



LIBERTY INDUSTRIES (T) LTD

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COPY

THE REGISTRATION OF DOCUMENTS ACT (CAP. 117)



WAREHOUSE LEASE AGREEMENT

PLOT NO. 398,

MBAGALA AREA.


DAR ES SALAAM, TANZANIA

DATED 08-May-2021

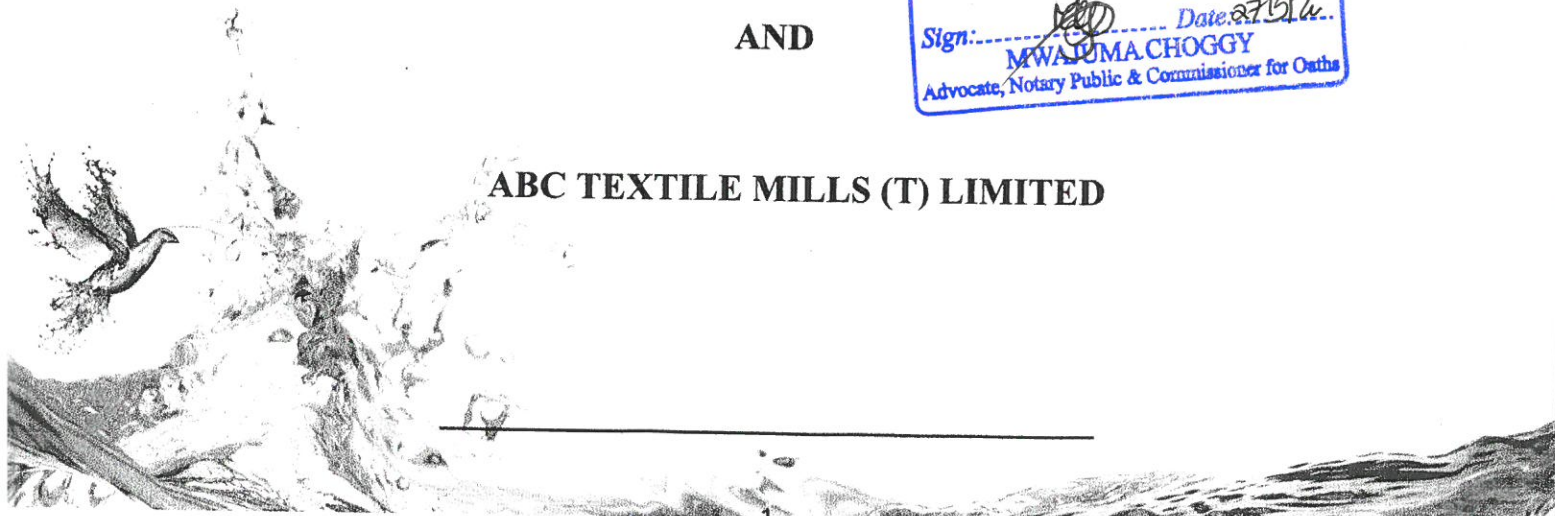
BETWEEN

LIBERTY INDUSTRIES (T) LIMITED

AND

Certified as a True Copy of the Original
Sign:  Date: 27/5/21
MWAIPUMA CHOGGY
Advocate, Notary Public & Commissioner for Oaths

ABC TEXTILE MILLS (T) LIMITED



THE REGISTRATION OF DOCUMENTS ACT (CAP.117)

**WAREHOUSE LEASE AGREEMENT
PLOT NO.398,
DAR ES SALAAM, TANZANIA**

THIS WAREHOUSE LEASE AGREEMENT is made this 8th Day of May 2021 (the "Lease") between **LIBERTY INDUSTRIES (T) LIMITED**, a limited liability company established and existing under the laws of the United Republic of Tanzania, with and address of P.O. BOX 20815, Dar es Salaam, Tanzania (the "Landlord") and **ABC TEXTILE MILLS (T) LIMITED**, a limited liability company established and existing under the laws of the United Republic of Tanzania, with an registration No **150620244**, Dated 12th February 2021 (the "Tenant") With Tin No **150-620-544**

Whereas, the Landlord desires to lease the Leased Premises to the Tenant and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the provisions set forth herein.

NOW, THEREFORE, the Landlord and the Tenant, (each a "Party" and collectively, the "Parties") in consideration of the mutual promises contained in this Lease, and intending to be legally bound, agree as follows:

1. **Definitions.** In this Lease, the following terms shall have the following meanings
 - 1.1. "Commencement Date" means 1st October 2021.
 - 1.2. "Landlord" means Liberty Industries (T) Limited.
 - 1.3. "Lease" means this Warehouse Lease Agreement.
 - 1.4. "Leased Premises" means that warehouse, including all of Landlord's fixtures and fittings therein, known as Warehouse , Plot No. 398, Mbagala, Dar es Salaam, Tanzania.
 - 1.5. "Payment Dates" means upon the execution of this Lease and no later than 30th May 2021.
 - 1.6. "Rent" means the monthly rate equal to (a) United States Dollar Five Thousand five hundred only (USD \$5500.00) plus VAT payable in advance for the 3(Three) months.
 - 1.7. "Security Deposit" means the refundable amount stipulated in Section 5 of this Lease to secure the Tenant's covenants and obligations under this Lease.
 - 1.8. "Tenant" means ABC Textile Mills (T) Limited.
 - 1.9. "Term" means Five (5) years from the Commencement Date to expire on 31st September 2026.

2. **Letting.** The Landlord lets and the Tenant takes the Leased Premises at the Rent and on the terms set forth in this Lease.

3. **Commencement.**
 - 3.1. This Lease takes effect on and from the Commencement Date and shall remain in force for the Term, unless terminated earlier as provided herein.
 - 3.2. The Landlord shall use its best efforts to put the Tenant in possession of the Leased Premises on the Commencement Date.

4. Rent.

- 4.1. The Tenant shall pay the Rent (plus Value Added Tax at the then prevailing rate) in advance on, but not later than, the Payment Dates to the Landlord during the Term.
- 4.2. The Rent for any partial calendar months included in the Term shall be prorated on a daily basis.
- 4.3. The Rent excludes Value Added Tax but includes Withholding Tax which the Tenant agrees to pay to the Tanzania Revenue Authority at the then prevailing rates. Rent payment is not received within ten (10) days after the due date, interest shall be due and payable from the due date at the annual rate of the three percent (3%).

5. Security Deposit.

- 5.1. The Tenant shall pay to the Landlord a Security Deposit in the amount of United States Dollars Five Thousand Two Hundred and Fifty only (US \$5,500.00), which is the equivalent of one (1) month's Rent for the first lease year.
- 5.2. The Landlord shall hold the Security Deposit without liability for interest and as security for the performance by the Tenant of the Tenant's covenants and obligations under this Lease, it being expressly understood that the Tenant shall not consider the Security Deposit an advance payment of rent or a measure of the Landlord's damages in case of default.
- 5.3. This Landlord may commingle the Security Deposit with the Landlord's other funds.
- 5.4. The Landlord may, from time to time, without prejudice to any other remedy, use the Security Deposit to the extent necessary to make good any arrearages of rent or to satisfy any other covenant or obligation of the Tenant hereunder. Following any such application of the Security Deposit, the Tenant shall pay to the Landlord on demand the amount so applied in order to restore the Security Deposit to its original amount. If the Tenant is not in default at the termination of this Lease, the Landlord shall return, within thirty (30) days thereof, the balance of the Security Deposit remaining, after any such application, to the Tenant.

6. Service.

- 6.1. As an accommodation to the Tenant, the Leased Premises is currently being served with water from a borehole. The Landlord does not guarantee the continued use of such bore hole and in the event of any interruption or cessation of such water provision, the Tenant shall be responsible, at its own cost and expense, to secure water for the Leased Premises.
- 6.2. The Landlord does not warrant the quality or adequacy of the utilities or the services, nor does the Landlord warrant that any of the utilities or the services will be free from interruption caused by repairs, improvements, or alterations to the Leased Premises or the estate or any of the equipment and facilities on the estate, any labor controversy, or any other causes of any kind beyond the Landlord's reasonable control. Any such interruption and any other inability on the Landlord's part to fulfill the Landlord's obligations under this Lease resulting from any such cause will not be considered an eviction or disturbance of the Tenant's use and possession of the Leased Premises, or render the Landlord liable to the Tenant for damages, or relieve the Tenant from performing the Tenant's obligations under this Lease.

7. Security.

- 7.1. The Tenant shall be responsible for employing its own security services provider or guards in respect of the Leased Premises,
- 7.2. The provision of any security services under this Lease shall not deem the Landlord liable to the Tenant for any acts or omissions of such service provider, their security guards or their employer(s), and the Tenant hereby waives any claims against the Landlord arising from or relating to such security services under this Lease.

8. **Permitted Uses**

- 8.1. The Tenant shall use the Leased Premises solely for a warehouse for the Tenant's business and any other use to which the Landlord agrees in writing.
- 8.2. Notwithstanding the forgoing, the Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, thing or device or for any offensive, dangerous, illegal, immoral or improper purposes in violation of the laws of the United Republic of Tanzania or other governmental subdivision having jurisdiction with respect to the Leased Premises, and neither suffer nor permit nuisances upon the said Leased Premises.
- 8.3. The Landlord represents that the Leased Premises is not in violation of any Laws, Rules or Regulations relating to environmental conditions or Hazardous Materials on, under or about the Leased Premises, including, but not limited to, soil and ground water conditions and any remedial goals or cleanup standards related thereto, and that the Leased Premises is not in violation of the Law relating to use, generation, manufacture, storage or disposal of any Hazardous Materials on, under, or about the Leased Premises or transportation of any Hazardous Materials to or from the Leased Premises.

9. **Sublease and Assignment**

- 9.1. The tenant shall have the right, with the Landlord's prior written consent, to assign this Lease to a business with which the Tenant may merge or consolidate, to any subsidiary of the Tenant, to any corporation under common control with the Tenant, or to a purchaser of substantially all of the Tenant's assets.
- 9.2. Except as set forth above, the Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without the Landlord's written consent, which the Landlord may refuse without giving any reason.

10. **Care and Maintenance**. The Tenant acknowledges that the Leased Premises are in good order and repair, unless otherwise indicated herein. The Tenant shall, at its own expense and at all times, maintain the Leased Premises in good and safe condition, including plate glass, electrical wiring, plumbing and air conditioning installations and any other system or equipment upon the Leased Premises, and shall surrender the same at termination hereof, in as good condition as received, normal wear and tear excepted. The Tenant shall be responsible for all repairs required, excepting the roof, exterior walls and structural foundations, subject to the obligations of the Parties as otherwise set forth in this Lease.

11. **Ordinances and Statutes**. The Tenant shall comply with all statutes, ordinances and requirements of all municipal, city, regional and national authorities now in force or which may hereafter come into force, pertaining to the Leased Premises, occasioned by or affecting the use thereof by the Tenant.

12. **Alterations and Improvements**

- 12.1. The Tenant, at the Tenant's expense, shall have the right, upon obtaining the Landlord's written consent, to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as the Tenant may deem desirable; provided however that the same are made in a workmanlike manner and utilizing good quality materials.
- 12.2. The Tenant shall have the right to place and install personal property in and upon the Leased Premises (but to expressly exclude the exterior roofing), and fasten the same to the said premises.
- 12.3. All personal property and temporary installations, whether acquired by the Tenant at the commencement of the Term or placed or installed on the Leased Premises by the Tenant thereafter, shall remain the Tenant's property free and clear of any claim by the Landlord. The

Tenant shall have the right to remove the same at any time during the Term of this Lease provided that the Tenant shall repair, at the Tenant's expense, all damage to the Leased Premises caused by such removal.

- 12.4. The Tenant shall not suspend any heavy load from the ceilings or main structure of the Leased Premises nor load or to use the floors or structure or cartilage of the Leased Premises in any manner which will in any way impose a weight or stain in excess of that which the same are constructed to bear with due margin for safety or which will in any way strain or interfere with the main supports thereof.
- 12.5. If the Tenant makes any addition or alteration to the Leased Premises (whether or not permitted), and to the extent that the Landlord so requires, the Tenant shall (a) at the end or earlier termination of the Term and (b) at the Tenant's own cost reinstate the Leased Premises to the Landlord's entire satisfaction and restore it as if such addition or alteration had not been made, and pay the expenses incurred by the Landlord (including legal charges and surveyors' fees) in connection with superintending the reinstatement.
13. **Reimburse Landlord's Expenses.** If the Tenant at any time fails to comply with any of the Tenant's obligations under this Lease and the Landlord (as it is agreed the Landlord may) performs such obligation the Tenant shall repay to the Landlord on demand any money expended by the Landlord for that purpose.
14. **Landlord's Payments.** The Landlord shall pay all property taxes and land rent in respect of the Leased Premises. Withholding taxes shall be withheld from remittances made by Tenant under this agreement in accordance with Sec 82 & the First Schedule, Art 4(b)(ii) of the Tanzanian Income Tax Act. An appropriate withholding tax receipt shall be provided to the Landlord as soon as practically possible after receipt thereof from the appropriate revenue authority. Any withholding tax receipts provided shall be considered as sufficient evidence of settlement of such obligations under this agreement.
15. **Stamp Duty.** The Tenant shall pay Stamp duty in respect of this Lease and its counterparts.
16. **New Government Levies.** In the event that the Government of the United Republic of Tanzania or any subdivision or agency thereof imposes any new or additional taxes, levies or imposts relating to tenancies that are payable by lessees, the Tenant agrees that it shall be responsible for such new or additional taxes, levies or imposts relating to this Lease.
17. **Indemnification.** The Tenant hereby indemnifies and agrees to hold harmless the Landlord and each of its officers, directors, employees, agents, and counsel (each and "**Indemnified Person**") from and against any and all liabilities, obligations, claims, losses, damages, penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind or character whatsoever ("**Claims and Liabilities**"), which may be imposed on, incurred by, or asserted against any Indemnified Person arising out of or resulting from this Lease and the transactions and events at any time associated therewith. The indemnification provided for in this Clause shall survive the termination of this Lease.
18. **Insurance.**
- 18.1. The Tenant shall, at its own expense, maintain a policy or policies of comprehensive liability insurance with respect to the Tenant's particular activities on the estate with the premiums thereon fully paid on or before due date with reputable insurers to cover full rebuilding, site clearance, professional fees, value added tax and two (2) years loss of rent against fire, lightning, explosion, earthquake, landslip, subsidence, heave, riot, civil commotion, aircraft, aerial devices, storm, flood, water, theft, impact by vehicles, damage by malicious persons and vandals, and third party liability and any other risks reasonably required by the Landlord

True Copy of Lease
Date: 27/11/20
Sign: MWAJUMA CHOGGY
Advocate, Notary Public & Commissioner for Oaths

so far as cover is available at the normal insurance rates for the locality and subject to reasonable excesses and exclusions

- 18.2. The Tenant shall cause to be noted on the insurance policy the Landlord's interest on the said policy and shall provide the Landlord with current Certificates of Insurance evidencing the Tenant's compliance with this Section.
- 18.3. The Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located on the Leased Premises.
- 18.4. If the Leased Premises or any other part of the estate is damaged by fire or other casualty resulting from any act of negligence by the Tenant or by any of the Tenant's agents, employees or invitees, the Rent shall not be diminished or abated while such damages are under repair, and the Tenant shall be responsible for the costs of repair not covered by insurance.
- 18.5. The Tenant shall not do anything in or bring anything on to the Leased Premises or the estate as a result of which the insurance against fire or other damage to the Leased Premises or the estate or the individual properties in it (including the Leased Premises) or any adjoining property of the Lessor becomes void or voidable or the premiums increase.
- 18.6. The Tenant shall pay to the Landlord on demand an amount equal to all moneys which the Landlord is unable to recover from the Landlord's insurer as a result of:
 - 18.6.1. Any act, default or omission of the Tenant; or
 - 18.6.2. The imposition by the insurer or the reasonable acceptance by the Landlord of an obligation to bear part of an insured loss (commonly called and excess)

19. Damage and Destruction.

- 19.1. If the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects, such damage or defects not being the result of any act of negligence by the Tenant or by any of the Tenant's agents, employees or invitees, that the same cannot be used for the Tenant's purposes, then the Tenant shall have the right within ninety (90) days following such damage to elect by written notice to the Landlord to terminate this Lease as of the date of such notice.
- 19.2. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for the Tenant's purposes, the Landlord shall promptly repair such damage at the cost of the Landlord; provided, however, that such damage is not the result of any act of negligence by the Tenant or by any of the Tenant's agents, employees or invitees.
- 19.3. In making the repairs called for in this Lease, the Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of the Landlord.
- 19.4. The Tenant shall be relieved, on a pro-rata basis to take into account the percentage of the Leased Premises that are inoperable or unfit for occupancy, or use, from paying Rent and other charges during any portion of the Term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for the Tenant's purposes. Rents and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, such portion of any advance payments shall be refunded to the Tenant

20. Utilities.

- 20.1. The Tenant shall pay all charges for water, sewer, gas, electricity, telephone and other services and utilities used by the Tenant on the Leased Premises during the Term of this Lease, unless otherwise expressly agreed in writing by the Landlord. In the event that any utility or service provided to the Leased Premises is not separately metered, the Landlord shall pay the amount due and separately invoice the Tenant for the Tenant's pro rata share of the charges.
- 20.2. The Tenant shall pay such all such utility charges prior to the due date.

20.3. The Tenant acknowledges that the Leased Premises are designed to provide standard warehouse use electrical facilities and standard office lighting. The Tenant shall not use any equipment or devices that utilizes excessive electrical energy or which may, in the Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants on the estate.

21. Signs. Following the Landlord's consent, the Tenant shall have the right to place on the Leased Premises, at locations selected by the Tenant (but to expressly exclude the exterior roofing), any signs which are permitted by applicable zoning ordinances and private restrictions. The Landlord may refuse consent to any proposed signage that is in the Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other the Tenant. The Landlord shall assist and cooperate with the Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for the Tenant to place or construct the foregoing signs. The Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by the Tenant.

22. Entry.

- 22.1. The Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided the Landlord shall not thereby unreasonably interfere with the Tenant's business on the Leased Premises.
- 22.2. The Landlord shall have the right at any time within ninety (90) days prior to the expiration of this Lease, to place upon the Leased Premises any usual "To Let" or "For Lease" signs, and permit persons desiring to lease the same to inspect the premises.

23. Default and Termination.

- 23.1. In the event of a default made by the Tenant in the payment of Rent when due to the Landlord, the Tenant shall have thirty (30) days after receipt of written notice or refusal of written notice thereof to cure such default.
- 23.2. In the event of a default made by the Tenant in any of the other covenants or conditions to be kept, observed and performed by the Tenant, the Tenant shall have fifteen (15) days after receipt or refusal of written notice thereof to cure such default.
- 23.3. In the event that the Tenant shall fail to cure any default within the time allowed under this Section, the Landlord may declare the Term of this Lease ended and terminated by giving the Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, the Landlord may reenter the said premises.
- 23.4. The Landlord shall have, in addition to the remedies above provided, any other right or remedy available to the Landlord on account of any Tenant's default, either in law or equity.
- 23.5. This Lease shall automatically terminate upon the occurrence of any of the following:
- 23.5.1. The Tenant ceases to occupy the Leased Premises;
 - 23.5.2. The Tenant has not complied with any of the terms in this Lease;
 - 23.5.3. The Tenant is adjudicated bankrupt or an interim receiver of the Tenant's property is appointed;
 - 23.5.4. The Tenant or any surety for the Tenant which is a company (and if more than one, any of them) goes into liquidation (without first obtaining the Landlord's written consent solely for the purpose of amalgamation or reconstruction or reconstruction when solvent) or has an administrative receiver appointed or has an administration order made in respect of it;
 - or
 - 23.5.5. Any execution is levied on the Tenant's on the Tenant's goods or on the Leased Premises.
- 23.6. The termination of this Lease under this Section does not cancel any outstanding obligation of the Tenant.

24. Termination with Notice. Either party may terminate this Lease by giving the ninety (90) days prior written notice, in which event the Tenant shall be refunded that portion of the Rent paid in advance, but not applied to the Leased Premises as a result of the said termination

25. **Quiet Possession.** The Landlord covenants and warrants that upon performance by the Tenant of its obligations hereunder, the Landlord will keep and maintain the Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.
26. **Condemnation.** If any legally constituted authority condemns the Leased Premises or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and the Landlord and the Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either Party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither Party shall have any rights in or to any award made to the other by the condemning authority.
27. **Renewal.**
- 27.1. The Landlord (at its sole option and decision) may at or before the end of Term grant to the Tenant a new lease of the Leased Premises if:
- 27.1.1. Not less than three (3) months before the end of the Term the Tenant gives to the Landlord written notice that the Tenant wishes to enter into a new lease of the Leased Premises; and
- 27.1.2. When the new lease is granted there is no subsisting breach of any of the Tenant's obligations.
- 27.2. The terms and conditions for the new lease shall be negotiated on terms and conditions mutually agreeable to the Parties.
28. **Yield Up.** At the end of the Term or tenancy the Tenant shall return the Leased Premises to the Landlord in the state and condition in which this Lease requires the Tenant to keep it. For this purpose, the Leased Premises includes all its fixtures and fittings and anything else on it which belongs to the Landlord.
29. **Miscellaneous.**
- 29.1. *Applicable Law.* This Lease shall be construed and governed in all respects by the laws of the United Republic of Tanzania.
- 29.2. *Enforceability.* This Lease shall be enforceable notwithstanding the existence of any claim or cause of action one Party may have against the other Party.
- 29.3. *Severability.* Should any term or provision of this Lease be held to any extent unenforceable, in invalid, or prohibited under law, then such provision shall be deemed restated to reflect the original intention of the Parties as nearly as possible in accordance with applicable law and the remainder of this Lease. The application of such term or provision to persons, property, or circumstances other than those as to which it is invalid, unenforceable, or prohibited, shall not be affected by such invalidity, unenforceability, or prohibition, and each term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.
- 29.4. *Waiver.* The waiver or failure of either Party to exercise in any respect any right provided under this Agreement shall not be deemed a waiver of such right in the future or a waiver of any other rights established under this Agreement.
- 29.5. *Headings.* Section headings are for reference only and shall not affect the interpretation of this Lease.
- 29.6. *Order of Precedence.* Any and all ambiguities or inconsistencies between a Schedule to this Lease and this document shall be resolved by giving precedence to this document over such Schedule. Silence on any matter in this document will not negate the provision in any Schedule to this Lease as to that matter.

- 29.7. *Notice.* All notices, consents, and other communications between the Parties under or regarding this Lease shall be in writing (which includes without limitation, email and facsimile) and shall be sent to the recipient's address set forth in the beginning of this Lease. Such communications shall be deemed to have been received on the earlier of the date of (a) actual receipt; (b) upon delivery by a courier as evidenced by a signed receipt; (c) upon confirmation of receipt by the receiving telecopier; or (d) when first available on the recipient's email server. If received after 4:30 p.m., recipient's local time, or if received on a day when the recipient's facilities at the location identified in this Lease are closed, such communication shall be deemed received at 9:00 a.m. the next day on which such facilities are open.
- 29.8. *Entire Agreement.* This Lease constitutes the complete and exclusive statement of the agreement between the Parties with respect to the subject matter of this Lease, and this Lease supersedes any and all prior oral or written communications, proposals, representations and agreements. It may be amended only by mutual agreement expressed in writing and signed by both Parties.

[INTENTIONALLY LEFT BLANK – SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Lease to be executed on the day, month and year first written above.

Scaled with the Common Seal of
LIBERTY INDUSTRIES (T) LIMITED
and delivered in the presence of us
this _____ day of _____ 2021

(SEAL/STAMP)

Signature: [Signature]

Name: FARIM KHAN

Address: P.O. Box 20815 DSM TANZANIA

Director

Qualification: Director/Company Secretary

Signature: [Signature]

Name: AMEN KHAN

Address: Box 20815 DSM

MD

Qualification: Director/Company Secretary

Scaled with the Common Seal of
ABC TEXTILES MILLS (T) LIMITED
and delivered in the presence of us
this _____ day of _____ 2021

(SEAL/STAMP)

Signature: [Signature]

Name: MIAN HABIB EHSAN

Address: _____

Qualification: Director/Company Secretary

Signature: [Signature]

Name: MOHSNARI NASHANI

Address: P.O. Box 19675

DSM TANZANIA

Qualification: Director/Company Secretary

Certified as a True Copy of the Original
Date: 20/11/21
Sign: [Signature]
MVA LUMA CHOGGY
Advocate, Notary Public & Commissioner for Oaths