gives consent to the Tenant to assign the balance period of the Lease to SIBV provided that the assignee assumes financial responsibility of the same as or greater that the financial responsibility of the Tenant as at the date of execution of this Lease. The tenant or SIBV shall give the landlord written notice within ten (10) days of such assignment.
- e. Any such assignment shall in no way alter Tenant's obligation to Landlord under this Lease.
- f. The Landlord agrees that the Tenant may install and/ or erect with the Demise Premises the franchisor's standard logo, color scheme, window lighting, signage advertising and display materials from time to time approved and adopted by Subway international B.V or its successor or assigns during the term of this lease and to decorate the interior of the Demise Premises in accordance with

the Subway International B.V Standards interior décor including comply with all building codes and by-laws when altering then interior of the Demise Premises.

- g. The Landlord acknowledges that the normal conduct of the Permitted Use will create an aroma of the fresh baking bread. This will not be considered a violation of any provision(s) in the Lease concerning annoying or injurious conduct. However, both the Tenant and SIBV recognize and acknowledge that save as aforesaid any other smell and/or noxious bye products, hazardous to health or socially unacceptable will not be tolerated.
- h. The premises shall be used for the operation of a Subway restaurant selling those items approved by the Subway International B.V from time to time to be sold in the subway restaurant.

10. PROVIDED ALWAYS AND IT IS HEREBY EXPRESSLY AGREED AND DECLARED THAT:

- a) If any amount payable to the Landlord in terms of this agreement shall at any time be in arrears and unpaid for seven (7) days after the same shall have become due (whether legally demanded or not) or if the Tenant shall at any time fail or neglect to perform or observe any of the covenant or agreements herein contained and on the Tenant's part to be performed and observed, then and in any such case it shall be lawful for the Landlord or any person or persons duly authorized by the Landlord in that behalf to re-enter into and upon the Demised Premises or any part thereof in the name of the whole and thereupon this demise shall absolutely determine but without prejudice to any right of action or remedy of the Landlord in respect of any prior breach by the Tenant of any of the covenant or agreements herein contained.
- b) If any amount payable to the Landlord for Electricity Charges as set out elsewhere in the agreement shall at any time be in arrears and unpaid for seven (7) days after the same shall have become due then the Landlord shall have the right to disconnect the Demised Premises from any supply provided by the Landlord without recourse by the Tenant for any consequential loss or damage caused by disconnection and not be bound to effect reconnection until such times as all amounts payable by the Tenant for Electricity Charges are paid in full.
- c) Without prejudice to the foregoing provision of this Lease, if the Tenant commits any breach of this Lease or default in the payment of rent and or other charges or performance of any obligations hereunder and such breach or default shall not have been cured within fifteen (15) days after written notice thereof given by the Landlord at the Landlord's discretion, the Landlord may forthwith terminate this Lease by written notice to the Tenant and, upon such notice, this Lease shall terminate without prejudice to the Landlord's right to claim and receive damages for any antecedent breach by the Tenant of any of the covenants or agreements herein contained.




- d) If any amount payable by the Tenant to the Landlord under this agreement shall remain unpaid for more than thirty days and the options under 10 (a) (b) or (c) have not been exercised then in each instance late payment charges at a rate as set down in the Schedule to this agreement shall be paid by the Tenant to the Landlord on any amount so outstanding and shall be added to the amount outstanding for the purpose of calculating any subsequent late payment charges.
- e) Any monies paid by the Tenant to the Landlord shall be applied against any amount owing to the Landlord in settlement as follows: firstly, of any Late Payment Charges, secondly, of any amount in respect of Rent, thirdly, of any amount in respect of Service Charge and lastly in settlement of Charges for Electricity.
- f) If and so often as the Demised Premises shall be destroyed or damaged by act of God or Force Majeure or by fire not caused by the willful default of the Tenant or its agents, employees or invitees, as to become unfit for occupation or use for the purpose aforesaid the said rents or a just proportionate part thereof according to the nature and extent of the damage sustained shall abate and be allowed to the Tenant from the time of the destruction or damage until such time as the Demised Premises shall be rebuilt or reinstated or until the date of expiry of a notice of election by the Landlord under the proviso hereunder contained. PROVIDED that it is a condition of this Lease that if through any cause whatsoever the Demised Premises shall be destroyed or damaged as to become unfit for occupation or use for the purpose aforesaid without substantial rebuilding the Landlord may at the Landlords discretion in lieu of rebuilding or reinstating the same elect to treat this lease at an end and re-enter upon the Demised Premises on giving to the Tenant not less than one month's notice in writing of such election by the Landlord. PROVIDED FURTHER that in the latter event the Landlord shall refund to the Tenant the balance of rent (if any) paid in advance by the Tenant for the period (if any) then unexpired without prejudice to any other rights that the landlord may have for any antecedent breach under this Lease or any law.
- g) If the Tenant shall be desirous of taking a new lease of the Demised Premises after the expiration of the term hereby created, the Tenant shall deliver to the Landlord notice in writing not less than three (3) months before the expiration of the term hereby created, and after the expiry of such notice if there shall be no subsisting breach of any of the Tenant's obligations under this Lease the Landlord shall at the cost of the Tenant grant to the Tenant a new lease of the Demised Premises for a further term of Two (2) years to commence immediately after the expiration of the term of this Lease at the rent to be mutually agreed but otherwise upon the same terms and conditions as are herein set forth; Provided, however, that if the rent for the renewed term is not mutually agreed for any reason not less than thirty (30) days prior to the expiration of the term hereby created, the notice exercising the option to renew under this provision shall be of no further force or effect and the term of this Lease shall expire and end on the date herein before stated.

- h) Notwithstanding any provision in this Lease the Landlord may at any time assign and/or cede his interest in the Lease to a third party in which event the Tenant shall acknowledge the said third party as the Landlord and shall agree to be bound by identical terms, to operate *mutatis mutandis*, to the terms herein with reference to such third party during the unexpired part of the Lease.
- i) Notwithstanding any other provision of this lease, either party may terminate this Lease at any time by giving to the other a prior written notice of not less than three (3) month or payment of three (3) months' rent in lieu thereof and upon expiration of such notice or payment of rent in lieu thereof, the Tenant shall deliver the possession of the Demised Premises in accordance with the covenants set forth in this Lease and upon such delivery of possession, this Lease shall terminate and the Landlord shall refund to the tenant the rent (if any) paid in advance by the Tenant for any period then unexpired but without prejudice to any rights of the Landlord to claim damages for any antecedent breach under this Lease or any law.
- j) The construction, validity and performance of this Lease and any disputes or differences whatsoever that may at any time hereinafter whether during the term hereof or upon or after its expiration or sooner termination arise between the parties concerning the rights, duties or liabilities of the parties hereto or any of them under or by virtue of this Lease shall be governed by the laws of Tanzania.
- k) The parties may waive, in writing, any breaches of this Lease but no such waiver shall be deemed to constitute a waiver of subsequent similar or other breaches.
- l) No addition alteration to or modification of this Lease shall be effected or binding on either of the parties hereto unless reduced to writing and executed by the respective duly authorized representatives of each of the parties hereto.
- m) Should any provision of this Lease be determined to be invalid, unenforceable or void, this shall not invalidate or void the remainder of this Lease. The parties agree that in that event they will take all necessary and or reasonable steps to render the provision valid and enforceable, failing which, such provision shall be deemed stricken and the remainder shall remain in force and effect.
- n) Every notice under this Lease shall be in writing and may be served on the Tenant at its offices situated at Peugeot House, Ground Floor, P. O. Box 967, Dar es Salaam and in the case of the Landlord by registered post to P.O. Box 1526, Dar es Salaam, Tanzania.
- o) "Lease" and "the term of this Lease" as used in this Lease shall respectively mean and include this Lease and the initial term set forth herein and, where the context so admits, any renewal thereof.

IN WITNESS WHEREOF, the parties hereto have executed these presents on the days and in manner hereinafter appearing.

SIGNED AND DELIVERED by)
SHABIR ABJI, duly authorised)
Representative of said)
TANGANYIKA MOTORS LIMITED)

TANGANYIKA MOTORS LTD.
P.O. Box 1526
DAR-ES-SALAAM

in presence of:

Witness: *Ashtashurul*
Name: *Ashtashurul*

Address: *Box 1526 SSM*

SIGNED AND DELIVERED by)
_____duly)
Authorised Representative of said)
SENDAN LIMITED

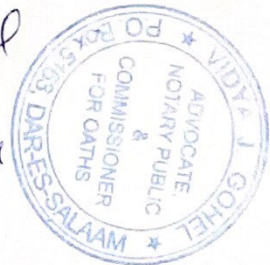
SENDAN LIMITED
P. O. Box 38315
DAR-ES-SALAAM

in presence of :

Witness: *R. Jithu*
Name: *SUSITHA RANGANATHAN*

Address: *P.O. Box 38315
DAR ES SALAAM*

Before me:- *Vidya J. Gohel*
Relive
6/1/2021



TIN:
S/duty: $677,461/=$
Wht: $564,551/=$ (One Month).
Copy: $1500/=$

 $1,243,512/=$
Exchange rate = 2309.
08.01.2021.

STAMP DUTY
Shs: $677,461/=$ Collected
998420144429
Receipt No: Date: 09.01.21
Regional Manager-Ilala Tax Region

SCHEDULE

Tenant : SENDAN LIMITED

Demised premises: All that area of approximately 163 sqmt
On the Ground Floor of the Main Building of Peugeot House

Date of Commencement : 1st January 2021

Date of Expiry : 31st December 2023

Monthly rent : U.S Dollars Two thousand four hundred and forty five only-
(US\$ 2445/-) plus VAT 18%.

Electricity charge : The electricity charge shall be U S Dollars One Thousand
One hundred and Eleven and Cents Sixty Six only.
(US \$ 1,111.66) per month plus VAT

No of car parking spaces : TWO (2)

Late Payment Charges : 2.0% per month

Security Deposit : Two month's Rent as Security Deposit.

