

HOTELS AND LODGES

(T) LID — TOUR OPERATION

EXD

The approved project has fulfilled the investment requirements, which are: -

- (a) Minimum finance investment threshold has been exceeded, the project expects to invest ... USD 10.0m
- (b) Legal entity has been incorporated under certificate No. 46021 of 19/05/2003

Based on the above, the letter of approval is hereby submitted for signature in order for the project to comply with the requirements of Section 17 of Tanzania Investment Act, 1997.

Submitted for signature.

PP N. A. Senzia
DIF
13 January 2011

2.

EXD

In response to the TIC letter of registration dated... ~~03/15/11~~ 13^m /01/2011 the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from... Bank of Baroda
- (c) Lease Agreement as evidence of land

With the above submission EXD is requested to sign Certificate of Incentives No. 031571 herein attached.

27/01/2011

3.

DIF

The project be 100% unaffected by joint venture TIC, TRA & beyond -
Finalized 27/1

Dokezo

No. 4.0

Ag ERD (M2,3F5) ✓

Following an application by investor for a new CoI to establish a tour operation project, ERD instructed that the Hotels & Lodges Ltd be inspected by TIC/TRA Joint Committee. The same investor (company) operates four tourist lodges (Lake Manyara, Ngamongo, Seronera and Lobo) which are registered by TIC. The Committee found that on going tourist lodges ^{projects} were implemented as presented/ approved by TIC (See attached report F5). Investor plan to establish tour operation project in order to tie in clients by providing a package offer (game drive & accommodation) to enable offering competitive pricing/ services.

The team recommends that Hotels & Lodges Ltd be granted CoI to operate game drive services (Tour operation).

B. Prater

Ag DT

13/06/2011

5.

HOTELS & LODGES (T) LIMITED
(Wildelife Project in East Africa)

BUSINESS PLAN

FOR THE PERIOD
2011 – 2016

REHABILITATION
AND
EXPANSION

Contact

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TABLE OF CONTENTS

1.	EXECUTIVE SUMMARY	3
2.	INVESTMENT AND FINANCING.....	5
2.1	Description of Properties	5
2.1.1	Lake Manyara Hotel	6
2.1.2	Ngorongoro Wildlife Lodge.....	7
2.1.3	Seronera Wildlife Lodge	8
2.1.4	Lobo Wildlife Lodge	9
2.2	Expansion	10
2.2.1	Lake Manyara Hotel	10
2.2.2	Ngorongoro Wildlife Lodge.....	10
2.2.3	Serenora Wildlife Lodge	10
2.2.4	Lobo Wildlife Lodge	11
2.2.5	Selous Game Reserve	11
3.	MARKETING AND SALES.....	14
3.1	Tanzania's Economic Performance	14
3.2	Tourism Potential.....	14
3.3	Tanzania: A Nation on the forefront of Eco-tourism	14
3.4	Arusha -"The Geneva of Africa"	18
3.5	Trend of Visitors and Room nights.....	19
3.6	Supply of Tourist Bedrooms in Arusha and Northern Wildlife Areas.....	19
3.7	Primary Competition	20
3.8	Anticipated Changes in Supply	21
3.9	Estimate of Potential Demand and Market Share.....	22
4.	ORGANISATION AND MANAGEMENT.....	24
4.1	Board of Directors	Error! Bookmark not defined.
4.2	Manpower Summary as on 31st December, 2009.....	24
4.3	Head Office	25
4.4	Lake Manyara / Ngorongoro / Serenora / Lobo / Seleous Lodges	26
5.	FINANCIALS.....	27
5.1	Business Assumptions	27
5.2	Profit & Loss Statement.....	29
5.3	Balance Sheet	30

1. EXECUTIVE SUMMARY

Hotels and Lodges (T) Limited is a company incorporated in the Republic of Tanzania for the development and operation of hotels and wildlife Lodges in the region. Shareholders of the company are brothers Dhiren and Yogesh Kotak. who are successful businessman of Tanzania. Company owns four properties in the northern Tanzania namely; Lake Manyara Hotel, Ngorongoro Wildlife Lodge, Seronera Wildlife Lodge and Lobo Wildlife Lodge. with Arusha as the operational base and Head Office. This setup is expected to facilitate provision of an attractive package of facilities and serves at strategic locations in the Northern Tourist Circuit and also help in operating logistics. Company has invested in its acquisition and rehabilitation more than USD 44 Million as on date. Lodge wise investment is as follows:

Sr. No	Lodge	Amount in USD Million
1	Lake Manyara Hotel	10.0
2	Ngorongoro Wildlife	11.5
3	Serenora Wildlife	12.5
4	Lobo Wildlife	10.0
	Total	44.0

Capacity of each hotel / lodge is as follows :

Hotel/Lodge	Existing	Proposed Additions	Total Rooms
Lake Manyara Hotel	105	50	155
Ngorongoro Wild Life Lodge	80	40	120
Seronera Wildlife Lodge	80	-	80
Lobo Wildlife Lodge	80	-	80
Selous Game Reserve	15	35	50
Total	346	120	485

Further, Hotels & Lodges will be adding conference facilities for almost 800 people in the above lodges. Other facilities like SPA, shopping center and additional restaurants are also planned in the expansion programme. Also Hotels & Lodges are planning to add aircrafts and motor vehicle for the purpose of transportation of its guest to its lodges.

Company had been successful operating these properties since Jan, 2004. These five properties were acquired from Government of Tanzania under their privatization program. These properties undergone comprehensive rehabilitation and upgradation to achieve international standards of service with a view to achieving a competitive position in the market.

The refurbishment and upgrading programme had covered renovations to bedrooms, corridors, roofs, public area, external areas as well as back of the house including kitchen, storage, technical plant and staff facilities. It also included the supply of new items for:

- Bedroom furniture and furnishings
- Reception
- Lounge/lounge bar
- Restaurants
- Public toilets
- Shops
- Functional/meeting rooms
- Kitchen areas and Storages
- Laundry
- Power Generation
- Swimming pool and external areas
- Staff facilities (toilets, changing rooms etc.) and
- Staff accommodation

Initial actual investment comprising of acquisition and set up in five hotels was USD 14.0 million and the rehabilitation cost amounted to USD 30 million which is spent already for these properties.

In addition to the above cost company has now planned to expand the business by adding new rooms in its hotels and also adding facilities such as Conference Facilities, Air Service Facilities, Tour Operator Facilities through which it believes that the customer will be served better. The cost of this expansion is estimated around USD 20 Million which will be funded partly by equity and partly by loan financing.

Project will be managed by experienced professionals from the hotel industry. Project is expected to bring in desired returns to meet its debt obligations as well as pay expected returns to shareholders.

2. INVESTMENT AND FINANCING

2.1 Description of Properties

Map showing Location of Lake Manyara, Ngorogoro, Seronera and Lobo Lodges



2.1.1 Lake Manyara Hotel

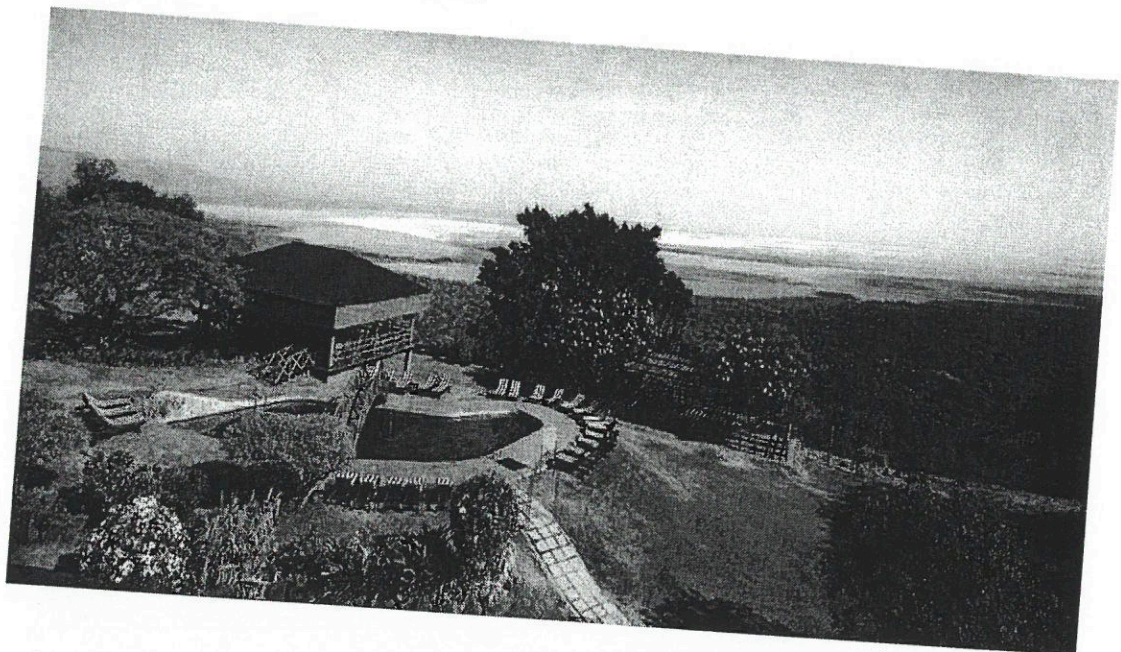
Lake Manyara Hotel one of Tanzania's best kept secrets. Lake Manyara, a small breathtaking National Park with an immense natural richness - home of over 380 bird species, including the thousands of flamingos that tint the soda waters of the Lake pink and the famous tree-climbing lions, which for reasons unknown sleep in the branches of acacia trees.

Lake Manyara Wildlife Lodge is strategically located on the very edge of the vertiginous western escarpment of the Rift Valley, affording magnificent views down across the whole Lake.

Lake Manyara Wildlife Lodge invites you to an unforgettable safari experience from its privileged location, unrivalled by any other, both for game viewing and scenery. Elegantly designed as a two-level ensemble of buildings, its authentic traditional African style decorations create a unique atmosphere that perfectly combines extreme tranquility with the best of adventure-packed safari experiences. From its privileged position, all the Lodges's 100 guestrooms have stunning views across the tranquil and beautiful waters of the Lake.

The spectacular swimming pool, situated in a panoramic setting, is a privileged location to enjoy the invigorating fresh air and the breathtaking views of the Pink Lake.

Photograph 1: Lake Manyara Hotel



2.1.2 Ngorongoro Wildlife Lodge

Ngorongoro Crater is often referred to as the Eighth Wonder of the World...A large caldera 600 meters deep, that hosts the most unique ecosystem on Earth, with 20,000 large grazing mammals and the largest concentration of predators on Earth playing a key role in the maintenance of the ecological balance.

Ngorongoro Wildlife Lodge is strategically perched on the rim of this 'Garden of Eden', affording unbelievable views plunging down over the crater floor, 7,500 feet above sea level.

The Lodge is elegantly built mainly from natural stone and local wood, harmoniously merging with its natural surroundings, and it is provided with panoramic windows that encompass superb views of the Crater's great bowl.

From its privileged position, all the Lodge's 80 rooms afford breathtaking uninterrupted views, and the open-air terrace of the Rhino Lounge Bar offers superb panoramic views of the whole Crater.

Ngorongoro Wildlife Lodge invites you to an unforgettable safari experience from its privileged location, both for game viewing and scenery. Ngorongoro is: 185 km from Arusha, 60 km from Lake Manyara Wildlife Lodge, 145 km from Seronera Wildlife Lodge and 225 km from Lobo Wildlife Lodge.

Photograph 2: Ngorongoro Wildlife Lodge



2.1.3 Seronera Wildlife Lodge

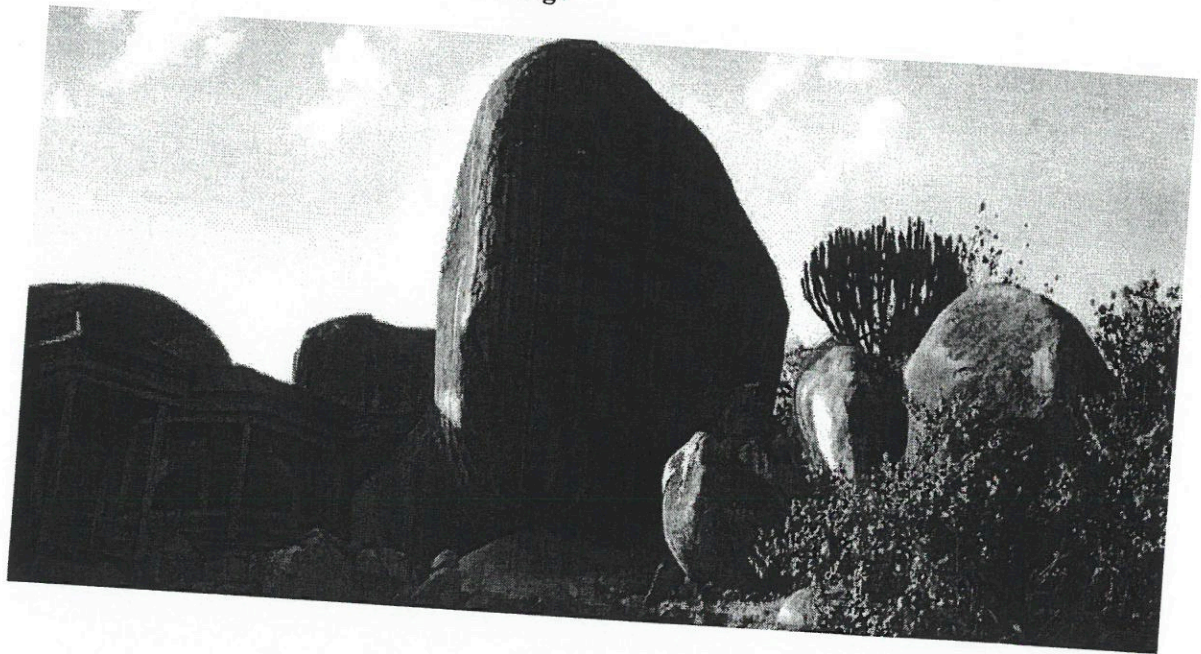
The vast and spectacular Serengeti is the epitome of most people's vision of wild Africa; its endless rolling plains perfectly define the meaning of its name in the Maasai language - *Seregenet* or *Siringitu* means the place where the land moves on forever.

Seronera is one of the most important spots of Serengeti National Park, where you can witness an actual kill in the flesh. This area is in the heart of the Serengeti, where all game drives, balloon safaris, and catching planes take place. Seronera Wildlife Lodge is located on the migratory route, and it provides front-seat viewing of this extraordinary natural phenomenon.

Seronera Wildlife Lodge is artfully constructed around a rocky outcrop from glass and wood elements, perfectly blending into its surrounding; next to the lodge, several waterholes attract, day and night, the most amazing animals, providing a unique opportunity for a close encounter with the Big Five. Seronera Lodge is only 5 minutes from the departing point of the hot air balloon safaris, which offer a thrilling bird's-eye wildlife perspective of the vast plains of The Serengeti.

From its privileged location, the Seronera's 75 rooms afford stunning views of over a million wildebeest as they migrate from Kenya to Lake Victoria to escape the drought.

Photograph 3: Seronera Wildlife Lodge



2.1.4 Lobo Wildlife Lodge

Romantic, Remote, Wild That is Lobo Wildlife Lodge, located in the North of Serengeti National Park, the most spectacular scenario of wildlife in its pure essence.

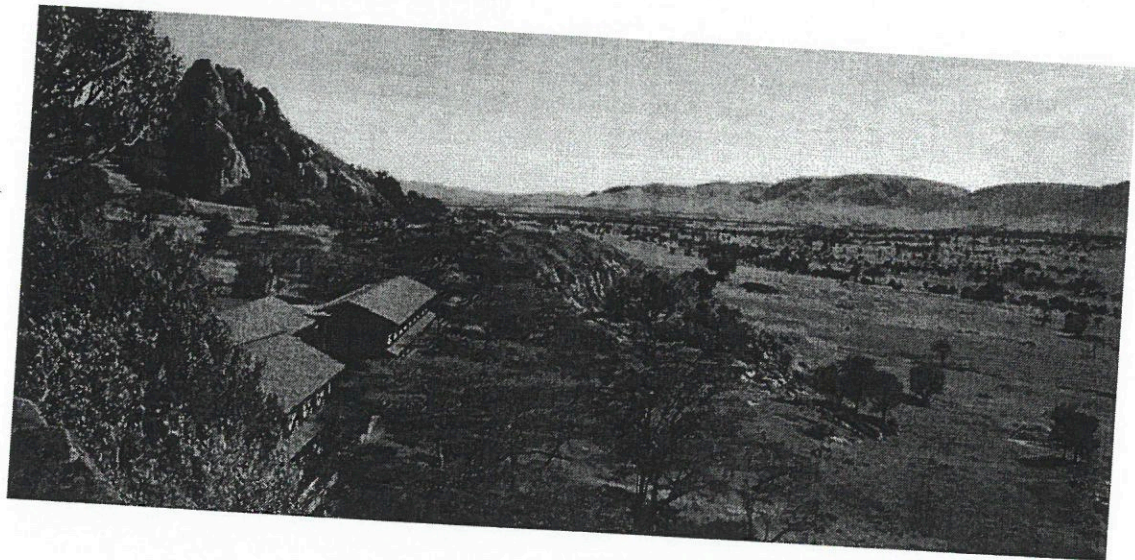
Lobo Wildlife Lodge is a dream of romanticism in its remote location, strategically built into an enormous volcanic rocky outcrop. It is the largest lodge on the migration route where it's elevated position means that the migration can be viewed from the comfort of a sun lounger. You can watch and witness the migration even from the pool.

Artistically made of stone and local timber around clusters of large boulders, harmoniously merging with its surroundings, the Lodge affords from its raised location stunning views of the most amazing natural spectacle to be seen on Earth.

Lobo is ideally set on the migratory route of over one million wildebeest in their desperate struggle for survival. It is the first lodge on the way from Kenya to Tanzania, only 28 km from the Maasai Mara. Lobo Wildlife Lodge invites you to an unforgettable safari experience from its privileged location, unrivalled by any other both for game viewing and scenery.

A waterhole below the Lodge attracts a variety of wildlife during the day and is lit each evening, revealing an interesting array of nocturnal animals, providing a close encounter with the very authentic wildlife. All the Lodge's 75 elegant guestrooms afford superb views of this unbelievable natural phenomenon, and the sumptuous swimming pool is situated on the very edge of the rock, offering uninterrupted views of the horizon.

Photograph 4: Lobo Wildlife Lodge



2.2 Expansion

2.2.1 Lake Manyara Hotel

Expansion at Lake Manyara Hotel includes:

- a) Additional 50 Bed Rooms
- b) Conference facilities for more than 800 persons
- c) SPA Facilities
- d) Sports facilities
- e) Bar and Restaurants
- f) Expanding Public area and Parks
- g) Expansion of Kitchen and Laundry Services
- h) Expanding Mechanical and Electrical Services
- i) Expansion of External Works such as Water Supply, Potholes, Footpaths etc.,

2.2.2 Ngorongoro Wildlife Lodge

Expansion at Ngorongoro Wild Life Lodge Includes:

- a) Additional 40 Bed Rooms
- b) SPA Facilities
- c) Bar and Restaurants
- d) Expanding Public area and Parks
- e) Expansion of Kitchen and Laundry Services
- f) Expanding Mechanical and Electrical Services
- g) Expansion of External Works such as Water Supply, Potholes, Footpaths etc.,

2.2.3 Serenora Wildlife Lodge

Expansion at Serenora Wild Life Lodge Includes:

- a) SPA Facilities
- b) Expansion of Kitchen and Laundry Services
- c) Expanding Mechanical and Electrical Services
- d) Expansion of External Works such as Water Supply, Potholes, Footpaths etc.,

2.2.4 Lobo Wildlife Lodge

Expansion at Serenora Wild Life Lodge Includes:

- a) SPA Facilities
- b) Expansion of Kitchen and Laundry Services
- c) Expanding Mechanical and Electrical Services
- d) Expansion of External Works such as Water Supply, Potholes, Footpaths etc.,

2.2.5 Selous Game Reserve

Refurbishment and upgrading at Selous Game Reserve includes:

- a) **Bedrooms**
 - Replace timber strip flooring with chipboard carpet
 - Redecorating walls and ceilings
 - Replacing window/balcony doors with timber doors
 - Refurbish entrance doors and replacing door locks and putting chub door viewer, safety door slide and fire exit route map
 - Refurbish wardrobes
 - Electrical installations and lighting
- b) **Bathrooms**
 - New ceramic tiles on floors and new screed
 - Retiling walls
 - Put new gypsum ceiling
 - Refurbish doors and windows
 - Replacing WC suite and mirrors, with semi-close coupled dual flush WC suites
 - Shower glass screen and shower accessories
 - Refurbish doors
 - Replacing vanity with solid laminate vanity with integral basin and Cobra mixer tap.
- c) **Guest Room Corridors**
 - Repair and polish terrazzo flooring
 - Redecorate plaster surfaces
 - Redecorate walls and wood surfaces
 - Upgrade staircase to bedrooms from rear to restaurant
- d) **Public Areas**
Lobby, Lounge, Bar & Restaurant
 - Replace terrazzo finish with quarry tiles

- Replace parquet flooring in bar with quarry tiles
- Redecorate and plaster wood surfaces
- Redecorate wood surfaces and ceilings
- Redo interior design

Public toilets

- New ceramic tile finish
- Redecorate walls
- Renovate doors and fit new ironmongery
- Relocate extract ventilation

Roof and External

- Repair shingles to restaurant
- Replace fascia and eaves
- External re-decoration

Conference

- Redecorate walls
- Blackout blinds for windows
- Replace fascia and barge boards to roof

e) Back of the House Service Area Kitchen

- Repair existing tile flooring
- Repair and redecorating walls
- Redecorating ceiling
- Replace timber louvers in windows
- Supply filters to extract hood
- Replace cold rooms and freezer room compressors

Laundry

- Renew terrazzo flooring
- Redecorate walls and ceiling
- Refurbish and redecorate windows
- Electrical installations and lighting

Stores

- Handrails to staircase from bar
- Replace worktops and shelving in bar/store wash-up

Covered Walkways

- Replace defective floor decking and re-decorate

f) Mechanical and Electrical Services

Repairs and renewals of mechanical installations including:

- Boiler and calorifier overhaul and repair
- Supply and install water treatment plant
- Pump service no 13 hose reels
- Service conveyor
- New 100 KVA generator and one additional 30 KVA generator
- rehabilitate switchgear for generator
- Fire alarm and detector system
- PABX telephone system with 100 extensions

g) External Works

- Reconstruct septic tank and soakways
- Supply and install diesel pump for water supply
- Repairing potholes on access road and re-surfacing
- Repair and refinish swimming pool
- Install new filtration plant, depth maker and new sun loungers and mattresses
- External lighting
- Relocate maintenance department to conceal from restaurant
- Demolish and rebuild screen wall
- Supply and install new 60 KVA generator set for staff village

3. MARKETING AND SALES

3.1 Tanzania's Economic Performance

Tanzania's most recent economic performance is impressive. Following the bold economic measures implemented under the current Government, the economy has made remarkable improvement with GDP growth reaching 6.9% for the year 2005 and inflation down to record levels in single digit 4.4 from 12.8 in 1998.

GDP is projected to grow annually by 6% between 2006 and 2008, influenced by strong performance by mining and construction sectors and to a lesser extent, tourism and agriculture sectors.

Tanzania is currently considered one of the most favorable countries in Africa in attracting foreign direct investment. This is mainly due to peace and tranquility that has prevailed over the years, political stability, attractive macro-economic policies and incentives given to investors.

3.2 Tourism Potential

Tanzania has outstanding tourist attractions, which include world-famous game parks namely, Serengeti, Ngorongoro and Selous. Other key tourist attractions include the Olduvai Gorge and other archaeological sites, Mount Kilimanjaro, Africa's highest peak, some 800 miles to sandy coastal beaches and Lake Victoria, the second largest fresh water lake in the world and the largest lake in Africa.

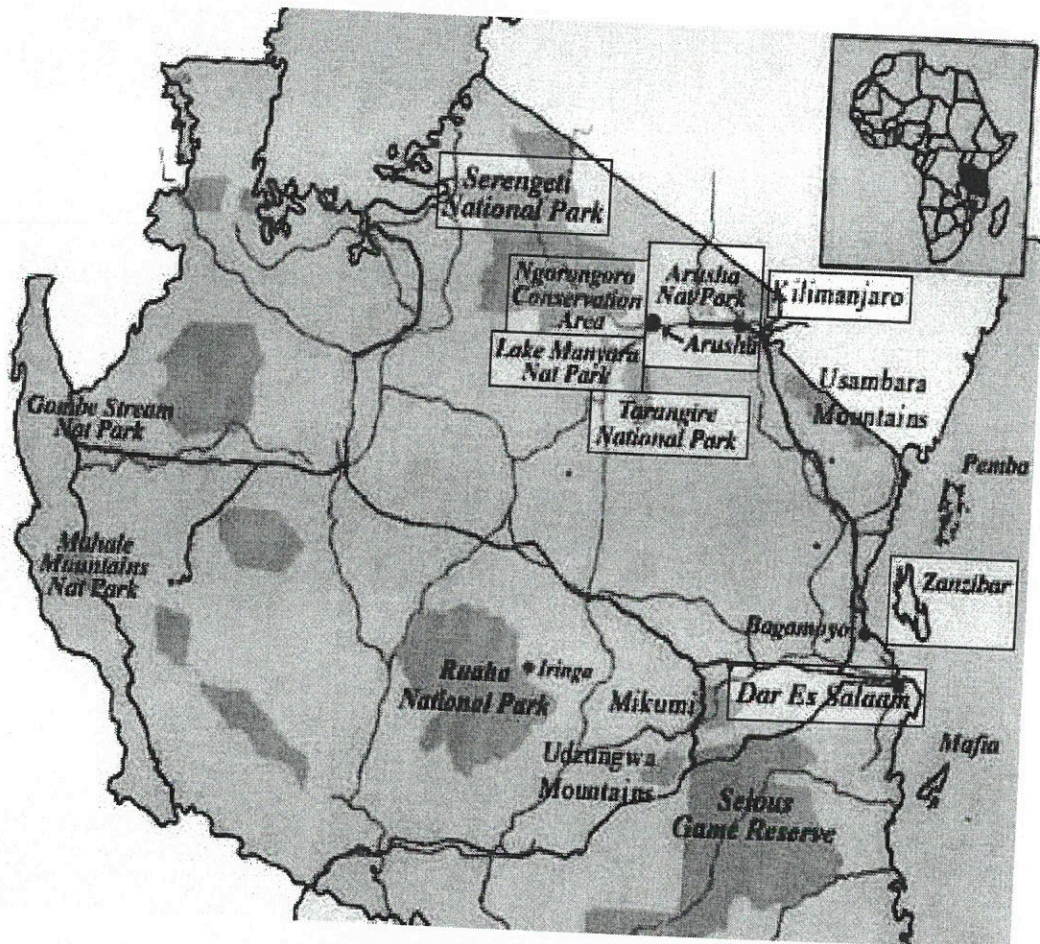
The game parks located in the north comprise what is known as *Northern Circuit* include the Serengeti National Park, Ngorongoro Crater, Lake Manyara National Park, Tarangire National Park and Mount Kilimanjaro forming. The remaining parks are located in the middle, south and western parts of the country. They include Selous Game Reserve together with Ruaha, Mikumi, Saadani, Udzungwa, Mahale and Gombe Stream National Parks.

Tanzania has stringent conservation standards making its national parks largely unspoiled. The total land under game parks is about 25% of the country's total land area.

3.3 Tanzania: A Nation on the forefront of Eco-tourism

Tanzania is noted for its stunning scenery and abundant wildlife. Its many treasures include world-famous archaeological sites, miles of sandy coastal beaches, vast game-filled tropical forests and savannas and Lake Victoria, the second largest freshwater lake in the world and the largest lake in Africa.

Tanzania Showing the National Parks and Game Reserves



Tanzania sits on the brim of the Indian Ocean slightly south of the Equator. Off its coast lie the islands of Zanzibar, once the trading center of East Africa, and famous for its nineteenth century stone architecture, spice plantations and bustling Arab markets. South of Zanzibar is Mafia Island, once popularized by American author Ernest Hemmingway. Mafia Island is a renewed vacation spot for of sunbathers, scuba divers and sport fishers. The island has long stretches fine sandy beaches and beautiful coral reefs. Sailfish and other game fish are plentiful, and boats can be hired to enjoy some of the world's best sport fishing. Mafia Island Lodge is attractively located on the island's Chole Bay.

Tanzania's transportation infrastructure is most efficient along the coast and northern region. Nonetheless, even less accessible attractions, such as Gombe Stream National Park and the Selous Game Reserve, manage to entice foreign tourists to Tanzania. Gombe is a small park, but was made famous by Jane Goodall when she began studying chimpanzees at the park in the 1960s. The Selous Game Reserve is the largest game reserve in the world.

The Selous is home to 420 species of bird and one of the largest elephant populations in the world. Because of its relative inaccessibility, the reserve area is largely unexploited.

Tanzania's exotic islands, extensive coastline, 12 wildlife national parks and 16 game reserves attract tourists from all over the world. However, of all these attractions, perhaps nothing compels tourists to travel to Africa more than the scenic wonders of Tanzania's "northern circuit". Included among the northern circuit attractions is: Serengeti National Park, Ngorongoro Crater, Lake Manyara National Park, Tarangire National Park and Mount Kilimanjaro. These are some of Africa's most famous and spectacular destinations. Tourists traversing the circuit marvel at the spectacular views, visit Masai villages, and witness the tremendous variety and quantity of African wildlife.

In many ways, Tanzania stands at the forefront of eco-tourism. Due to stringent conservation standards, its national parks are preserved and unspoiled. While other parks on the continent have deteriorated because of excessive overbuilding and exploitation, the National Park

Service and the Conservation Area Authority have gone to great lengths to keep Tanzania's game parks from becoming congested zoos and to preserve their natural beauty. Tanzania's goal is to grow tourism into a vibrant industry and major earner of foreign exchange through high yield, low-volume business. Focusing investments on the middle and upper segment of the tourist market, Tanzania distinguishes itself from the mass tourism of neighboring Kenya.

Tanzania has three international airports and is easily accessible from London, Johannesburg, Dubai and Amsterdam International carriers, such as British Airways, KLM, Alliance Air, South African Airways and Emirates Airways have regularly scheduled direct flights to Tanzania.

Tanzanians are friendly, and both tourists and investors are welcomed, able to fly, drive or even walk into Tanzania. Many visitors to the Northern Circuit fly in to Arusha, an important economic center, or drive from nearby Nairobi. The Lake Manyara, Ngorongoro Crater and Serengeti Parks have airstrips that are used by local carriers and charter companies. Precision Air, Regional Air and Coastal Air provide regularly scheduled transportation to these airstrips.

Arusha is located in northern Tanzania between the peaks of Kilimanjaro and Meru. The city is a major Tanzanian agricultural trading center, particularly as it relates to coffee, and is the location for the bustling Arusha International Conference Center; the greater area is the site for two busy airports, including the Kilimanjaro International Airport 48 kilometers from the city center. Access to Arusha by road is easy, as roadways from both Nairobi and Dar es Salaam are paved and well maintained. Because of Arusha's location and accessibility, it is a logical starting point for a trek through the northern circuit.

One of the grandest buildings in Arusha is the Novotel Mount Meru hotel. Close to the Conference Center and many tour operators, the Novotel Mount business guests and is an origination point for travelers embarking day trips to Kilimanjaro National Park, Arusha National Park, Tarangire National Park and Lake Manyara National Park.

The obvious attraction of Kilimanjaro National Park is Mount Kilimanjaro, the highest mountain in Africa and the highest freestanding mountain in the world. Rising snow-capped in the middle of equatorial Africa, the mountain is an awe-inspiring sight. Thousands flock to ascend its peaks, view its volcanic craters or just gaze at the impressive array of flora and fauna that surround it.

From Arusha, Tarangire National Park and Lake Manyara National Park are just 115 and 130 kilometers away, respectively. However, while close in proximity, each area offers tourists different experiences. Tarangire is known for open grass plains and flood plains. Visitors there are likely to spy tree-climbing pythons, zebras, hartebeest and buffaloes. Lake Manyara is known for its famous tree-climbing lions, its leopards and flamingos. Historically, Lake Manyara has also been known for having Tanzania's highest concentration of elephants. Lake Manyara is located just under the magnificent wall of the Great Rift Valley. Perched atop the wall overlooking the park is Lake Manyara Hotel. The lodge is an outstanding stopping point for visitors who wish to spend more time at the park, travel on to Ngorongoro Crater, or attend a conference in one of the lodge's conference rooms. When traveling by road from Arusha to the Ngorongoro Conservation Area and Serengeti, one must pass by Lake Manyara. As a result, the lodge receives many visitors en route. It also benefits from spillover when the limited accommodations at Ngorongoro Crater are filled to capacity.

The Ngorongoro Conservation Area is well known for its active and dormant volcanoes, archaeological sites and Masai Villages. While tourists draw in their own right, the area remains best known for the Ngorongoro crater. The crater, which may be explored easily using 4X4 vehicles, has the densest population of animals in Africa. Crater visitors are almost assured to witness Africa's 5 "Big 5": lion, buffalo, elephant, leopard and Rhinoceros. Often these animals can be spotted from the terrace of Ngorongoro Wildlife Lodge. Being the first lodge built on the crater, the Ngorongoro Wildlife Lodge provides the best available view of the crater and easy access to its floor.

Several hours beyond the crater and about 320km from Arusha lies Serengeti National Park. Derived from the Masai word "siringet", Serengeti means "endless plains". The park, which appears truly endless, covers 14,763 square kilometers of savanna, scrub bush, lake and forest.

Environmental surveys indicate that the Serengeti has an animal population of over 4 million, including over 3,000 lions. And while the vast array of plant and animal life is impressive in any season, Serengeti is perhaps most spectacular during the great migration. Triggered by seasonal rains, 1.5 million wildebeest perform their annual migration to and from the Serengeti in search of grass and water. The endless sea of wildebeest is accompanied by hundreds of thousands of zebra and gazelle, and of course many opportunistic predators.

The Seronera Wildlife Lodge is near the center of the park and sits above an expansive plain dotted with acacia trees. With its delightful lounge and rock pool terrace, it is a wonderful site for viewing hyena and their nocturnal brethren. For those wishing to explore the woodlands further north or follow the migration, the Lobo Wildlife Lodge is a rich

reward. Its artistic design blends into the surroundings rock (kopjes) and forest, while offering a spectacular view of the surrounding plains. Should the Bolongonja Masai Mara border with Kenya be reopened, the Lobo Wildlife Lodge will again serve as a major initiation point for the Northern Circuit.

3.4 Arusha - "The Geneva of Africa"

Arusha municipality, with an estimated population of 0.6 million people (based on pre-census estimates for 2002), is the center of East African cooperation and hub of tourism in the northern area of Tanzania. Most tourists spend the first night at Arusha before proceeding to Tanzania's world famous Northern Game parks for game viewing and other related tourist activities. Arusha's location at an altitude of 1,500 meters above sea level gives it a moderating effect on its climate making it a pleasant place to live. The Municipality is also set in an attractive location overlooking Mount Meru the second highest peak in Tanzania.

Arusha is an important urban area, partly because it serves as an East African meeting center for Kenya, Uganda and Tanzania. The Arusha International Conference Centre was the headquarters of the East African Community before it dissolved in 1977 and is now the headquarters of the Secretariat for East African Co-operation. Arusha also serves as the seat of the International Crime Tribunal for Rwanda Genocide cases.

Arusha airport where most charter flights to the Northern Game areas start is located on the outskirts of the Municipality while Kilimanjaro International Airport is 45 minutes away. The latter is the main gateway from Arusha and northern tourist areas, allowing guests easy and quick access to all of the Northern Game Parks. In addition, good roads make the hotel easily accessible from Nairobi, Dodoma, Morogoro and Dar es Salaam.

Arusha is also an important focal point for peace efforts and diplomacy in Africa, coordinating efforts to resolve the many conflicts in the Africa's Great lakes Region, playing a leading role in peace mediation efforts for DRC and Rwanda, Burundi conflicts.

3.5 Trend of Visitors and Room nights

Tanzania has been experiencing modest growth in tourist arrivals since 1990. The trend of tourist arrivals is shown below.

Year	Arrivals ('000)	Growth in Arrival %
1990	273.19	
1991	301.02	10%
1992	333.52	11%
1993	374.34	12%
1994	423.54	13%
1995	414.96	-2%
1996	436.71	5%
1997	463.49	6%
1998	490.27	6%
1999	602.64	23%
2000	753.2	25%
2001	844.71	12%
2002	988.65	17%
2003	1,060.95	7%
2004	1,228.24	16%
2005	1,280.58	4%

(Source: National Bureau of Statistics)

3.6 Supply of Tourist Bedrooms in Arusha and Northern Wildlife Areas

Arusha	Total Rooms	Northern Wildlife Area	Total Rooms
Impala Hotel	160	Lake Manyara Hotel	100
Mount Meru Hotel	168	Lake Manyara Serena Lodge	67
La Jacaranda	6	Ngorongoro Crater Lodge	36 (special market)
Iboru Safari Lodge	30	Ngorongoro W. Lodge	75
Mountain Lodge	40	Ngorongoro Serena Lodge	75
New Arusha Hotel	60	Ngorongoro Sopa Lodge	92
A.M Hotel	40	Tarangire Sopa	75
		Tarangire Safari Lodge	40
Equator Hotel	40	Serengeti W. Lodge	75
Golden Rose	22	Serengeti Sopa Lodge	79
Dik Dik Investment Ltd	18	Serengeti Serena Lodge	66
Axum Spices Lodge (Ethiopian)	10	Lobo W. Lodge	75
Hotel Manor	25	Kirawire Tented Camp	15 (special market)
Hotel Seventy Seven	120	Gibbs Farm	15
		Kirurumo Tented Lodge	20
		Ndutu Safari Lodge	32

3.7 Primary Competition

The primary competition to the lodges is from Serena and Sopa Lodges. Serena operates a lodge at each of the three National Parks, namely, Lake Manyara Serena, Ngorongoro Serena, Serengeti Serena and Kirawiwa Tented Camp.

The quality of the Serena properties is very good, giving them a competitive edge over the other operators. Sopa Lodges occupy a middle position between Serena and the properties which have been under TAHI.

Lake Manyara Serena:

Lake Manyara Serena is located on the rim of the Great East African Rift Valley near Manyara Airstrip. The lodge is designed to blend with the local culture being comprised of roundels resembling traditional Masai Manyatta.

The design maximizes use of local traditional materials which give the lodge a very natural appearance. The lodge has a total of 67 bedrooms with all essential facilities including restaurant, lounge, kitchen, cold storage and beautifully designed swimming pool.

Ngorongoro Serena

Ngorongoro Serena is a modern lodge designed to blend with surrounding, being located on the rim of Ngorongoro Crater. Like Manyara Serna, the lodge maximizes use of traditional materials that give its very natural appearance.

Ngorongoro Serena has a total of 75 bedrooms with all essential facilities for first class hotel accommodation. In addition, the lodge has a restaurant, lounge, kitchen, cold storage and beautifully designed swimming pool.

Ngorongoro Sopa Lodge

Ngorongoro Sopa lodge is built on a site across from the location of the other prominent lodges in the Ngorongoro Crater. The location is slightly inferior but offers excellent game viewing opportunities.

The lodge is of modern construction, different from the Serena designs which blend closely with the surroundings. It has spacious rooms with all the facilities of a modern hotel including restaurant, meeting/conference room, lounge with bar, kitchen, cold storage and beautifully designed swimming pool.

The lodge has a total of 100 bedrooms a designed of which there are 92 rooms are available for sale.

Serengeti Serena Lodge

Serengeti Serena occupies a good location in the heart of the Serengeti National Park which enables guests to view game right from the lodge. It has the typical Serena design that makes it blend with nature.

The facilities available at the lodge include 66 deluxe bedrooms, restaurant, bar & lounge, kitchen, cold storage and beautifully designed swimming pool.

Serengeti Sopa Lodge

Serengeti Sopa Lodge is a modern design but does not blend with the environment. This has raised some controversies in the past. The lodge has all the necessary facilities including: 79 deluxe bedrooms, restaurant, bar & lounge kitchen, cold storage and beautifully designed swimming pool.

Supply of Rooms in Primary Competing Hotels

S/N	Name of Hotel	Class (Start Rating)	Rooms	Remarks Expansion Plans	Room Traffic in USD
1	Lake Manyara Serena	****	67	None	143
2	Ngorongoro Serena	*****	75	None	143
3	Ngorongoro Sopa	****	92	None	
4	Serengeti Serena	****	66	None	143
5	Serengeti Sopa	****	79	None	
6	Impala Hotel	***	160	Yes (80)	70-200
7	Mountain Lodge	***	40	None	100
8	New Arusha Hotel	****	60	None	93

3.8 Anticipated Changes in Supply

There are no significant changes anticipated in supply of rooms in the Northern wildlife Areas (Lake Manyara, Ngorongoro and Serengeti). This is mainly due to the Government ban on building of new lodges in the Northern Game parks following from the stringent conservation policies being pursued in Tanzania.

However, for Arusha, a number of hotel projects are in pipeline including: 150-bedroom Ngurdoto Resort Hotel expected to achieve 4-star standard, 150 bedrooms Naura Springs Hotel is also under construction. Impala Hotel has plans for expansion by another 80 bedrooms and there is possible refurbishment of Hotel Seventy Seven, which is lined-up for divestiture. The likely date of divestiture is not clear as there is a court injunction barring sale of the property.

3.9 Estimate of Potential Demand and Market Share

In estimating potential demand for the expanded Kibo Palace Hotel, we have taken into consideration the existing demand plus the estimate of frustrated as well as potential for growth in demand from developments taking place in the country and Arusha in particular.

In the long run, demand for tourist accommodation in the Northern wildlife Areas is expected to continue improving due to limitations on capacity expansion and growth in demand explained above.

For Arusha, the market for quality hotel accommodation is expected to be more competitive once the hotel projects in the pipeline are completed. However, Mount Meru Hotel is expected to maintain an attractive position given its good location and reputed/competent management which will pursue an aggressive but well thought marketing plan, while ensuring consistent good quality of facilities and services as well as competitive tariffs. The hotel will also benefit from being marketed as a package with the other properties, namely, Lake Manyara Hotel, Ngorongoro W. Lodge, Seronera W. Lodge and Lobo W. Lodge.

Projection of future growth in demand for tourist accommodation is difficult given the potential changes in supply and demand. However, Tanzania's impressive economic performance, outstanding political stability and the positive growth trend registered in the Northern Wildlife Areas and Arusha, as explained above, point to continued long term positive future growth in demand.

The projected growth has been put at 5% which is a conservative estimate compared to the actual growth trend in the Northern Wildlife Areas and Arusha. The low figure of projected demand has taken into consideration potential

Analysis of Current Situation in Conference and Banqueting Facilities.

Operator	Capacity	Estimated Occupancy
AICC	1,500	50%
200 Impala	200	40%
New Arusha	50	Na
Equator	50	30%
Mount Meru	200	20%
TOTAL	2,000	AVERAGE 35%

Forecast of Future Utilization of Conference and Banqueting Facilities.

Year	2003	2004	2005	2006	2007	2008
Existing capacity	2,000	2,000	2,000	2,000	2,000	2,000
Additional capacity		400			500	
Total Capacity	2,000	2,400	2,400	2,400	2,900	2,900
Demand	700	742	786	834	884	937
Utilization	35%	31%	33%	35%	30%	32%

Sources of Demand

Demand for accommodation on the primary competitive hotels is mainly comprised as follows:

- Holiday Tourists
- Conference delegates
- Week-end Visitors
- Businessmen/women

Tourists:

Tourists visit Northern wildlife Area predominantly to view game in the prime Game Parks located in the area.

Conference Delegates

Arusha attracts a sizeable number of visitors coming for conferences and meetings. The plan is to attract these meetings to be held at Lake Manyara Hotel which offers an added attraction of combining meetings and conferences with game viewing. In this regard, the venue is expected to offer considerable competition to the meeting/conference rooms in Arusha.

Week-end Visitors

Given the proximity of Lake Manyara with Arusha, there is potential for attracting week-end visits to Lake Manyara Hotel for local residents, Delegates of East African Community and International Crimes Tribunal.

Conference and Banquet. Facilities

Conference and banquet facilities are normally an important source of market for hotel facilities and services, both catering as well as accommodation in the sense that guests coming attending a conference at the hotel are likely to stay there than elsewhere given good quality of facilities and service as well as competitive tariff. The market is also lucrative in terms of potential revenues from banquets, accommodation, and food & beverage service,

As much as 10% of the guests may be staying in the hotel to attend conference. Analysis of competing hotels (Impala Hotel and New Arusha) shows that 5% of the guests staying in the hotels during 1999 and 2000 were purely conference delegates.

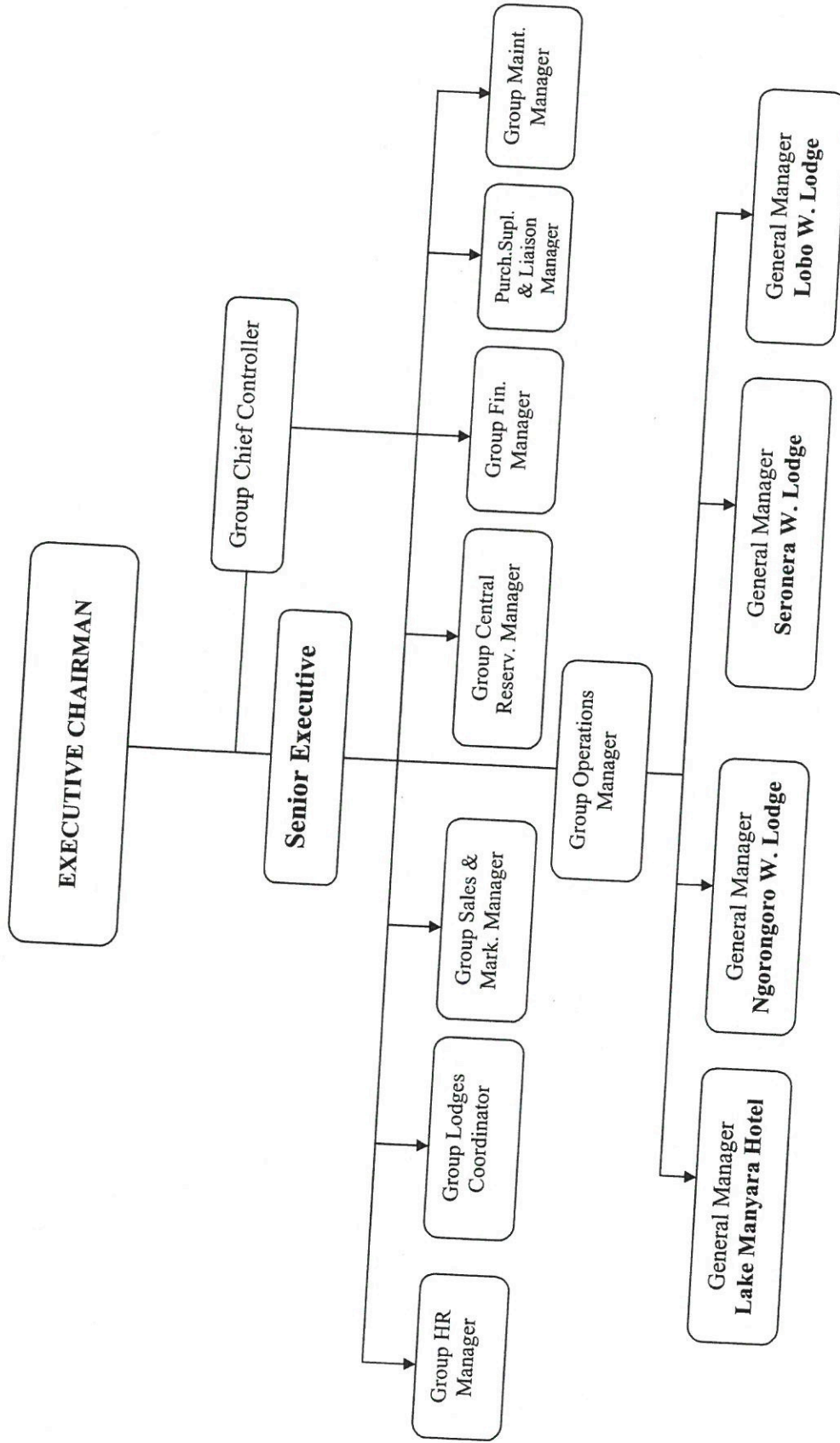
The market for conference facilities is expected to be increasingly competitive as most newly constructed hotels or those in the pipeline have provision for conference and meeting/functional rooms.

4. ORGANISATION AND MANAGEMENT

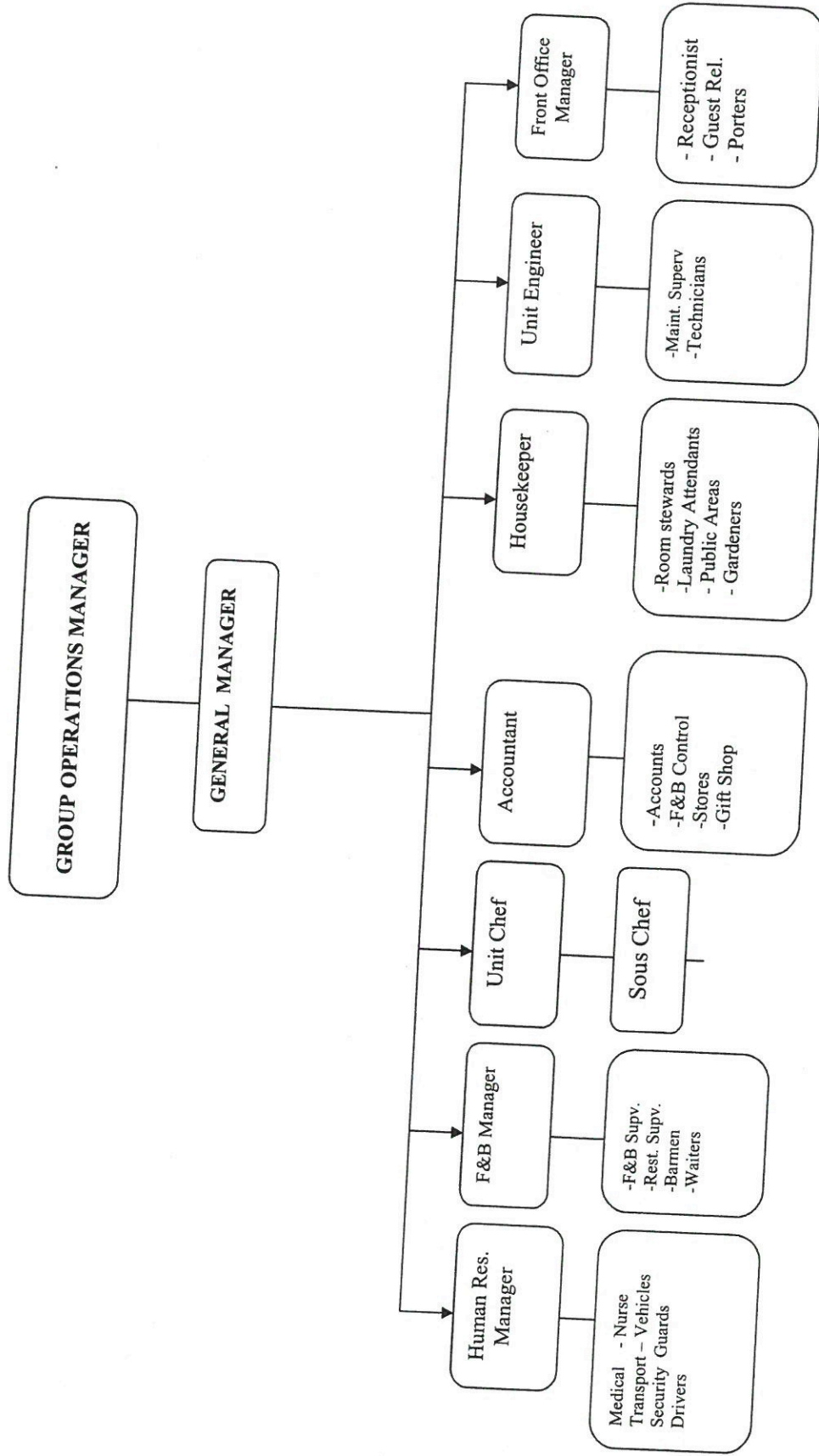
4.1 Manpower Summary as on 31st December, 2009

Property	Tanzanians	Non-Tanzanians	Total
Head Office, Arusha			
Lake Manyara Hotel			
Ngorongoro Wildlife Lodge			
Seronera Wildlife Lodge			
Seleous Game Reserve			
Lobo Wildlife Lodge			
Total			

4.2 Head Office



4.4 Lake Manyara / Ngorongoro / Serenora / Lobo / Seleous Lodges



5. FINANCIALS

5.1 Business Assumptions

➤ Expansion

- Additional rooms in Manyara and Ngorongoro considered. Further conference facilities are considered in Manyara Hotel
- Additions to Cars and Aircraft is considered
- Expansion of facilities like SPA, Restaurants, Bar etc., considered.

➤ Revenue

• Food and Beverage Department

In accordance with prevailing service standards and practices, food revenue projection assumes that all guests are accommodated on the bed and breakfast basis whereby continental breakfast is provided as part of the room rate. Guests have to pay separately for any "extras" consumed during breakfast.

The projected sales has taken into account the anticipated number of covers per day and the average spent per cover for each outlet at the projected level of room occupancy. These estimates include both in-house (residents) as well as outside guests (non-residents) for the following outlets:

- Main restaurant for the service of breakfast, lunch and dinner
- Lounge bar for snacks;
- Poolside snack facility where applicable;
- Conference Halls for Lake Manyara Hotel has capacity at one sitting of 200 persons each;
- A 24-hour room -service operation.

Revenues are shown net of Government Tax. A five per cent service charge has been assumed as entirely distributable to staff, i.e. not shown as revenue nor as a cost.

• Beverage Revenue:

Beverage sales have been calculated at a rate of 60 percent of food sales. In each case, the direct cost of food and beverage has been calculated at 30 cent.

• Rentals and Other Income

Rental income is foreseen from hire of functional hall for functions and of conference/meeting facilities. Hire for functions is foreseen once per week while Conference and meetings are foreseen to be held twice monthly due to competing facilities.

- **Other Operated Departments**

This mainly arises from the operation of the guest laundry and valet service.

- Occupancy at current levels have been assumed on a very conservative basis where as these are expected to be increasing in line with growth in world tourism.
- From 2012 onward 5% increase year on year basis as been considered

- **Cost**

- Cost of sales as a percentage to revenue have been considered as follows:

Food	25.0%
Beverage	27.0%
Tobacco	65.0%
Telephone/Internet	50.0%
Laundry	40.0%
Gift Shop	40.0%
Other	70.0%

- Inflation of 7% per annum has been built in the cost
- Overheads and expenses are planned based on level of business

- **Depreciation**

- Depreciation has been calculated based on *Straight Line Method* and is based on following rates

Computer/Software/Furniture/Office Equipment / Plant & Machinery	12.50%
Motor Vehicles	25.00%
Buildings-PSRC	5.00%

- Depreciation for tax purposes has been computed considering 100% capital allowance on investment in Plant & Machinery and other rates as per application rules.

- **Corporate Income Tax**

- Existing Corporate Income Tax rate of 30% has been considered to continue during the plan period.

- **Working Capital**

- Stocks – based on existing business practice
- Debtors – 90 days credit .
- Purchases are considered to be paid in cash

5.2 Profit & Loss Statement

No.	Particulars	2011	2012	2013	2014	2015	2016
		Proj.	Proj.	Proj.	Proj.	Proj.	Proj.
1.	Total Sales	17,174	18,033	18,934	19,881	20,875	21,919
2.	Cost of Goods Sold	2,154	2,305	2,466	2,639	2,824	3,021
3.	Selling & administrative exp	6,370	6,735	7,126	7,545	8,000	8,497
4.	Depreciation & amortisation	2,349	2,233	2,162	1,776	1,121	998
5.	Operating Profit (EBITDA)	6,301	6,761	7,181	7,922	8,930	9,402
6.	Other income (specify)	-	-	-	-	-	-
7.	Other expenses	-	-	-	-	-	-
8.	PBIT	6,301	6,761	7,181	7,922	8,930	9,402
9.	Finance cost						
	A. Intt to banks	411	251	91	2	-	-
	B. Intt to group concerns and friends & relatives	-	-	-	-	-	-
	C. Bank Charges	14	15	16	17	18	20
	D. Total finance cost	425	266	107	19	18	20
10.	PBT	5,876	6,494	7,074	7,903	8,912	9,383
11.	Tax	2,421	2,572	2,724	2,857	2,990	3,095
12.	PAT distributed as under:						
	1. Appropriation						
	2. To statutory / legal						
	3. To Balance Sheet	3,455	3,923	4,349	5,046	5,922	6,288
	4. Others (specify)						
	TOTAL PAT:	3,455	3,923	4,349	5,046	5,922	6,288

5.3 Balance Sheet

BALANCE SHEET		Amount in USD ' 000					
No.	Particulars	2011	2012	2013	2014	2015	2016
		Proj.	Proj.	Proj.	Proj.	Proj.	Proj.
1-	Cash & bank balance	4,310	3,724	3,482	5,812	6,575	5,934
1-B	Accounts receivables *	4,294	4,508	4,734	4,970	5,219	5,480
* (Considered good and within the normal operating cycle)							
1-C	Inventories **	486	511	536	563	591	621
** (Marketable, non-obsolete or spoiled and within the normal operating cycle)							
1-D	Prepayment & Other	35	38	40	43	46	49
1.	Total Current Assets	9,125	8,780	8,791	11,388	12,431	12,083
2-	Investments						
a.	In associates / group concerns	-	-	-	-	-	-
b.	In other concerns	-	-	-	-	-	-
c.	In G-Secs or other	-	-	-	-	-	-
d.	Others (specify)	-	-	-	-	-	-
2-	Accounts receivables***	-	-	-	-	-	-
*** (Beyond the normal operating cycle and considered doubtful of recovery)							
2-	Inventory ****	-	-	-	-	-	-
**** (Beyond operating cycle, returned or otherwise not normally tradable)							
2	Total non-current assets	-	-	-	-	-	-
3-	Premises	13,896	12,898	11,899	10,901	9,902	8,904
3-B	Equipments	1,012	510	79	34	-	-
3-C	Vehicles	-	-	-	-	-	-
3-	Other assets	2,305	1,573	841	109	20	20
3.	Total Fixed assets	17,213	14,981	12,819	11,043	9,922	8,924
4-A	Goodwill	-	-	-	-	-	-
4-	Unamortised expenses	-	-	-	-	-	-
4	Total Intangible assets.	-	-	-	-	-	-
TOTAL ASSETS		26,338	23,761	21,610	22,431	22,353	21,007
		2011	2012	2013	2014	2015	2016
		Proj.	Proj.	Proj.	Proj.	Proj.	Proj.
5-A	Paid-up Share Capital	952	952	952	952	952	952
5-B	Reserves						
a.	Created out of Profit & Loss account and free for distribution to shareholders	3,455	3,923	4,349	5,046	5,922	6,288
b.	Statutory reserves	-	-	-	-	-	-
c.	Revaluation reserves	-	-	-	-	-	-
d.	Others (specify)	-	-	-	-	-	-
	Total reserves	3,455	3,923	4,349	5,046	5,922	6,288
5-C	Retained profits	7,072	8,527	10,450	12,799	13,845	13,767
5.	Equity funds	11,479	13,402	15,752	18,797	20,719	21,007
6-	Long-term borrowings from banks & F Is	4,225	2,225	225	-	-	-
6-	Long term borrowings from friends & relatives and group	-	-	-	-	-	-
6-	Long term borrowings from Directors	10,634	8,134	5,634	3,634	1,634	(0)
6-	Deferred tax liabilities	-	-	-	-	-	-
6-	Subordinated loans &	-	-	-	-	-	-
6-D	Others	-	-	-	-	-	-
6	Total Long term liabilities	14,859	10,359	5,859	3,634	1,634	(0)
7-	Short-term borrowings from banks and F Is	-	-	-	-	-	-
7-	Short term borrowings from friends & relatives and group concerns	-	-	-	-	-	-
7-C	Other short-term borrowings	-	-	-	-	-	-
7-	Accounts payables						
a.	Trade Creditors	-	-	-	-	-	-
b.	Expenses	-	-	-	-	-	-
c.	Others	-	-	-	-	-	-
7-	Portion of long term borrowings payable within one year liable to be treated as	-	-	-	-	-	-
7-F	Deposits	-	-	-	-	-	-
7	Total Current Liabilities	-	-	-	-	-	-
TOTAL LIABILITIES		26,338	23,761	21,610	22,431	22,353	21,007

TANZANIA



Certificate of Incorporation

No. 46021

I HEREBY CERTIFY THAT

HOTELS AND LODGES (T)

= = =

Limited

is this day incorporated under the Companies Ordinance (Cap. 212) and that the Company is Limited.

Given under my hand at Dar es Salaam

this 19TH day of MAY

TWO THOUSAND AND THREE

/jtm

Asst.

Registrar of Companies

CTIN.: 0150360



TANZANIA REVENUE AUTHORITY

CERTIFICATE OF REGISTRATION FOR TAXPAYER IDENTIFICATION NUMBER (TIN)

(ISSUED UNDER SECTION 3A(4) OF THE INCOME TAX ACT NO. 33 OF 1973)
AS AMMENDED BY THE FINANCIAL LAWS (MISCELLANEOUS AMENDMENTS) 2000

THIS IS TO CERTIFY THAT

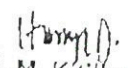
.....
M/S HOTELS & LODGES (T) LTD.
.....

has been registered with the Tanzania Revenue
Authority and assigned the Taxpayer
Identification Number

.....
101-906-906
.....

with effect from:20/06/2003.....

OFFICIAL SEAL


H. M. Kulliya
COMMISSIONER FOR INCOME TAX

NOTE: THE REQUIREMENTS UNDER WHICH THIS CERTIFICATE IS ISSUED ARE STATED OVERLEAF



TANZANIA REVENUE AUTHORITY

Certificate of Registration for Value Added Tax (VAT)

(ISSUED UNDER SECTION 20 OF THE VALUE ADDED TAX ACT NO. 24 OF 1997)

THIS IS TO CERTIFY THAT
HOTELS AND LODGES (T) LTD

WHOSE TAXPAYER IDENTIFICATION NUMBER (TIN) IS

101-906-906

HAS BEEN REGISTERED FOR VALUE ADDED TAX (VAT)

AND ASSIGNED VAT REGISTRATION NUMBER (VRN)

11-012338-M

FOR BUSINESS LOCATED AT GAP OIL BUILDING
UNGA LTD

WITH EFFECT FROM 1st August 2003

GIVEN UNDER MY HAND

THIS 16th DAY OF July 2003

[Signature]
COMMISSIONER FOR VAT



NOTE: THE REQUIREMENTS UNDER WHICH THIS CERTIFICATE IS ISSUED ARE STATED OVERLEAF

THE UNITED REPUBLIC OF TANZANIA



Certificate of Incorporation

No.

HOTELS AND LODGES (T) LIMITED

is this day incorporated under the Companies Ordinance
(Cap 212) and that the Company is Limited

GIVEN under my hand at Dar es Salaam, this day of

Two thousand and two



Registrar of Companies

RECEIVED
ORIGINAL 9-5-03
SIGNED BY
12345678
NOT
SIGNED BY

THE COMPANIES ORDINANCE (CAP. 212)
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
HOTELS AND LODGES (T) LIMITED

12345678
12345678
12345678

1. The name of the Company is **HOTELS AND LODGES (T) LIMITED**
2. The Registered Office of the Company will be situated on the mainland of the United Republic of Tanzania.
3. The purpose for which the Company is established is the transaction of any and all lawful business for which companies may be incorporated in Tanzania; and more particularly the Company shall have power:-
 - (a) To carry on the business of hotel, guest house lodging house, restaurant, conference centre, motel, holiday camp, leisure centre, caravan site and apartment-house proprietors;
 - (b) To equip and furnish any property for the purpose of letting it to visitors or guests, whether in single rooms, suites, chalets, caravans, movable structures, cottages or otherwise;
 - (c) To buy, sell, import, produce manufactures and deal food and food produces, meat, fish, groceries, fruit, confectionery, wine, spirits, beer and other beverages whether alcoholic or not, tobacco, chemists' and druggists' supplies, linen, furniture, furnishing and other articles required by-visitors to be company's premises and others.
 - (d) To adopt any of the property of the company as, and to build or rent, shops, offices and other places of business, and to use or lease any part of the property of the company not required for the above purposes for any other purpose.
 - (e) To carry on the business of theatre and entertainment ticket agents.
 - (f) To establish and provide all kinds of facilities and attractions for customers and others, and in particular, reading writing and smoke rooms, lockers and safe deposits, telephones telegraphs, clubs stores, shops and lavatories.

- (g) To carry on the business of travel agents, tourist agents, consolidators and tour operators, currency exchanges, banking, insurance, forwarding and general agents, aircraft and shipowners and charters, agents for operators of air, sea, land or inland water way carriage undertakings, road transport owners and hires and generally to facilitate travel and tourism.
- (h) To provide or promote the provision of facilities of every description for tourists and travellers, and in particular by means of the booking of travel tickets, and accommodation and hotel and lodging accommodation and providing guides, safe deposits, inquiry bureaux and baggage transport.
- (i) To carry on all or any of the business of couriers, transport cartage and haulage, contractors, garage proprietors, owners and charterers of road vehicles, aircraft and ships, tugs, barges and boats of every description lighter men and carriers of goods and passengers by road, rail, water or air, carmen, cartage contractors and agents, forwarding transport and commission agents, custom agents, stevedores, wharfingers, cargo superintendents, packers hauliers, warehousemen storekeepers, engineers, electricians and job masters.
- (j) to carry on the business of businesses of produces and presenters of and promoters of beauty contests and competitions, revues, pageants, musical and dramatic works, and amusements and entertainments of all kinds in connection with the theatre, cinema, variety stage, music halls, radio, television, and other means of transmitting sound or pictorial effects, and to enter into any arrangements for the management, conduct, control and carrying on of any such business or businesses.
- (k) To enter into arrangements with companies, firms and persons for promoting tourism in Tanzania and elsewhere in the world.
- (l) To erect and construct houses, buildings or works of every description on any land of the Company, or upon any other lands or property, and to pull down, rebuild, enlarge, alter and improve existing houses, buildings or works thereon to convert and appropriate any such land into and for roads, streets, squares, gardens and pleasure grounds and other conveniences, and generally to deal with and improve the property of the Company.
- (m) To invest any money of the Company in such investments and other property whatever and wherever as may from time to time be thought fit, and to hold, sell or otherwise dispose of any such investments.

- (n) To lend and advance money or give credit to any person or company, and to guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any associated company or undertaking within the same group of companies whether or not the same directly or indirectly benefits the company or by any person or company;
- (o) To secure or undertake the repayment of money lent or advanced to or the liabilities incurred by any person or company; and otherwise to assist any person or company.
- (p) To borrow or raise money or secure the payment of money by the issue of or upon bonds, debentures, debenture stock, bills of exchange, promissory notes, or other obligations or securities of the Company, or by mortgage or charge of all or any part of the property or rights of the Company, including its uncalled capital, or by sub-mortgage of or sub-charge upon any stocks, securities or property mortgaged to or charged in favour of the Company. Any such mortgage or charge may be in favour of such person or persons as trustee or trustees, or otherwise, and with such powers as the Company shall think fit;
- (q) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, letters of credit, warrants and other negotiable or transferable instruments;
- (r) To buy, sell, or otherwise dispose of, and to deal in any real or personal property and any stocks, funds, shares, and securities of every description, on commission or otherwise, or to act as agent for any of the above or the like purposes;
- (s) To purchase or otherwise acquire the undertaking and/or any of the goodwill, business, property, and liabilities of any other company, or of any partnership or person carrying on any business which the Company is authorised to carry on, or which may seem to the Board of Directors of the Company to be calculated, directly and indirectly, to benefit the Company, and to pay for the same in cash, or by bills or shares in the Company, or otherwise;
- (t) To enter into partnership, or into any arrangement for sharing profits, union of interests, or co-operation with any person, partnership or company carrying on or about to carry on any business which this Company is authorised to carry on, or any business or transaction capable of being conducted so as directly or indirectly to benefit the



Company, and to take, otherwise acquire and hold stock or shares in such company;

- (u) To enter into any arrangements with any government or authority, supreme, municipal, local or otherwise, that may seem conducive to the company's objects, or any of them; and to obtain from any such government or authority any rights, privileges, licences, contracts and concessions; and to carry out, exercise and comply with any such arrangements, rights, privileges, licences, contracts and concessions.
- (v) To grant pensions, allowances, gratuities and bonuses to officers, ex-officers, employees or ex-employees of the company or the dependants of such persons, to establish and maintain or concur in establishing and maintaining trusts, funds or schemes (whether contributory or non-contributory) with a view to providing pensions or other benefits for any such persons as aforesaid and their dependants and to institute and maintain any club or other establishment for the benefit of the company's employees;
- (w) To subscribe to or otherwise aid benevolent charitable national or other institutions or objects of a public character;
- (x) To purchase take on lease or otherwise acquire for the purposes of the Company any estates lands buildings easements or other interest in real estate and to sell let on lease or otherwise dispose of or grant rights over any real property belonging to the Company.
- (y) To sell, improve, manage, develop, turn to account, exchange, let on rent, share of profits or otherwise grant licences, easements and other rights in respect of and in any other manner deal with or dispose of the undertaking of the Company or any part thereof, or all or any of the property for the time being of the Company, and for any consideration whether in cash or in shares (fully or partly paid) debentures, debenture stock or other interest in or securities of any company or otherwise;
- (z) To amalgamate with any other company whose objects are or include objects similar to those of the company whether by sale or purchase (for fully or partly paid shares or otherwise) of the undertaking subject to the liabilities of the Company or any such other company as aforesaid with or without winding up or by purchase (for fully or partly paid shares or otherwise) of all or a controlling interest in shares or stock of any such other company or in any other manner;

- (aa) To register the Company, if the Directors should so think fit in any other country in Africa or elsewhere, and to take such other steps as may be necessary to give the Company so far as may be the same rights and privileges abroad as are possessed by local companies or partnerships of a like character, and to promote and obtain any Act of Parliament of similar authority of any foreign government for the purpose of the Company's objects;
- (bb) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company both in Tanzania or elsewhere, and to remunerate any person or persons, company or association, for services rendered, or to be rendered for guaranteeing, obtaining, or placing any shares of either the original or any increased capital or securities of the Company, or otherwise;
- (cc) To distribute among the Members in specie any property of the Company;
- (dd) To do all or any of the above things in any part of the world and either ad principals, agents, trustees, contractors, or otherwise, and wither alone or in conjunction with other, and either by or through agents, sub-contractors, trustees or otherwise;
- (ee) To do all such other things as are incidental or conducive to the above objects or any of them;

4. The liability of the Members is limited.
5. The Authorised share capital of the Company is Tshs. 1,000,000,000/= (Tanzania shillings one billion) divided into 100000 (one hundred thousand) ordinary shares of Tshs. 10,000/= (Tanzania shillings ten thousand) each.


We, the several persons whose names, addresses and descriptions are hereto subscribed, are desirous of being formed into a Company, in pursuance of this Memorandum of Association, and we respectively agreed to take the number of shares in the capital of the Company set opposite our respective names.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER	SIGNATURES OF SUBSCRIBERS
YOGESH GOPALJI KOTAK P.O. BOX 10808 DAR ES SALAAM <u>TANZANIA</u> DIRECTOR	1 SHARE	
DHIRAN GOPALJI KOTAK P.O. BOX 10808 DAR ES SALAAM <u>TANZANIA</u> DIRECTOR	1 SHARE	

Dated at DAR ES SALAAM this 16TH Day of MAY, 2003

Witness to the Signature:

Name: ISSA SAID IBRAHIM

Signature:  KIPATCO MANAGERMENTS LTD.
MANAGERMENTS & TAXATION CONSULTANTS

Postal Address: P. O. BOX 2291

Qualification: DAR ES SALAAM
ACCOUNTANT

TANZANIA
Stamp Duty Shs. 500/-
PAID ON ORIGINAL
1721382 of 19-5-03
Receipt No. 1721382
Stamp Duty Office

The Companies Ordinance Cap. 212

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

HOTELS AND LODGES (T) LIMITED

TABLE A EXCLUDED

TANZANIA
Stamp Duty Shs. 250/- PAID
1721382 of 19-5-03
Receipt No. 1721382
Registrar of Companies

1. The regulations in Table A in the First Schedule to the Companies Ordinance (Cap. 212) shall not apply to the Company, except so far the same are repeated or contained in these Articles.

INTERPRETATION

2. In these Articles, unless the subject or context otherwise requires, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof:-

WORDS	MEANINGS
The Ordinance	The Companies Ordinance (Cap. 212) And every statutory modification and re-enactment thereof for the time being in force.
These Articles	These Articles of Association as originally framed or as altered from time to time by Special Resolution.
The Directors	The directors for the time being of the Company.
The Office	The registered office for the time being of the Company.
Tanzania	Means the Mainland of the United Republic of Tanzania.

Writing shall include printing and lithography and any other mode of representing or reproducing words in a visible form.

Words importing the singular number only shall include the plural number, and vice versa.

Words importing the masculine gender only shall include the feminine gender; and Words importing persons shall include corporations.

Subject as aforesaid, any words or expression defined in the Ordinance shall, except where the subject or context forbids, bear the same meanings in these Articles.

SHARES

3. The share capital of the Company is Tshs. 1,000,000,000/= divided into 100000 ordinary shares of Tshs. 10,000/= each.
4. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return or capital or otherwise as the Company may from time to time by Ordinary Resolution determine.
5. Subject to the provisions of Section 47 of the Ordinance, any preference shares may, with the sanction of an Ordinary Resolution, be issued on the terms that they are, or at the opinion of the Company are liable to be, redeemed on such terms and in such manner as the Company before the issue of the shares may by Special Resolution determine.
6. The Company is a private company and accordingly no invitation or offer shall be made to the public (whether for cash or otherwise) to subscribe for any shares in or debentures of the Company, not shall the Company allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of them those shares or debentures being offered for sale to the public.
7. The Company may pay to any person a commission in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company: Provided that such commission shall not exceed 10 per cent of the price at which such shares are issued, or an amount equivalent to such percentage; and the requirements of section 44 of the Ordinance shall be observed.
8. (a) The Director may subject to Article 47 hereof allot, grant options over, or otherwise deal with or dispose of any relevant securities of the Company in accordance with the provisions of the Ordinance to such persons and generally on such terms and conditions as the Directors think proper.

(b) The general authority conferred by paragraph (a) of this Article shall be conditional upon due compliance with Article 47 hereof and shall extend to the amount of the authorised share capital of the Company upon its incorporation.

(c) The Directors shall be entitled under the general authority conferred by paragraph (a) of this Article to make at any time before the expiry of such authority any offer or agreement which will or might require relevant securities of the Company to be allotted after the expiry of such authority.

9. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends or other moneys payable in respect of such share.

10. No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or required to recognise any equitable, contingent, future or partial interest in any share or any right whatsoever in respect of any share other than an absolute right to the entirety thereof in the registered holder, except as by these Articles otherwise expressly provided or as required by law.

11. Every member shall be entitled, without payment, to receive within two months after allotment or judgment of transfer (unless the conditions of issue provide for a longer interval) one certificate (under the Company's common seal or for all the shares registered in his name, specifying the number and (where necessary) denoting numbers of the shares in respect of which it is issued and the amount paid up thereon; Provided that in the case of joint holders the Company shall not be bound to issue more than one certificate to all the joint holders, and delivery of such certificate to any one of them shall be sufficient delivery to all. Every certificate shall be signed by one Director and countersigned by the Secretary or by an assistant or deputy Secretary. Where part only of the shares comprised in a certificate are transferred, the member transferring shall be entitled without payment to a certificate for the balance thereof.

12. If any share certificate shall be defaced, worn out, destroyed or lost, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company investigating the evidence as the Directors shall require but otherwise free of charge and (in case of defacement or wearing out) on delivery up of the old certificate.

LIEN

13. The Company shall have a first and paramount lien upon all shares (whether fully paid or not) registered in the name of any member, either alone or jointly with any other person, for his debts, liabilities and engagements, whether solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfilment or discharge thereof shall have actually arrived or not, and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors may at

any time declare any share to be exempt, wholly or partially, from the provision of this Article.

14. The Directors may sell the shares subject to any such lien at such time or times and in such time or times and in such manner as they think fit, but no sale shall be made until such time as the monies in respect of which such lien exists or some part thereof are or is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due to specifying the liability or engagement and demanding payment or fulfilment or discharge thereof and giving notice of intention to sell in default shall have been served on such member or the persons (if any) entitled by transmission to the shares, and default in payment, fulfilment or discharge shall have been made by him or them for fourteen days after such notice.

15. The net proceeds of any such sale shall be applied in or towards satisfaction of the amount due to the Company, or of the liability or engagement, as the case may be, and the balance (if any) shall be paid to the member or the persons (if any) entitled by transmission to the shares so sold.

16. Upon any such sale as aforesaid, the Directors may authorise some person to execute an instrument of transfer of the shares sold to the purchaser and may enter the purchaser's name in the register as holder of the shares, and the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

17. No member shall be entitled to receive any dividend, or to exercise any privilege as a member until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

CALLS ON SHARES

18. The Directors may, subject to the provisions of these Articles, from time to time make such calls upon the members in respect of all monies unpaid on their shares as they think fit, provided that fourteen days' notice at least is given of each call and each member shall be liable to pay the amount of every call so made upon him to the persons, by the instalments (if any) and at the times and places appointed by the Directors.

19. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.

20. The joint holders of a share shall be jointly and severally liable for the payment of all calls and instalments in respect thereof.

21. If before or on the day appointed for payment thereof a call or instalment payable in respect of a share is not paid, the person from whom the same is due shall pay interest on

the amount of the call or instalment at such rate not exceeding 20 per cent. per annum as the Directors shall fix from the day appointed for payment thereof to the time of actual payment, but the Directors may waive payment of such interest wholly or in part.

22. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date; whether on account of the amount of the share or by way of premium, shall for all purposes of these Articles, be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all other relevant provisions of these Articles, shall apply as if such sum were a call duly made and notified as hereby provided.

23. The Directors may, from time to time, make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls.

24. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the monies due upon his shares beyond the sums actually called up thereon, and upon the monies so paid in advance, or so much thereof as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, the Directors may pay or allow such interest as may be agreed between them and such member, in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up.

TRANSFER OF SHARES

25. Subject to the restrictions of these Articles, shares shall be transferable, but every transfer must be in writing and must be left at the registered office, accompanied by the certificate of the shares to be transferred and such other evidence (if any) as the Directors may require to prove the title of the intending transferor.

26. The instrument of transfer of a share shall be executed by the transferor and, when the share is not fully paid, by the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.

27. Any share may be transferred at any time by a member to his or her father or mother, or to any lineal descendant of such father or mother, or to his or her wife or husband; and any share of a deceased member may be transferred by his executors or administrators to the widow or widower of any such relative as aforesaid of such deceased member, being a cestui que trust or specific legatee thereof, and shares standing in the name of any deceased member may be transferred to or placed in the names of the executors or trustees of his will, and upon any change of trustees may be transferred to the trustees for the time being of such will. A share may (subject as aforesaid) at any time be transferred to any member of the Company.

28. No share shall in any circumstances be issued or transferred to any infant, bankrupt or person of unsound mind.

29. (1) Save as provided in Article 27, no share shall be transferred to any person who is not a member of the Company so long as any member is willing to purchase the same at the fair value (as hereinafter defined), which shall be determined as hereinafter provided.

(2) In order to ascertain whether any member is willing to purchase a share at the fair value, the person, whether a member of the Company or not, proposing to transfer the same (hereinafter called "the retiring member") shall give a notice in writing (hereinafter described as a "sale notice") to the Company that he desires to transfer the same. Every sale notice shall specify the number of the shares which the retiring member desires to transfer, and shall constitute the Company the agent of the retiring member for the sale of such shares to any member of the Company at the fair value. No sale notice shall be withdrawn except with the sanction of the Directors.

(3) Forthwith upon receipt by the Company of any sale notice the Company shall direct the Auditors for the time being of the Company to certify the fair value of the shares comprised in such sale notice in accordance with sub-paragraph (4) hereof.

(4) The fair value of the shares for the purposes of this Article shall be such price as shall be certified in writing by the Auditors of the Company for the time being as being, in their opinion, the fair value of the said shares and in so certifying the Auditors shall pay no regard as to whether the shares comprised in such sale notice form part of a majority or minority holding in the Company. In carrying out the obligations created by this Article the Auditors shall be considered to be acting as experts and not as arbitrators, and in so determining the fair value of the shares their decision shall be final and binding.

(5) If the Directors within twenty-eight days after the receipt by the Company of the certificate of the Auditors of the fair value of the shares specified in the sale notice find a member willing to purchase any share comprised therein (hereinafter described as a "purchasing member") and shall give notice thereof to the retiring member, the retiring member shall be bound upon payment of the fair value to transfer the share to such purchasing member. The Directors shall, with a view to finding a purchasing member, offer any shares comprised in the Company as nearly as may be in the proportion to their holdings of shares in the Company, and shall limit a time within which such offer if not accepted will be deemed to have been declined; and the Directors shall make such arrangements as regards the finding of a purchasing member for any shares not accepted by a member to whom they shall have been so offered as aforesaid within the time so limited as they shall think just and reasonable.

(6) In the event of the retiring member failing to carry out the sale of any shares

which he shall have become bound to transfer as aforesaid, the Directors may authorise some person to execute a transfer of the shares to the purchasing member and may give a good receipt for the purchase price of such shares, and may register the purchasing member as holder thereof and issue to him a certificate for the same, and thereupon the purchasing member shall become indefeasibly entitled thereto. The retiring member shall in such case be bound to deliver up his certificate for the said purchase price, without interest, and if such certificate shall comprise any shares which he has not become bound to transfer as aforesaid the Company shall issue to him a balance certificate for such shares.

(7) If the Directors shall not, within the space of twenty-eight days after receipt by the Company of the certificate of the Auditors referred to in sub-paragraph (5) above, find a purchasing member for all or any of the shares comprised in the sale notice and give notice to the retiring member in the manner aforesaid, or if, through no default of the retiring member, the purchase of any share in respect of which such last mentioned notice shall be given shall not be completed within twenty-one days from the service of such notice, the retiring member shall at any time within six months thereafter be at liberty, subject to Article 30, to sell and transfer the shares comprised in his sale notice (or such of them as shall not have been sold to a purchasing member) to any person and at any price.

30. The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share whether or not it is a fully paid share, but such right of refusal shall not be exercisable in the case of any transfer made pursuant to Article 27.

31. If the Directors refuse to register a transfer of any shares they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal, as required by section 67(1) of the Ordinance.

32. The registration of transfers may be suspended and the register of members closed during the fourteen days immediately preceding every Annual General Meeting of the Company, and at such other times (if any) and for such period as the Directors may from time to time determine, provided always that the register shall not be closed for more than thirty days in any year.

TRANSMISSION OF SHARES

33. In the case of the death of a member, the survivors or survivor, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares, but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him.

34. Any person becoming entitled to a share in consequence of the death or bankruptcy of any member may, upon producing such evidence of title as the Directors shall require, be registered himself as holder of the share, or, subject to the provisions as to transfers herein contained (which shall apply as if the death or bankruptcy of the member had not

occurred) transfer the same to some other person.

35. A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for, any dividends or other monies payable in respect of the share, but he shall not be entitled in respect of it to receive notice of, or to attend or vote at meetings of the Company or, save as aforesaid, to exercise any of the rights or privileges of a member, unless and until he shall become a member in respect of the share.

FORFEITURE OF SHARES

36. If any member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for the payment thereof, the Directors may at any time thereafter, during such time as the call or instalment or any part thereof remains unpaid, serve a notice on him or on the person entitled to the share by transmission requiring him to pay such call or instalment, or such part thereof as remains unpaid, together with interest at such rate not exceeding 10 per cent. per annum as the Directors shall determine, and any expenses that may have accrued by reason of such non-payment.

37. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which such call or instalment, or such part as aforesaid, and all interest and expenses that have accrued by reason of such non-payment, are to be paid. It shall also name the place where payment is to be made, and shall state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited.

38. If the requisitions of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture, notwithstanding that they shall have been declared.

39. When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the register of members opposite to the share; but the provisions of this Article are directory only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

40. Notwithstanding any such forfeiture as aforesaid, the Directors may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture, upon the terms of payments of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.

41. Every share which shall be forfeited may be sold, re-allotted, or otherwise disposed of, either to the person who was before forfeiture the holder thereof, or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit, and the Directors may, if necessary, authorise some person to transfer the same to such other person as aforesaid.

42. A shareholder whose shares have been forfeited shall, notwithstanding, be liable to pay to the Company all calls made and not paid on such shares at the time of forfeiture, and interest thereon to the date of payment, in the same manner in all aspects as if the shares had not been forfeited, and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture without any deduction or allowance for the value of the shares at the time of forfeiture.

43. The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the shareholder whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the ordinance given or imposed in the case of past members.

44. A statutory declaration in writing that the declarant is a Director of the Company, and that a share has been duly forfeited in pursuance of these Articles, and stating the date upon which it was forfeited shall, as against all persons claiming to be entitled to share adversely to the forfeiture thereof, be conclusive evidence of the facts therein stated, and such declaration shall constitute a good title to the share, and (subject to the execution of any necessary transfer) such person shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

ALTERATIONS OF CAPITAL

45. The Company may from time to time by Ordinary Resolution:-

- (A) consolidate and divide its share capital into shares of larger amount than its existing shares, or
- (B) cancel any shares not taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled;
- (C) divide its share capital or any part thereof into shares of smaller amounts than is fixed by its Memorandum of Association by sub-division of its

existing shares or any of them, subject nevertheless to the provisions of the Ordinance.

and by Special Resolution:-

- (D) reduce its share capital or any capital redemption reserve or share premium account in any manner authorised and subject to any conditions prescribed by the Ordinance.

46. (1) The Company in General Meeting may from time to time whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and (subject to any special rights for the time being attached to any existing class of shares) to carry such preferential, deferred or other special rights (if any), or to be subject to such conditions or restrictions (if any), in regard to dividend, return of capital, voting or otherwise, as the General Meeting resolving upon such increase directs.

(2) Subject to the provisions of Section 47 of the Ordinance the Company may:-

- (i) issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder on such terms and in such manner as shall satisfy the conditions in section 47 of the Ordinance;
- (ii) purchase its own shares (including any redeemable shares);
- (iii) make a payment in respect of any such redemption or purchase of any of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

47. (1) Subject to any direction to the contrary that may be given by the Company in General Meeting all shares authorised pursuant to Article 8 hereof to be allotted shall be offered to the members in proportion to the existing shares held by them and such offer shall be made by notice in writing specifying the number of the shares to which the member is entitled and limiting a time (being not less than 21 days) within which the offer if not accepted will be deemed to have been declined, and after the expiry of such time or upon receipt of an intimation from the member to whom such notice is given that he declines to accept the shares offered, the Directors may, subject to these Articles, allot or otherwise dispose of the same to such persons and upon such shares as aforesaid which, by reason of the proportion borne by them to the number of persons entitled to any such offer as aforesaid or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Directors be conveniently offered in manner hereinbefore provided.

Except so far as otherwise provided by or pursuant to these Articles or by the conditions of issue, any new share capital shall be considered as part of the original ordinary share capital of the Company, and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

MODIFICATION OF RIGHTS

Subject to the provisions of the Ordinance if at any time the share capital of the Company is divided into different classes of shares, the rights or privileges for the time being attached to any class of shares may (notwithstanding that the Company may be or be about to be in liquidation) be varied or abrogated with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class. To any such separate general meeting all the provisions of these Articles relating to General Meetings shall apply provided always that the necessary quorum at any such meeting other than an adjourned meeting shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question and at an adjourned meeting one person holding shares of the class in question or his proxy and provided that any holder of shares of the class in question present in person or proxy may demand a poll.

GENERAL MEETINGS

The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.

Provided that so long as the Company shall hold its first annual general meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting shall be held at such time and place as the Directors shall appoint.

All general meetings other than annual general meetings shall be called extraordinary general meetings.

The Directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, in default, may be convened by such requisitionists, as provided by Section 114 of the Ordinance.

NOTICE OF GENERAL MEETINGS

Every general meeting shall be called by twenty-one days notice in writing at the registered office of the Company. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the

ur of the meeting and the nature of any special business that is to be transacted, and all be given, in manner hereinafter mentioned or in such other manner, if any, as may be described by the company in general meeting, to such persons as are, under the regulations of the Company, entitled to receive such notices from the Company.

Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in these presents, be deemed to have been duly called if so agreed -

- (a) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

All business shall be deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of declaring a dividend, the consideration of the accounts and balance sheets and the reports of the Directors and Auditors, and any other documents accompanying or annexed to the balance sheets, the election of Directors in place of those retiring and the appointment and fixing of the remuneration of the Auditors.

No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Save as herein otherwise provided, two members present in person or by proxy shall be a quorum.

If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be adjourned. In any other case it shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Directors may determine and if at an adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum.

The Chairman (if any) of the Board of Directors shall preside at every General Meeting, but if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be present but unwilling to act as Chairman, the members present shall choose some Director, or if no Director be present, or if all the Directors present decline to take the chair, they shall

choose some member present to be Chairman of the Meeting.

59. The Chairman of any meeting at which a quorum is present may, with the consent of the meeting, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for fourteen days or more, notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

60. At all General Meetings a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or upon the declaration of the result of the show of hands a poll be demanded by the Chairman or by at least two persons for the time being entitled to vote at the meeting, or by a member or members representing one-tenth of the total voting rights of all the members having the right to vote at the meeting, or by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right, and unless a poll be so demanded a declaration by the Chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minute book of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such a resolution. The demand for a poll may be withdrawn.

61. Subject as provided in Article 62, if a poll be demanded in manner aforesaid, it shall be taken in such manner, as the Chairman shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

62. No poll shall be demanded on the election of a Chairman of a meeting, or on any question of adjournment.

63. In the case of any equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a casting vote in addition to any other vote he may have.

64. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business, other than the question on which a poll has been demanded.

VOTES OF MEMBERS

65. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person shall have one vote, and on poll every member shall have one vote for each share of which he is the holder.

on a poll every member shall have one vote for each share of which he is holder.

66. A member in respect of whom an order has been made any Court having jurisdiction (whether in Tanzania or elsewhere) in matters concerning mental disorder may vote whether on a show of hands or on a poll by his receiver, curator bonis or other person authorised in that behalf appointed by that Court, and such last-mentioned persons may give their votes either personally or by proxy.

67. If two or more persons are jointly entitled to a share, then in voting upon any question the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other holders of the share, and for this purpose seniority shall be determined by the order which the names stand in the register of members.

68. Save as herein expressly provided, no member other than a member duly registered who shall have paid everything for the time being due from and payable to the Company in respect of his shares shall be entitled to vote on any question either personally or by proxy, or to be reckoned in a quorum, at any General Meeting.

69. Votes may be given either personally or by proxy. On a show of hands a member (other than a corporation) present only by proxy shall have no vote, but a proxy for or representative of a corporation may vote on a show of hands. A proxy need not be a member.

70. The instrument appointing a proxy shall be in writing under the hand the appointor or of his attorney duly authorised in writing, or if such appointor is a corporation under its common seal, if any, and, if none, then under the hand of some officer duly authorised in that behalf. An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointor.

71. The instrument appointing a proxy, together with the power of attorney (if any) under which it is signed or a notarially certified or office copy thereof, shall be deposited at the office at least forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or in the case of poll not less than twenty-four hours before the appointed for taking the poll and in default the instrument of proxy shall not be treated as valid.

72. Any instrument appointing a proxy shall be in the following form with such variations (if any) as circumstances may require or the Director may approve:-

"HOTELS AND LODGES (T) LIMITED"

I,
"of

, a member of

" HOTELS AND LODGES (T) LIMITED,

"hereby appoint

"of

"to vote for me and on my behalf at the [Annual,
"Extraordinary or Adjourned, as the case may be]

"General Meeting of the Company to be held

"on the day of and at

"every adjournment thereof.

"As witness my hand this day of 2003."

73. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the Chairman whose decision shall be final and conclusive.

74. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the Registered Office before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

75. Subject to the provisions of the Ordinance, a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at General Meetings (or being corporations by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held and may consist of several instruments in the like form executed by or on behalf of one or more members.

DIRECTORS

76. Unless and until otherwise determined by the Company in General Meeting, the number of the Directors shall not be less than two or more than five. The first Directors of the Company shall be as named in the particulars delivered to the Registrar of Companies pursuant to the provisions of Section 145 of the Ordinance.

77. The Directors shall have power from time to time and at any time to appoint any person who is willing to be a Director, either to fill a vacancy or as an additional Director. A Director so appointed shall hold office only until the next Annual General Meeting and shall not be taken into account in determining the Directors who are to retire by rotation at the Meeting, but shall be eligible for re-election at the Meeting.

8. The remuneration of the Directors shall from time to time be determined by the company in General Meeting. Unless otherwise directed by the resolution by which it is adopted, any such remuneration shall be divided amongst the Directors as they may agree, failing agreement, equally. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses properly incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to or from Board Meetings. If by arrangement with the other Directors any Director shall perform or under any special duties or services outside his ordinary duties as a Director, the Directors may pay him special remuneration, in addition to his ordinary remuneration, and such special remuneration may be by way of salary, commission or participation in profits, or by any or all of those modes, or otherwise as may be arranged.

9. The office of a Director shall be vacated:-

- (A) If he ceases to be a Director by virtue of any provision of the Ordinance or he becomes prohibited by law from being a Director.
- (B) If a receiving order is made against him or he makes any arrangement or composition with his creditors.
- (C) If he becomes of unsound mind and either he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Diseases Ordinance (Cap. 98) or an order is made by a Court having jurisdiction (whether in the Tanzania or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs.
- (D) If he absents himself from the meetings of the Board during a continuous period of six months without special leave of absence from the Directors, and they pass a resolution that he has by reason of such absence vacated his office.
- (E) If by notice in writing given to the Company he resigns his office.

MANAGING DIRECTORS AND EXECUTIVE DIRECTORS.

- (A) The Directors may from time to time appoint any one or more of their body to be Managing Director or to any other executive office under the Company (hereinafter referred to as an "Executive Director") and, subject to the provisions of the Ordinance, for such period and upon such terms as they think fit, and may vest in such Managing Director or Executive Director such of the powers hereby vested in the Directors generally as they may think fit, and such powers may be made exercisable for such period or periods and upon such condition and subject to such restrictions, and generally such terms as to remuneration and otherwise as they may determine. The

remuneration of such Managing Director or Executive Director may be made payable by way of salary or commission or participation in profits, or by any or all of those modes or otherwise as may be thought expedient, and it may be made a term of any such appointment that he shall receive a pension, gratuity or other benefit on his retirement.

(B) A Managing Director and any Executive Director shall not, while he continues to hold that office, be subject to retirement by rotation, and he shall not be taken into account in determining the rotation of retirement of Directors or the number of Directors to retire, but he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of Director he shall ipso facto and immediately cease to be a Managing Director or Executive Director (as the case may be).

POWERS AND DUTIES OF DIRECTORS

81. The business of the Company shall be managed by the Directors, who may pay all such expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Company as they think fit, and may exercise all such powers of the Company, and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by the Ordinance or these Articles required to be exercised or done by the Company in General Meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Ordinance to any directions given by special resolution but no alteration of the Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if such alteration had not been made or that direction had not been given.
82. The Directors may borrow or raise from time to time for the purposes of the Company or secure the payment of such sums as they think fit, and may secure the repayment or payment of any such sums by mortgage or charge upon all or any of the property or assets of the Company or subject (in the case of any security convertible into shares) to the provisions of Article 8, by the issue of debentures, debenture stock and other securities as they may think fit. (Provided that the amount for the time being remaining undischarged of monies borrowed, raised or secured by the Directors shall not at any time exceed (twice the nominal amount of the issued share capital for the time being of the Company) without the sanction of the Company in General Meeting; but no lender shall be bound to see that this limit is observed).
83. Subject to the provisions of the Ordinance, the Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director or former Director who has held any executive office or employment with the Company or to his widow or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

84. The continuing Directors may act at any time notwithstanding any vacancy in their body; provided always that in case the Directors shall at any time be reduced in number to less than the minimum number prescribed by or in accordance with these Articles, it shall be lawful for them to act as Directors for the purpose of filling up vacancies in their body, or of summoning a General Meeting of the Company, but not for any other purpose.

85. (A) Subject to the provisions of the Ordinance a Director notwithstanding his office may contract with, be a party to, or otherwise interested in any contract or proposed contract or arrangement with the Company or in which the company is otherwise interested and shall not be liable to account for any profit or other benefit derived by him by reason of any such matter and no such contract, proposed contract, transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit: Provided that the nature and extent of the interest of the Director be declared at a meeting of the Directors in full compliance with section 150 of the Ordinance.

(B) For the purposes of paragraph (A) a general notice given to the Directors at such meeting by a Director to the effect either that he is a member of a specified company or firm and is to be regarded as interested in any contract, transaction or arrangement which may, after the date of the notice, be made with that company or firm, or that he is to be regarded as interested in any contract, transaction or arrangement which may after the date of the notice be made with a specified person who is connected with him shall be sufficient declaration of interest in relation to any such contract, transaction or arrangement.

(C) A Director may vote at a meeting of the Directors or of a committee of Directors upon any resolution concerning a contract, proposed contract, transaction or arrangement in which he has, whether directly or indirectly, an interest or upon any matter arising therefrom, and if he shall so vote his vote shall be counted and he shall be taken into account in determining whether a quorum is present at such meeting.

ROTATION OF DIRECTORS

86. Subject to the provisions of these Articles, one-third of the Directors for the time being, or if their number is not a multiple of three then the number nearest to one-third, shall retire from office at the first Annual General Meeting and at any Annual General Meeting in any subsequent year.

87. The Directors to retire shall be the Directors who have been longest in office since their last election. As between Directors of equal seniority, the Directors to retire shall, in the absence of agreement, be selected from among them by lot. A retiring Director shall be eligible for re-election, and shall act as a Director throughout the meeting at which he retires.

88. Subject to any resolution reducing the number of Directors, the Company shall, at

meeting at which any Director shall retire in manner aforesaid, fill up the vacated office by electing a person thereto, and may, without notice in that behalf, fill up any other vacancies.

No person, not being a Director retiring at the meeting, shall, unless recommended by the Directors for election, be eligible for the office of Director at any General Meeting unless not less than three or more than twenty-one days before the day appointed for the meeting, there shall have been given to the Secretary notice in writing by some member qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing, signed by the person to be proposed, of his willingness to be elected.

If at any meeting at which an election of Directors ought to take place, the place of a retiring Director is not filled up, such retiring Director shall, if willing to act, be deemed to have been re-elected, unless at such meeting it shall be determined to reduce the number of Directors or a resolution for the re-election of such retiring Director shall have been put to the meeting and not carried.

The Company may from time to time in General Meeting increase or reduce the number of Directors, and determine in what rotation such increased or reduced number shall go out of office, and may take any appointments necessary for effecting any such increase as aforesaid.

PROCEEDINGS OF DIRECTORS

The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Unless otherwise determined, two shall be a quorum. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote.

The Directors may, and on the request of a Director the Secretary shall, at any time summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the Tanzania.

The Directors may from time to time elect a Chairman, who shall preside at meetings of the Directors, and determine the period for which he is to hold office, but if no Chairman be elected, or if at any meeting the Chairman be not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting.

(A) A Director (other than an alternate Director) may from time to time by notice in writing to the Company appoint any Director or any person approved by his co-Directors to act as an alternate Director at any meeting of the Board from which he is himself absent, and may in like manner remove any person so appointed from office.

(B) An alternate Director appointed under this Article shall not be entitled to any remuneration from the Company, but he shall be entitled, while holding office as such, to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member and to attend and vote thereat in place of and in the absence of the Director appointing him.

(C) Such alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director; but if a Director retires by rotation or otherwise but is re-appointed or deemed to have been re-appointed at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his re-appointment.

(D) An alternate Director shall be deemed for all purposes (save for the appointment of an alternate Director under this Article) a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.

(E) A person who holds office only as an alternate Director shall, if his appointor is not present, be taken into account in reckoning a quorum at any meeting of the Directors or any committee of the Directors.

96. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors.

97. A committee may elect a Chairman of its meetings. If no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be Chairman of the meeting.

98. A committee may meet and adjourn as its members think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman of the committee shall have a second or casting vote.

99. All acts bona fide done by any meeting of Directors, or of a committee of Directors, or by any person acting as a Director, shall notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Director.

100. The Directors shall cause proper minutes to be made of all General Meetings of the

Company and proper records to be kept of all Written Resolutions (and of signatures) and also of all appointments of officers, and of the proceedings of all meetings of Directors and committees, and of the attendances thereat, and all business transacted at such meetings. All such minutes and records (and signatures) shall be entered in books provided for the purpose. Any such record of a Written Resolution (and of the signatures) purporting to be signed by a Director or by the Secretary shall be evidence of the proceedings in agreeing to a Written Resolution and until the contrary is proved the requirements of the Ordinance with respect to those proceedings shall be deemed to be complied with and any such minutes of any such meeting, if purporting to be signed by the Chairman of such meeting, shall be conclusive evidence without any further proof of the facts therein stated.

101. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors or of a committee of Directors shall be as valid and effective for all purposes as a resolution passed at a meeting of the Directors or (as the case may be) a committee of Directors duly convened, held and constituted and may consist of several documents in the like form each signed by one or more Directors.

THE COMMON SEAL

102. The Company's common seal shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors, and in the presence of at least one Director and of the Secretary, and such Director and the Secretary shall sign every instrument to which the common seal shall be affixed in their presence, and in favour of any purchaser or person bona fide dealing with the Company such signatures shall be conclusive evidence of the fact that the common seal has been properly affixed.

SECRETARY

103. The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them.

104. No person shall be appointed or hold office as Secretary who is -

- (a) the sole Director of the Company; or
- (b) a corporation the sole Director of which is the sole Director of the Company;
- (c) the sole Director of a corporation which is the sole Director of the Company.

105. A provision of the Ordinance or these presents requiring or authorising a thing to be

done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

DIVIDENDS AND RESERVE FUNDS

106. Subject to any rights or privileges for the time being attached to any shares in the capital of the Company having preferential, deferred or other special rights in regard to dividends, the profits of the Company which it shall from time to time be determined to distribute by way of dividend shall be applied in payment of dividends upon the shares of the Company in proportion to the amounts paid up thereon respectively otherwise than in advance of calls. If any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

107. Subject to the provisions of the Ordinance, the Company in General Meeting may from time to time declare dividends, but no such dividend shall exceed the amount recommended by the Directors.

108. Subject to the provisions of the Ordinance, the Directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes of shares, the Directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividends, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The Directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the Directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

109. With the sanction of a General Meeting, dividends may be paid wholly or in part in specie, and may be satisfied in whole or in part by the distribution amongst the members in accordance with their rights of fully paid shares, stock or debentures or any other property or assets suitable for distribution as aforesaid. The Directors shall have full liberty to make all such valuations, adjustments and arrangements, and to issue all such certificates or documents of title as may in their opinion be necessary or expedient with a view to facilitating the equitable distribution amongst the members of any dividends or portions of dividends to be satisfied as aforesaid or to giving them the benefit of their proper shares and interests in the property, and no valuation, adjustment or arrangement so made shall be questioned by any member.

110. The Directors may, before recommending any dividend set aside out of the profits of the Company such sums as they think proper to a reserve fund or reserve account, which shall at the discretion of the Directors be applicable for any purpose for which the profits of the Company may lawfully be applied. The Directors may also from time to time carry

forward such sums as they may deem expedient in the interests of the Company.

111. The Directors may deduct from any dividend or other monies payable in respect of any shares held by a member, either alone or jointly with any other member, all such sums of money (if any) as may be due and payable by him either alone or jointly with any other person to the Company on account of calls or otherwise in relation to the shares of the Company.

112. Any dividend, instalment of dividend or interest in respect of any shares may be paid by cheque or warrant payable to the order of the member entitled thereto, or (in the case of joint holders) of that member whose name stands first on the register in respect of the joint holding.

113. Every such cheque or warrant shall (unless otherwise directed) be sent by post to the last registered address of the member entitled thereto, and the receipt of the person whose name appears on the register of members as the holder of any share, or, in the case of joint holders, of any one of such holders, or of his or their agent duly appointed in writing, shall be a good discharge to the Company for all dividends or other payments made in respect of such share. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

114. No dividend or other monies payable in respect of a share shall bear interest as against the Company unless otherwise provided by the rights attached to the share.

115. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company.

CAPITALIZATION OF RESERVES, ETC.

116. The Company in General Meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any undivided profits of the Company (not being required for the payment or provision of any fixed preferential dividend) standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if the same had been distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution. Provided always that an amount standing to the credit of a share premium account or capital redemption reserve may, for the purposes of this Article, only be applied in the paying up of unissued shares to be allotted to members of the Company as fully paid bonus shares.

117. The Company in General Meeting may upon the recommendations of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any reserve account of the Company or its profit and loss account which is not available for distribution by applying such sum in paying up in full unissued shares to be allotted as fully paid bonus shares to those members of the Company who would have been entitled to that sum if it were distributed by way of dividend and in the same proportions and the Directors shall give effect to such resolution.

118. Whenever a resolution is passed in pursuance of Article 116 or 117 the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto. Where any difficulty arises in respect of any such distribution the Directors shall settle the same as they think expedient, and in particular they may issue fractional certificates, fix the value for distribution of any fully paid up shares or debentures, make cash payments to any shareholders on the footing of the value so fixed in order to adjust rights, and vest any such shares or debentures in trustees upon such trusts for or for the benefit of the persons entitled to share in the appropriation and distribution as may seem just and expedient to the Directors. When deemed requisite the Directors may authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalization, any agreement made under such authority being binding on all such members.

ACCOUNTS

119. The Directors shall cause accounting records to be kept in accordance with the provisions of the Ordinance.

120. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting records of the Company, or any of them, shall be open to the inspection of members, and no member (other than an officer of the Company) shall have any right of inspecting any of the accounting records of the Company except as conferred by the Ordinance authorised by the directors or by a resolution of the Company in General Meeting. The Company's accounting records shall at all times be open to inspection by the officers of the company.

121. The Directors shall from time to time in accordance with the provisions of the Ordinance cause to be prepared and to be laid before the company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as required by the Ordinance.

122. A copy of every balance sheet (including every document required by law to be

annexed thereto) which is to be laid before the Company in general meeting, together with a copy of the auditors' report, shall not less than twenty-one days before the date of the meeting be sent to all persons entitled to receive notices of general meetings of the Company.

AUDIT

123. Once at least in every year the accounts of the Company shall be examined, and the correctness of the profit and loss account and balance sheet ascertained by one or more properly qualified Auditor or Auditors.

124. The appointment, powers, rights, remuneration and duties of the Auditors shall be regulated by the provisions of the Ordinance relating thereto.

NOTICES

125. Any notice to be given pursuant to these Articles shall be in writing and may be served by the Company upon any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register of members or by leaving it at that address.

126. All notices directed to be given to the members shall, with respect to any share in which persons are jointly entitled, be given to whichever of such persons is named first in the register of members, and any notice so given shall be sufficient notice to the holders of such share.

127. Any member described in the register of members by an address not within Tanzania, who shall from time to time give the Company an address within Tanzania at which notices may be served upon him, shall be entitled to have served upon him at such address any notice to which he would be entitled under these Articles if he had a registered address within Tanzania, but, save as aforesaid, and as provided by the Ordinance, only those members who are described in the register of members by an address within Tanzania shall be entitled to receive notices from the Company.

128. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the Register of Members, has been duly given to a person from whom he derives his title.

129. A notice may be given by the Company to the persons entitled to any share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives or trustees of such deceased or bankrupt member, at the address (if any) in Tanzania supplied for the purpose by such persons as aforesaid, or (until such an address has been supplied) by giving the notice in the manner in which the same would have been given if the death or

bankruptcy had not occurred.



130. Any notice or other document, if served or sent by post, shall be deemed to have been served or delivered at the expiration of 48 hours from the time when the envelope containing the same was posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

WINDING UP

131. If the Company shall be wound up the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Ordinance, divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.


INDEMNITY

132. Subject to the provisions of the Ordinance but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer or Auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the Court from liability for negligence, default, breach of trust in relation to the affairs of the Company.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER	SIGNATURES OF SUBSCRIBERS
YOGESH GOPALJI KOTAK P.O. BOX 10808 DAR ES SALAAM TANZANIA DIRECTOR	1 SHARE	
DHIRAN GOPALJI KOTAK P.O. BOX 10808 DAR ES SALAAM TANZANIA DIRECTOR	1 SHARE	

Dated at DAR ES SALAAM this 16TH Day of MAY 2003

Witness to the Signature:

Name: ISSA SAID IBRAHIM
 Signature:  KHATCO MANAGERMENTS LTD.
MANAGERMENTS & TAXATION CONSULTANTS
 Postal Address: P. O. BOX 2291
DAR ES SALAAM
 Qualification: ACCOUNTANT



Bank of Baroda (Tanzania) Ltd.

No.BOB(T)/ADV/2010/315

Date:22.12.2010


Tanzania Investment Centre,
Dar Es Salaam.

Dear Sir,

Re:Credit Report of M/s.Hotels & Lodges (T) Ltd.

At the request of the company, we inform you that the company has been banking with us since 2005. They have been enjoying substantial credit facility with us. The conduct of the account is satisfactory. Mr.Dhiren Kotak is the Director of the company.

Yours Sincerely,


(V.L. Shenoy)
Ag. Chief Manager &
Branch Head





**LEASE AGREEMENT
BETWEEN**

**SUMMIT CENTRE LIMITED (LANDLORD)
AND**

HOTELS & LODGES (TANZANIA) LIMITED (TENANT)

In Respect Of Leasing Of 2nd Floor, Block 'B' East & West Wing

Dated this 15th Day of October 2010

LEASE AGREEMENT

THIS AGREEMENT IS MADE THIS 15TH DAY OF OCTOBER 2010.

1. PARTIES TO THE AGREEMENT

1.1 **Summit Centre Limited** of P. O. Box 7376 Arusha hereinafter referred to as "the Landlord" (Which Term shall, where the context admits, include its assigns and or successors in title) on the one part:

AND

1.2 **Hotels & Lodges (Tanzania) Limited** of P.O. Box 10808, Dar – es- salaam, hereinafter referred to as "The Tenant" (which term shall, where the context admits, include its assigns and or successors in title) on the other part:

2. PREAMBLE

2.1 **WHEREAS** The Landlord is the beneficial transferee of a building complex known as Summit Centre erected on Plot No. Block T Area F and situated along Sokoine Road. Arusha Municipality (hereinafter "the property");

2.2. **WHEREAS** the Tenant is desirous of renting from the landlord the space of approximately 440 square meters specified as 2nd Floor, Block 'B' Eastern And West Wing of Summit Centre (hereinafter "the demised premises");

2.3. **WHEREAS** the landlord is willing and ready to lease the demised premises to the Tenant;

2.4 **AND WHEREAS** both the Landlord and the Tenant have conducted negotiations on this transaction and they now require a formal agreement to embody the terms and conditions agreed in those negotiations;

3. DEFINITION AND INTERPRETATION:

In this Agreement, unless the context otherwise requires, the following words and or expression shall have the meanings assigned to them herein:-

- 3.1 **"Agreement"** means this lease Agreement dated this 4th day of **October 2003**.
- 3.2 **"Amount Outstanding"** means any amount outstanding under the Lease Agreement and shall constitute rental arrears, unsettled service charges, utility bills, unsettled – taxes and other charges Payable by either party to this Agreement;
- 3.3 **"Rent"** means the agreed rental charges service charges under this Agreement;
- 3.5 **"Parties"** means the signatories to this Agreement who are Landlord and the Tenant;
- 3.6 **"Undertaking"** means the parties 'promises to perform certain obligations as specified in the Agreement;
- 3.7 **"Demised Premises"** Means the space approximately 220 square meters that have been leased to the Tenant by the Landlord;
- 3.8 **"Property"** means the building complex erected on Plot No. 29 Block T, Area F situated along Sokoine Road, Arusha Municipality;
- 3.9 **"Terms"** means the period of the lease created by this Agreement;
- 3.10 **"Landlord"** means Summit Centre Limited of P.O. Box 7376, Arusha;
- 3.11 **"Tenant"** means hotels and Lodges limited of P.O. Box 10808 Dar es Salaam
- 3.12 **"United states Dollars"** means the legal tender in the United **state of America and is denoted as US\$**.
- 3.13 **"Payment Schedule"** means the number of installments to make **part payments due on an agreed rent payment schedule**
- 3.14 Words importing the singular include the plural and vice versa and references to articles are references to Articles to this Agreement.
- 3.15 Reference to any person includes the person's assigns of transferees of successors in title. Whether direct or indirect and words importing persons shall include companies.
- 3.16 **The headings in this Agreement** are of reference only and do not affect the construction of any of the terms and provision thereof.
- 3.17 **In case any one or more to the provisions of this agreement shall**, for any reasons be held to be invalid. Illegal or not enforceable in any respect. Such invalidity, illegality on non- enforceability shall not affect any other provision thereof and the said invalid, illegal or unenforceable

provision shall be deemed never to have been contained herein. In the event of such invalidity, illegality or non – enforceability, the parties shall use their best efforts to achieve the purpose of the relevant provision by amending this Agreement and providing for a new legal and enforceable provision.

4. REPRESENTATION AND WARRANTIES BY BOTH PARTIES:

- 4.1 The Landlord represents that the title of ownership of the property upon which the demised premises are erected is in the name of summit Centre Limited of P.O. Box 7376 Arusha (“the Landlord”).
- 4.2 The Tenant represents that it is a legally constituted trading entity within the meaning of the trade registration and Companies Ordinance of the United Republic of Tanzania
- 4.3 Each Party hereby represents and warrants to the other that:
- a) It has full power and authority to execute, deliver and perform its obligations under this Agreement and no limitation on its powers will be exceeded as a result of its entering into this Agreement.
 - b) The execution, delivery and performance by it of this Agreement and the performance of its obligation under this Agreement have been duly authorized by all necessary action, corporate or otherwise and do not contravene or conflict with:
 - i. In the case of either party, its memorandum and articles of association;
 - ii. Any existing law, statute, rule or regulation, or any judgment, degree or permit to which it is subject ; and
 - iii. The terms of any agreement or other document to which it is a party, or which are binding upon it or on any of its assets; and
 - c) This Agreement is its legal, valid and binding obligation, and is enforceable against it in accordance with its terms and conditions.
- 4.4 The tenant represents and warrants that is Directors have irrevocably and unconditionally agreed to be the guarantors for the performance and fulfillment of all of its obligations created under this Agreement.
- 4.5 Each party acknowledges that it has accepted the terms and conditions of this Agreement in full reliance on the representations and warranties set out in this **Clause 4**.

5. **CONSENSUS CLAUSE**

1.5 The Landlord does hereby demises office space at summit Centre Complex, denoted as 2nd Floor, Block B, East And West Wing, measuring **four hundred and forty square meters (440 m2)** to the Tenant, for it to hold and use the same, on the terms and conditions set out in this Agreement.

6. **LEASE PERIOD**

6.1 That the lease created herein shall be for a period of five (5) years commencing on the **15th day of October 2010 and ending on the 15th day of October 2015.**

6.2 The grace period for effecting the first rent and service charges will be ninety- (90) calendar days effective from the lease commencement date of 15th October 2003. The applicable date for rent and service charge recovery date shall be 15th January 2004

7. **RENT. SERVICE CHARGE AND VALUE ADDED TAX (VAT)**

7.1 The applicable currency for the payment of rent, service charge and **value added tax shall be United States herein** denoted as US \$

7.2 **The rental charges for the demised premises shall be US\$ 6.5** per square meter per month. Working out to Dollars two **thousand eight hundred and sixty (US\$ 2,860)** per month; US Dollars thirty four thousand three hundred and twenty (US \$ 34,320) for the first year of the lease.

7.3 In addition to the rent agreed herein, the Tenant will also pay service charge. To reimburse the Landlord for a fair portion of the operating expenses of the Summit Centre Complex and shall include but not limited to the following:

- a. Plumbing repairs
- b. **Cost of general security of the building. It is hereby understood and agreed that every tenant shall be responsible for his/ her own premises and wares**
- c. Cost of electricity consumed in the common areas of the **building and replacement of bulbs, and similar** items in the common area
- d. **Cost of cleaning the common areas of the building**
- e. Vehicle parking and delivery areas maintenance
- f. **Premium payable for public liability insurance**
- g. Premium payable for fire insurance
- h. **Management cost**
- i. Cost of maintenance of the common parts
- j. **Cost of maintenance mechanical equipment** e.g. water pumps, generators, ventilation equipment etc
- k. Cost of general repairs and maintenance
- l. Land rent and rates, and
- m. **Costs of landscaping**

- 7.4 The service charges for the demised premises shall be US Dollars **one (US\$ 1) per square meter per month, working out to** US Dollars four hundred and forty (US \$ 440) per month; US Dollars **five thousand, two hundred and eighty (US \$ 5,280) for the first year of the lease.**
- 7.5 **That during the entire period of this Agreement,** the Tenant shall be responsible for the payment of Value Added Tax (VAT) at the rate prescribed by law which at the date of this agreement is twenty percent (20%) on the agreed rent and service charge of United States Dollars three thousand three hundred (US \$ 3,300) is United States Dollars six hundred and sixty **(US\$ 660) per month;** US Dollars seven thousand nine hundred and twenty (US\$ 7.920) for the first year of the lease.
- 7.7 That the monthly rent, service charge and VAT is US Dollars three thousand nine hundred and sixty (US\$ 3.960) per month, working out to US Dollars forty seven thousand five hundred and twenty **(US\$ 47,520) for the first year of the lease.**
- 7.8 It is hereby agreed that the Value Added Tax on rent and service charges shall be payable simultaneously with the payment of rent and service charges.
- 7.9 The annual rent for the first year of the Lease shall be payable in advance on the date of signing this lease Agreement.
- 7.10 **If the rent or any sum due, as per the above installment schedules under this Agreement, shall not be paid on the due date, whether formally demanded or not, the Tenant shall pay the** Landlord interest on any such sums from the date when they **were due to the date which they are fully paid.** Such rate is to be equivalent to the current bank-lending rate of the Landlord's bankers.

8. TIMES AND ACCESS TO THE DEMISED PREMISES:

- 8.1 The Tenant shall access the demised premises effective the 9th of October 2003, the date of this Agreement.
- 8.2 The Tenant's permitted hours of access to the demised premises shall be twenty four (24) hours i.e. from 6:00 am to 6:00 am of every day.
- 8.3 The Tenant shall be allocated ten (10) parking lots within the precincts of Summit Centre Complex

9. PARTITIONS, FIXTURES AND FITTINGS:

- 9.1 The Tenant shall be responsible for partitioning, fixture and fittings to the demised premises as shall require for its business and use purpose subject however to obtaining the Landlord's written approval.
- 9.2 That prior to carrying out any partitioning and or making and fixtures and fittings or installing any equipment to the demised premises, the Tenant shall submit to the Landlord the proposed plans designs and layout intended to be carried out in the interior of the demised premises.

- 9.3 The proposed layout and plans shall specify the materials to be used and the costs thereof shall be borne by the Tenant.
- 9.4 The approval of the Landlord to the carrying out of the partitioning, making fixtures and fittings shall be given expeditiously and shall not be unreasonably withheld.

10. SIGNS, BOARDS AND NOTICES:

- 10.1 The Tenant shall be at liberty to place any signboard, notice or advertisement on the exterior parts of the demised premises or on any part of the building complex subject to obtaining a written consent from the Landlord.
- 10.2 That any sign, notice or advertisement to be placed must comply with the landlord's specifications or directions.
- 10.2 That any sign, notice or advertisement to be placed must comply with the Landlord's specifications or directions.

11. COMMUNICATION FACILITIES:

- 11.1 The Tenant shall be responsible for sourcing its own communications facilities and services such as telephone, Internet and fax from the appropriate providers and shall install the same at its own costs.

12. FURTHER, THE TENANT HEREBY COVENANTS WITH THE LANDLORD AND FOLLOWS:-

- 12.1 To pay the rent, service charges and VAT in the manner aforesaid;
- 12.2 To keep the interior parts of the demise premises in a good repair and habitable conditions;
- 12.3 To keep the plate glass windows (if any) insured against loss or damage;
- 12.4. Not to assign, sublet or part with the possessions of the said premise or any part thereof without first seeking and obtaining the written consent of the Landlord;
- 12.5 To occupy and use the demised premises for the prescribed business only. No change of user will be permitted during the period of the lease created herein.
- 12.6 The usage of the space will be in accordance with the design of the building and fulfillment of Arusha Municipal's statutory requirements.
- 12.7 To effect partitions, fixtures and fittings in accordance with the specifications of the building architect;
- 12.8 Not to make any structural alternations' in the said premises without first seeking and obtaining the Landlord's consent in writing.

- 12.9 Not to place any sign, notice or advertisement so as to be visible from the exterior of the premises without prior written consent from Landlord and contrary to the Landlord's specifications: and
- 12.10 To provide security for the demised premises

13. THE LANDLORD HEREBY COVENANTS WITH THE TENANT AS FOLLOWS:

- 13.1 To permit the Tenant, paying the reserved rent and observing the conditions, restrictions stipulations contained or implied herein, to peacefully enjoy the premises during the terms hereby created without any interruptions from or by the Landlord or any person rightfully claiming to act on its behalf or under it;
- 13.2 To keep the premises insured against loss or damage by fire:
- 13.3 To keep the exterior areas of the leased premises in tenable major repair including plumbing, maintaining mechanical equipment e.g water pumps, generators, ventilation equipment etc.
- 13.4 To provide the premises with electricity to be consumed in the common areas of the building including replacement of bulbs and similar items in the common area;
- 13.5 To ensure that the common areas of the building are cleaned and decorated periodically;
- 13.6 To maintain the parking lot and delivery areas; and
- 13.6 To pay land rates and taxes to the Government Authorities as well as costs of Landscaping.

14. BREACH OF COVENANTS

- 14.1 If the rent agreed of any part thereof shall at any time remain unpaid for fourteen (14) days after becoming payable (whether formally demanded or not) or if at any time thereafter the Tenant is in breach of any of the covenant or condition referred in this lease, the Landlord shall enter in the premises or any part thereof and there upon the lease shall be terminated absolutely.

15. COMMUNICATION AND NOTICES:

- 15.1 Any notice or request or other communication required or permitted to be given or made under this Agreement to any party must be writing. Such notice, request or other communication may be delivered by hand, airmail or facsimile to the party's address specified below, or at such other address as such party notifies to the other party from time to time.

a) **FOR THE LANDLORD**

Alwi S. Mohammed,
Director,
Summit Centre Limited
Sokoine Road
P.O. Box 7376

ARUSHA

Tel: +255-27-2509666
Mobile: 255- 744- 354555
Fax: +255- 27- 2548863.
E- mail: shatry@habari. Co.tz

b) **FOR THE TENANT:**

Mr Dhiran Kotak'
The Managing Director,
Hotels And Lodges (Tanzania) Limited,
P. O. Box 10808,
DAR ES SALAAM.

15. FORCE MAJEURE

- 15.1 Each of the parties hereto shall be excused from the performance of its obligations by force majeure events occurring, and such excuse shall continue so long as the condition constituting such force majeure continues plus thirty days after termination of such conditions. For the purposes of this Agreement, force majeure events are defined to include causes beyond the control of the landlord or tenant including without limitation to acts of God, regulations or law of any government, war, civil commotion, destruction of production facilities materials by fire, earthquake or storm, labour disturbances, epidemic and failure of public utilities.

16. WAIVER

16.1 The waiver by either party of any of its rights or remedies or of any breaches by either party under this Agreement in a particular instance shall not be considered as a waiver of the same or different rights, remedies or breaches in subsequent instances .

17. SEVERABILITY

17.1 In the event that any of the provisions of this Agreement or the application of any such provision to the parties hereto with respect to their obligations hereunder shall be held by a court or other tribunal of competent jurisdiction to be unenforceable, the remaining provisions hereof shall remain in full force and effect to the extent they are not inconsistent with the original provisions and the intentions of the parties expressed therein.

18. SUCESSION AND ASSIGNS:

18.1 Except as otherwise provided herein, the rights and obligations created hereunder shall inure to the benefit of and be binding upon the heirs successors and authorized assigns of the parties hereto.

18.2 Notwithstanding any provision hereof, neither the landlord nor the Tenant shall have a right to Assign or transfer any of its rights hereunder, except to a company succeeding to all or substantially all of the rights of either party and no such assignment or transfer shall have any validity unless prior thereto:-

- a) The other party consents in writing to such assignment, transfer or succession;
- b) All amounts outstanding and owing have been fully paid;
- c) The proposed transferee or assignee has agreed in writing to the other to be bound by all the provisions hereof.

19. DISPTUTES RESOLUTION:

19.1 The Landlord and the Tenant will make every effort to resolve amicably by informal negotiations any disagreement or dispute arising between them under or in connection with this Agreement.

19.2 If, after thirty (30) days from the commencement of such informal negotiations, the Landlord and the Tenant have been unable to resolve amicably any dispute, either party may require that the dispute be referred to arbitration for resolution.

20. ARBITRATION:

- 20.1 Any disputes and controversies, arising out of or otherwise **relating to this Agreement, shall be finally and exclusively settled** by a panel of 3 (three) arbitrators.
- 20.2 The moving party shall serve upon the other party the complaint and simultaneously appoint the complaint and simultaneously appoint 1 (one) arbitrator. The other party shall there upon a second arbitrator, by notice duly given to the first party within thirty (30) days of the date of receipt by it of the notice of the moving party. The two arbitrators so appointed shall agree upon the appointment of the arbitrator, who shall also act as a chairman of the panel, within twenty one (21) days subsequent to the date of the appointment of the second of them. In the event of the other party fails to appoint the second arbitrator within the prescribed time, and/or in the event the two arbitrators as above appointed fail to agree upon the appointment of the chairman of the panel within the prescribed time, then the missing arbitrator or chairman of the panel shall be appointed in accordance with the **Arbitration Ordinance (cap No. 15)**
- 20.3 All arbitrators shall be proficient and competent with the English language.
- 20.4 Any award rendered by the arbitrators shall be final and binding upon both parties hereto, shall be abided by in good faith, and may be entered before any court of law having Jurisdiction therefore.

21. ENTERE AGREEMENT:

- 21.1 This Agreement constitutes the entire Agreement between the parties pertaining to the parties Pertaining to the subject matter hereof. Any and all written or oral agreements heretofore existing between the parties pertaining to the subject matter hereof are expressly cancelled. Any modification of this Agreement shall be in writing and signed by authorized representatives of both parties.

22. GOVERNING LAW:

- 22.1 This Agreement shall be governed by and construed in accordance with the laws of the United Republic of Tanzania.

23. COSTS:

- 23.1 Both parties shall bear their own costs and expenses (including legal fees, out of pocket expenses, stamp duty and any value added tax or other similar or equivalent tax on such costs and expenses) which have been incurred in connection with:
- a) The preparation execution and delivery of this Agreement.
 - b) Any actual or proposed amendment, variation, supplement, waiver or consent under or in connection with this Agreement.
 - c) Any discharge or release of this Agreement; and
 - d) The preservation of exercise (or attempted preservation or exercise), and the enforcement (or attempted enforcement of any rights under, or in connection with the Agreement
 - e) Any stamping attestation and or registration of this Agreement.

IN WITNES WHEREOF the parties hereto have duly executed this Agreement as per the terms and in the manner as herein prescribed.

SIGNED, SEALED with a COMMON SEAL of SUMMIT CENTRE LIMITED at Arusha and in our presence this 15th day of October 2010.

Name: ALWI SHARIFE MOHAMED
Address: P.O. BOX 7376 ARUSHA
Signature: Asharife
Designation: Director

Witnessed By
Home: DR FRANCIS JOSEPH ODI
Address: P.O. BOX 7376 ARUSHA
Signature: Francis
Designation: PROJECT MANAGER

SIGNED, SEALED WITH THE COMMON SEAL OF HOTELS AND LODGES TANZANIA LIMITED at Arusha and in our presence this 15th day of October 2010

Name: DHIRAN KOTAK
Address: P.O. BOX 10808 DAR ES SALAAM
Signature: [Signature]
Designation: MANAGING DIRECTOR

Witnessed By

Name: MR HARUN KADRI
Address: P.O. BOX 10808 DAR ES SALAAM
Signature: [Signature]
Designation: Operations Manager





TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

**(Tanzania Investment Act 1997, Section 17 and 18,
and the Investment Regulations:
Regulation 42, Government Notice No. 318A of 2002)**

Tanzania Investment Centre
9A & B Shaaban Robert Street
P. O. Box 938
DAR ES SALAAM
Tel. 022 2116328
Fax. 022 2118253
e-mail: information@tic.co.tz
Website: www.tic.co.tz

(Please fill the form in duplicate)

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT

(No. 26 of 1997)

APPLICATION FOR REGISTRATION

(Made under Regulation 42)

To: The Executive Director
Tanzania Investment Centre
P. O. Box 938
DAR ES SALAAM
Tanzania

1. I/We DHIRAN GOPALJI KOTAK AND YOGESH GOPALGI KOTAK
(director/directors/agent of HOTEL AND LODGES (T) LTD
(name of business enterprise) apply for registration of TANZANIA INVESTMENT CERTIFICATE
OF TOURS OPERATOR
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.
2. The registered office of the company will be situated at ARUSHA

Copies of the following documents are attached to this application:

- (i) The Memorandum and Articles of Association/or partnership agreement
- (ii) Certificate of Incorporation/Registration
- (iii) A copy of the Project Profile or Feasibility Study showing the implementation period, programme of implementation and operative date
- (iv) Evidence of financing and evidence of land ownership for the project
3. The Head Office of the Company will be situated at SUMMIT CENTRE ARUSHA
4. The Principal Officers of the Company are DHIRAN G KOTAK AND
YOGESH G KOTAK
5. Auditors of the Company are J.L. ASSOCIATES
6. The authorized share capital of the Company is Tshs./US\$ 10,000,000/-
DIVIDED INTO 100,000 US SHARES OF TSH
10,000/- EACH

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 10 m.

8. The month and day of the financial year end is

Note: *failure to provide all the required information will result in the return of the application by the Centre.*

I/We enclose a cheque/cash made payable to the Tanzania Investment Centre for Tshs./US\$ USD 100.00 Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, SHIRAN GOPALJI of Post Office Number 10808 ARUSHA

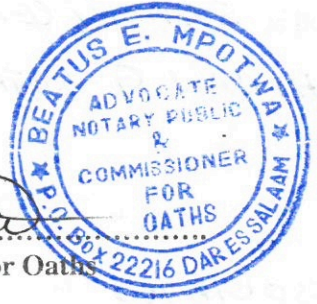
..... do solemnly and sincerely declare that I am a director/duly authorized agent of HOTEL AND LODGES (T) LTD

AND that all the requirements of the Tanzania Investment Act, 1997 in respect of matters precedent to the registration of the business enterprise under the Act and incidental thereto have been complied with, AND I make this solemn declaration conscientiously believing the same to be true.

Declared at Dar es Salaam }
..... }
The 14 day of DECEMBER 2010 }

[Signature] Applicant
HOTELS AND LODGES TANZANIA LIMITED

Before me:
LONGER

[Signature]
Commissioner for Oaths


APPLICATION SUMMARY

Company Name: HOTEL AND LODGES (T) LTD

Certificate of Incorporation Number: 46021

Status: PRIVATE LTD

Certificate of Incorporation Date: 19/05/2003

COMPANY

Post Box: 10808

Town: ARUSHA

Sector: TOURISM

Sub-Sector: TOUR OPERATOR

Investment Financing Plan in Million US\$/Tshs

Foreign Equity

Local Equity

Foreign Loan

Local Loan

10 m

Project Objectives: TO RUN TOUR OPERATION

ESTABLISHING AND OPERATING A PROJECT FOR

TOUR OPERATION

Capacity:

Employment: Foreign: 8 Local: 20 Total: 28

Implementation Period: 3 YEARS

Project Location

Site/Plot/Block No.: NORTHERN CIRCUIT MANKARA, NGORONGORO, ROBO AND SERENGETI

Street: SUMMIT CENTRE District: ARUSHA Region: ARUSHA

(Attach sketch map showing project location)

Shareholders

Nationality

%

HIRAN GOPALI KOTAK TANZANIAN 50%

FOGESH GOPALI KOTAK TANZANIAN 50%

Investment Breakdown **US\$/Tshs.M**

Land/Building 5.0 m
Plant 1.3 m
Vehicles 0.5 m
Furniture & Fittings 2.0 m
Pre-expenses 0.2 m
Others
Working Capital 1.0 M
TOTAL 10.0 M

Contact Details:

Name: DHIRAN G KOTAK Title: M/DIRECTOR
Telephone: +255 222 450017 Fax: +255 222 450302
Email: ydk@raha.com

Payments to be made payable to:

TANZANIA INVESTMENT CENTRE
STANDARD CHARTERED BANK TANZANIA LTD.
SWIFT ADDRESS: **SCBLTZTX**
ACCOUNT NO.: **8702006002000**

BOARD RESOLUTION

Special Meeting of the Directors Held on 20TH December 2010 at the Company's Head office,
Dar es Salaam

Attendance: 1. Dhiran Gopalji Kotak - Director (Chairman)
2. Yogesh Gopalji Kotak - Director (Secretary)

Agenda: 1. Opening of the meeting
2. Applying for Certificate of Incentives at the TIC
3. Closing of the meeting

Min.1.0 The meeting was opened by the Chairman at 3.00pm by introducing the agenda.

Min.2.0 Application for Certificate of Incentives from TIC:

The Directors discussed on the establishment of a Tour Operation project to be established in Northern Circuit- Summit Centre, Arusha, Tanzania in the name of HOTEL AND LODGES (T) LIMITED. The project requires considerable resources for its project set up and operation. Board members agreed that every measure must be taken to maximize cost efficiency of the project investment.

Resolution:

A resolution was passed to the effect that the company must apply for a Certificate of Incentives from the Tanzania Investment Centre, to enable it enjoy the investment incentives prescribed by Tanzania Investment Act of 1997. The Chairman and Director resolved to pursue the application process of the TIC Certificate of Incentives as soon as possible.

Min.3.0 **Closing of the Meeting:**
The meeting was closed at 4.15 p.m. by the Chairman.

D.Kotak

CHAIRMAN (DIRECTOR)

Y.Kotak

SECRETARY

Date: 20 /12/2010

(FS)

REPORT ON
PROJECT IMPLEMENTATION
VERIFICATION VISIT CONDUCTED
By TIC/TRA COMMITTEE ON
28th -30th
MARCH 2011

HOTEL & LODGES (T) LIMITED

Lake Manyara Hotel (Lake Manyara), Ngorongoro Wildlife Lodge (Ngorongoro Conservation Area), Seronera Wildlife Lodge (Serengeti National Park), Lobo Wildlife Lodge (Serengeti National Park) and Selous Game reserves (Selous National Park).

Prepared By

TIC/TRA Joint Committee Team-May 2011

TABLE OF CONTENTS

1.0 PRESENT	3
2.0 BACKGROUND	3
3.0 PURPOSE OF PROJECT VERIFICATION VISIT	5
3.1 Hotel & Lodges (T) Ltd Project Verification Visit Schedule.....	5
3.2 Technical Team Members and Hotel & Lodges (T) Ltd Representatives.....	6
4.0 PROJECT VISIT FINDINGS	6
4.1 Lake Manyara Wildlife Lodge.....	6
4.2 Ngorongoro Wildlife Lodge	12
4.3 Seronera Wildlife Lodge.....	18
4.4 Lobo Wildlife Lodge.....	25
4.5 Selous Game Reserve Lodge.....	31
5.0 ESTABLISHMENT OF TOUR OPERATION PROJECT.....	31
6.0 CONCLUSSION.....	31
7.0 RECOMENDATION	32
8.0 PARTICIPANTS'S SIGNATURES.....	32
Appendix I-LAKE MANYARA LODGE-EXPANSION AND REHABILITATION.....	7
Appendix IA- LAKE MANYARA WILDLIFE LODGE PHOTOS.....	11
Appendix II- NGORONGORO WILDLIFE LODGE- REHABILITATION COMPLETED...13	13
Appendix IIA- NGORONGORO WILDLIFE LODGE PHOTOS.....	17
Appendix III- SERONERA WILDLIFE LODGE- REHABILITATION COMPLETED.....	18
Appendix IIIA- SERONERA WILDLIFE LODGE PHOTOS.....	24
Appendix IV- SERONERA WILDLIFE LODGE- REHABILITATION COMPLETED.....	26
Appendix IVA- SERONERA WILDLIFE LODGE PHOTOS.....	30

1.0 PRESENT:

1. Mr. Revocatus Arbogast - Investment Facilitation Manager/TIC
2. Mr. Kyabukoba Mutabingwa-Exemption Manager/TRA
3. Mr. Respig Pancras -TRA Customs Officer
4. Mr. Sospeter Ndelema (Zonal Office/TIC)
5. Mr. Adam Ling'wentu - TRA Officer/TIC
6. Mr. Veera Babu-Group Chief Controller/Hotel & Lodges (T) Ltd
7. Mr. Musa Mabiki- Hotel & Lodges (T) Ltd

2.0 BACKGROUND

Hotel & Lodges (T) Ltd is a company registered in Tanzania, whole owned by Tanzania Nationals Mr. Dhiren Kotak and Mr. Yogesh Kotak operating a project to operate five high class tourist lodges in the Northern and Southern tourist circuit of Tanzania.

The five tourist lodges and their locations are Lake Manyara Hotel (Lake Manyara), Ngorongoro Wildlife Lodge (Ngorongoro Conservation Area), Seronera Wildlife lodge (Serengeti National Park), Lobo Wildlife Lodge (Serengeti National Park) and Selous Game reserves (Selous National Park).

The company has been operating the four properties in the Northern Circuit since December 2003. According to the company representative, a Selous property is still under renovation and has not yet become operational.

These five properties were acquired from Government of Tanzania under privatization program in 2003. Prior privatization program the properties were owned and operated by Tanzania Hotels Investments Ltd (TAHI)

Hotel & Lodges (T) Ltd also processed a Certificate of Incentives with Tanzania Investment Centre (TIC) and was issued with its certificate of incentives No. 030343 on 28th November, 2003. The certificate issued facilitated the project to access benefits provided under Tanzania Investment Act, 1997 including obtaining foreign skills and investment protections. During the

period of this certificate, Hotel & Lodges (T) Ltd operated the acquired lodges without undertaking major renovations until 2006. In 2007 the management of Hotel & Lodges (T) Ltd decided that the five properties undergo comprehensive refurbishment and upgrading to achieve international standards of service with a view to achieve competitive positioning the market given the strategic location where the lodges are positioned. The areas where would require major renovation and upgrading would include bedrooms, corridors, roofing, public areas, and external areas as well as back of the house including kitchen, storage, technical plants and staff facilities. Specifically, the renovation and upgrading also targeted to supply new items for;

- a) Bedroom furniture and furnishing
- b) Reception
- c) Lounge/ Lounge Bar
- d) Restaurants
- e) Public toilets
- f) Shops
- g) Functional and meeting rooms
- h) Kitchen areas and storage facilities
- i) Laundry
- j) Power generation
- k) Swimming pool and external areas
- l) Staff facilities (Toilets, Changing rooms and staff accommodation)
- m) Conference facility at Hotel Lake Manyara for 300 persons
- n) Expansion of guest rooms in Lake Manyara, Ngorongoro and Seronera by 50, 35 and 50 rooms respectively
- o) Construction of boundary wall at Lake Manyara Lodge

Initial actual investment comprising of acquisition and set up in five hotels was USD 14.0 Million while refurbishment, modernization and expansion costs targeted at USD 22.0 Million.

In order to facilitate implementation of this project (Refurbishment, Modernization and Expansion), Hotel & Lodges (T) Ltd registered rehabilitation and expansion project with Tanzania Investment Centre (TIC) with the purpose of rehabilitating and expanding all five lodges and was granted with TIC certificate of incentives No. 030343-01 on 8th February, 2008. The certificate of incentives granted covered an implementation period of three years valid up to February, 2011.

3.0 PURPOSE OF PROJECT VERIFICATION VISIT

The project verification visit was carried out in reference to Hotel & Lodges (T) Ltd letter to TIC dated 30th August 2010 which the investor requested the Government through TIC to grant project implementation period extension on the TIC certificate of incentive that had completed implementation period in February 2011 for the purpose of rehabilitating and expanding the tourist lodges in **Lake Manyara, Ngorongoro, Seronera, Lobo Game and Selous Lodge.**

In addition to the project implementation extension application, Hotel & Lodges (T) Ltd also applied for new certificate of incentive for another project aimed at provision of tour operation services.

Prior granting extension of the implementation period and the new certificate for tour operation project, TIC and TRA decided that this project be visited by **TIC/TRA technical team** to assess the status attained by this project whereby four technical members of the TIC/TRA joint committee were tasked to undertake the assessment

3.1 Hotel & Lodges (T) Ltd Project Verification Visit Schedule

Date	Activity	Transport Mode
27/03/2011	Travel Dar Arusha	Flight
28/03/2011	Travel Arusha Lake Manyara	Road
28/03/2011	Visit Lake Manyara Lodge	Road
29/03/2011	Visit NgoroNgoro and Seronera lodges	Road
30/03/2011	Travel Ngorongoro-Serengeti and Visit lobo Lodge	Road
31/03/2011	Travel Serengeti Arusha	Road
1/4/2011	Travel Arusha Dar	Flight

3.2 List of Technical Team Members and Hotel & Lodges (T) Ltd Representatives

1. Mr. Revocatus Arbogast - Investment Facilitation Manager/TIC
2. Mr. Kyabukoba Mutabingwa-Exemption Manager/TRA
3. Mr. Respig Pancras -TRA Customs Officer
4. Mr. Sospeter Ndelema (Zonal Office-TIC MOSHI)
5. Mr. Adam Ling'wentu - TRA Officer/TIC
6. Mr. Veera Babu-Group Chief Controller/Hotel & Lodges (T) Ltd
7. Mr. Musa Mabiki- Hotel & Lodges (T) Ltd

4.0 PROJECT VISIT FINDINGS

4.1 Lake Manyara Wildlife Lodge

The team found that most of the areas of the lodge have been renovated and items replaced to new ones as indicated in the attached list of completed renovation activities and expansion activities

The team also found that Hotel & Lodges was undertaking major expansion program to add new 50 guest rooms and six presidential suites and that this expansion program has been achieved by 50%. In addition to the old structures, the project has also constructed new structures to accommodate additional customers targeted in the expansion program. These structures include, New Swimming Pool Bar, new restaurant, New lake Manyara park View Point, a Boundary Wall. Entire roof in the hotel is changed to Wooden Shingles roof; New Inter-locking block road is laid from Main Gate to the reception and surrounding areas. More detailed information on renovation and expansion indicated on Appendix I

The project photos for the refurbishment and expansion project have also been attached as Appendix IA

APPENDIX I

LAKE MANYARA WILDLIFE LODGE-EXPANSION AND REHABILITATION COMPLETED

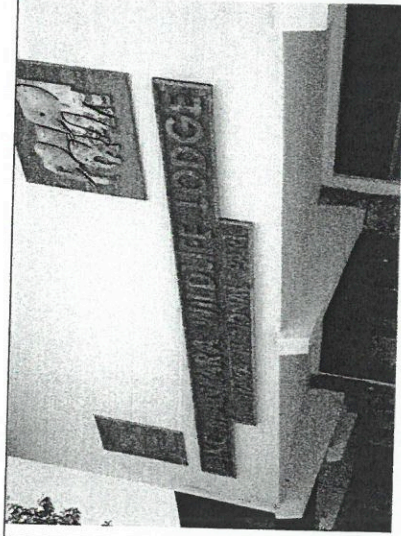
GUEST RECEIVING AREA - COMPLETED	LOUNGE - COMPLETED	ADDITIONAL STRUCTURES CONSTRUCTED - COMPLETED
Floor is tiled with Galana Stones	All Lounge walls are cladded with imported stone tiles	New Swimming Pool Bar is Constructed with following features:
New Wooden Ceiling added to Car Poarch	All Pillars and beams in the lounge are cladded with Terracota scratch tiles	Wooden Deck
New Antique Wooden / Coloured glass Door is fixed	New imported leather Sofas of various shapes and sizes are added	Imported Wooden Bar Stools
New Lights fixed in wooden ceiling	New Imported wooden / leather Coffee Tables of various shapes and sizes are added with glass tops	Imported Wooden Chairs and Coffe Tables
Porch is extended to the front with new pillars support	New Imported Side Tables are added with new antique table Lamps	Bar Counter with Ceiling lights, Liquor dispencers and Glass shelves
Terrace of car poarch is filled and tiled with terracota tiles	New Imported Wooden / Glass Antique cup boards are added as library	Stainless Steel Hand Rail and Foot Rail
New Stainless Steel Flag Posts erected	New Imported Piano is installed	Bar Work top fixed with granite
New Antique Copper Pots placed at the Reception Entrance Door	New Wooden / Glass Doors are added towards Garden	Imported Cappuccino Machine is Installed
New Wooden / Bevelled Glass Reception Entrance Door is added	New Imported Brass Antique Buddha Statue is added	Imported Juice Blending Dispencers are installed
New lights are fixed in the ceiling outside reception entrance door	New Imported Brass / Glass Antique big size lanterns are added	Imported Liquid Chocolate Dispencer is installed
New Brass Lodge sign board is fixed at the entrance	New Imported lights are fixed in the ceiling	Imported Stainless Steel Work Tables
New Brass Signage Board fixed at the reception entrance	New Wooden Imported Antique Design Ceiling Pieces are hanged to ceiling	Imported Bottle Coolers and Refrigerators are installed
	New Imported Carpets / Rugs are added	Various Imported Bar tools and equipment
RECEPTION AREA - COMPLETED		T.Vs with DSTV Connection fixed with wooden cabinets
Floor is tiled with Galana Stones	MAIN BAR AREA - COMPLETED	
Reception Wall is cladded with imported stone tiles	New Imported lights are fixed in the ceiling	New Restaurant is Constructed with following features:
Reception Counter is cladded Galana / Terra Cota Tiles	New imported leather Sofas of various shapes and sizes are added	All Coloumns are cladded with Terra Cota Scratch Tiles
Brass Hand rail is fixed to the reception counter	New Imported wooden / leather Coffee Tables of various shapes and sizes are added	Wooden Shingles roofing
Wooden / Copper Pillars are fixed to support the reception ceiling	New Big Flat screen TV is installed with DSTV Connection	Imported Wooden Dining Tables and Chairs
Lights are fixed in the reception ceiling	All Walls are cladded with Imported Terracota tiles	Imported Buffet Counters
Reception working top is fixed with granite	Old Wildlife Photographs are reframed and fixed on the walls	New Imported Glass Hanging lights fixed around the restaurant
Enough shelves and cup boards are added to reception counter	New Bar Counter is added with Ceiling lights, Liquor dispencers and Glass shelves	New Imported Wooden Shandelier with Glass Hanging Lights
New Antique Chairs and coffee tables are added	New Brass Hand Rail and Foot Rail are added	Glass Windows from Roof to Floor Level
New Wooden Antique Horse is added	New Imported Wooden / Leather Bar Stools are added	Mininga Wooden Floor
New Leather Antique Travel Boxes added	Bar Work top is fixed with granite	Wooden Coloumns like in old restaurant
New Brass / Wooden Forex Rate Board is added	New Imported Cappuccino Machine is Installed	Wooden Stair Case to reach from Bar to New Restaurant
New lights are fixed in the ceiling	New Imported Juice Blending Dispencers	

	are installed	
New Wooden / Glass Doors are added towards Garden	New Imported Stainless Steel Work Tables are added	New View Point is Constructed with following features:
All the walls are cladded with imported stone tiles	New Imported Bottle Coolers and Refrigerators are installed	Wooden Pargola
New Computers / printers are instaled in the reception	New Wooden / Clay wine racks are installed in the wall	Imported Wrought Iron / Glass Tables and Chairs are added in the Garden
	Various New Imported Bar tools and equipment are added	Surrounding is Covered with Wooden Balustrade
BACK OFFICE - COMPLETED	New Imported Antique Leather Serving Trays are added	Wrought Iron Garden Lights are fixed on the Wooden Pillars
All offices are fixed with New Mininga Doors	New Importe Antique wooden serving cupboards are added with coffee kettles	
All offices are furnished with new Mininga wooden furniture		New Security Hut is constructed at the Main Gate with following features:
All office floor is tiles with Galana stones	RESTAURANT - COMPLETED	Walls are cladded with Terra Cota Scratch Tiles
All office walls are Cladded with Wooden frames fixed with Mkeka	New Mininga Dining Tables with Granite tops are added	Wooden Shingles Roof
All offices are installed with new computers / printers	New Mininga Dining Chairs with Leather Cushions are added	Wooden / Glass Windows
Office Corridor walls are cladded with Mininga timber	New Imported Hot / Cold Buffet Counters are added	Wooden Mininga Door
Office corridors are installed with Brass / Glass Hanging imported lights	New Imported Antique Table for Wine Display is added	Glana Stone Flooring
All Offices are equipped with Mininga wooden cupboards and file racks	New Imported Antique Candle Display Screens are added	
All Office are installed with new wooden tube light domes	New Imported Brass / Glass Hanging lights are fixed	New Arch is made at the Main Gate with following features:
	New Imported Wooden Shandelier with Brass / Glass Hanging Lights is installed	Wooden Shingles Roofing
BOUTIQUE - COMPLETED	Various New Imported Restaurant tools and equipment are added	Coloumns are cladded with Terra Cota Scratch tiles
Boutique floor is tiled with Galana stones	New Imported Glass Table Nos are added	New Brass Hotel Sign is fixed on the Main Gate Arch
Boutique is equipped with New wooden / glass cupboards and display units	New Wooden Swing doors are added towards kitchen	
lights are installed in Boutique ceiling		
	GUEST ROOMS - COMPLETED	New Boundary Wall is Constructed around the property
KITCHEN - COMPLETED	Guest Room Corridors walls are cladded with Mininga timber	Terra Cota Scratch Tiles cladded on both sides of the wall
Floor is tiled with Imported tiles	Guest Room Corridor floor is tiled with Mininga wood & Terracota Tiles	Coloums are fitted with Lights
Walls are tiled with imported tiles upto ceiling	New Imported Lights are installed on Guest Room Corridors	
Existing kitchen equipment is cleaned and refurbished	New Mininga DT Dobie Windows are fixed outside toilets	
New Imported Kitchen Equipment is added	Main Doors are replaced with Mininga Doors fitted with imported locks	OTHER AREAS - COMPLETED
New Imported Stainless Steel work tables are added	Bathroom Doors are replaced with Mininga Doors fitted with imported locks	Entire roof in the hotel is changed to Wooden Shingles roof
Various New Imported Kitchen Tools & Equipment are added	Sliding Cupboard Doors are replaced with Mininga Doors	New Inter-locking block road is layed from Main Gate to the reception and surrounding areas
Various New Imported Stainless Steel Kitchen Samlls are added	New Imported Wooden Beds are installed with head boards	Many New Gates are erected with New Columns from Main Gate to Reception
		All Columns are cladded with Terra Coata Scratch tiles

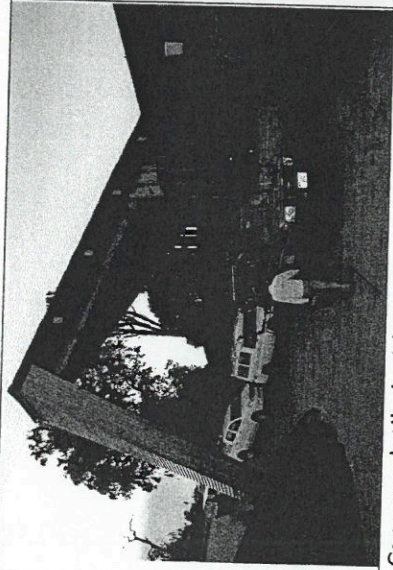
All Electrical installations, water and Gas connections are refurbished	New Imported Dressing Wooden / Leather Tables are installed with provision for Mini Bar	All New Gate Coloums are fixed with Lights
All old windows are replaced with Aluminium windows	New Imported Mini Bar refrigerators are installed	Fire Place surrounding area is tiled with Galana stones
Old Doors are replaced with new Mininga doors wherever necessary	New Imported Dressing Table Stool is added	Fire Place is cladded with Terracota Scratch tiles
	New Imported Wooden Luggage Rack is added	Imported Wrought Iron / Glass Tables and Chairs are added in the Garden
LAUNDRY - COMPLETED	New Imported Wooden / Leather Chairs with Coffee table is added in the balcony	Staff Canteen floor is tiled with Imported Tiles
Floor is tiled with Imported tiles	New Wooden Mosquito net Canopy is installed with Mosquito nets	Staff Canteen walls are tiled with Imported tiles
Walls are tiled with imported tiles upto ceiling	New Wooden Bedside Tables are added	All Drainage Concrete covers are replaced with new covers
Existing Laundry equipment is cleaned and refurbished	New Imported Brass / Glass Hanging lights are fixed on the bedside	Brass Signage is fixed in the entire hotel
New Imported Laundry Equipment is added	New Imported Spring Mattresses are added with fibre pillows	New Soak away pit is constructed for environmental safety
New Imported Laundry Wet / Dry Trolleys are added	New Imported Bed Linen, bed covers and duvets are added	
New Imported Stainless Steel work tables are added		
	New Imported Leather Dust Bins are added	SWIMMING POOL - COMPLETED
New Extra Shelves are added for linen storage	New Bathrobes are added in the cupboards	Swimming Pool floor is tiled with Galana stones
All old windows are replaced with Aluminium windows	New Wooden Coat Hangers are added in the cupboards	Swimming Pool walls are cladded with Galana stones
Old Doors are replaced with new Mininga doors wherever necessary	New Electronic Mini Safes are added in the cupboards	Swimming Pool surrounding area (deck) is tiles with galana stones
	New Imported Kettles are added for making coffee / Tea	New Stainless Steel Hand rail and ladders are fixed
STORAGE AREAS - COMPLETED	GUEST PUBLIC TOILETS - COMPLETED	New Swimming Pool Lights are fixed
All Cold room floors and walls are cladded with Stainless Steel sheets	Floor is tiled with Galana Stones	Swimming Pool Pump house is fixed with new pumps and refurbished
All Deep Freezer floors and walls are cladded with Stainless Steel Sheets	Walls are cladded with Galana Stones	New Wooden Bridge is added across the swimming pool
All Deep Freezers and Cold rooms are fitted with new compressors	Main Door & Internal Doors are replaced with Mininga Doors	
		New Brass Signage is added
All Deep Freezers and cold rooms are fitted with stainless steel racks and meat hooks	New Mininga wooden Ceiling is added	New Imported Wooden Swimming Pools Beds are added with side tables and mattresses
All Deep Freezers and cold rooms are fitted with temperature meters	New lights are fixed in the wooden ceiling	New Structure is constructed with Showers near Swimming Pool
All Dry Goods stores and fitted with new racks	New Wash Basins, WC are fixed	
All Beverage Stores are fitted with new racks	New Vanity Mirrors are fixed	SOCIAL WELFARE ACTIVITIES & THEIR STATUS
All old windows are replaced with Aluminium windows	New Stainless Steel Taps, towel rails, soap dispensers, toilet roll holders, toilet brush, dust bin are added	School Building with Laboratory facilities to nearby village - 80% completed
All Old Doors are replaced with new Mininga doors with Imported Locks		Water Pipelines from Hotel to nearby village for villagers and their cattle - Completed
All Areas between Stores and kitchen are tiled with imported tiles	New Imported Electric Hand dryers are fixed	
	STAFF TOILETS - COMPLETED	EXPANSION PLANS & THEIR STATUS
POWER HOUSE - COMPLETED	Floor is tiled with Galana Stones	Internet Café / Gymnasium - 50% completed

Floor is tiled with Imported tiles	Walls are clad with Galana Stones	New Yoga Centre & Bridge from Internet Café to Yoga Centre - To start soon
Walls are tiled with imported tiles upto ceiling	Main Door & Internal Doors are replaced with Mininga Doors	New 50 deluxe rooms block - 50% Completed
All old windows are replaced with Aluminium windows	New lights are fixed	4 Presidential suits - 50% Completed
Old Doors are replaced with new Mininga doors wherever necessary	New Wash Basins, WC are fixed	New Swimming Pool near New 50 rooms Block - To start after completion of 50 rooms block
All Old Boilers are descaled and refurbished	New Vanity Mirrors are fixed	New Deck around swimming pool, kitchen, bar near New 50 room Block - to start with Swimming Pool
All Old Generators are serviced	New Stainless Steel Taps, towel rails and showers are fixed	Conference Hall to accommodate around 300 people - To start after completion of 50 rooms block
Generators are added		New Block of Junior staff quarters - To start after completion of 50 rooms block
All Hot / Cold water lines are refurbished and insulated	OPERATING EQUIPMENT - COMPLETED	
Existing LPG Gas Tankers are painted and refurbished	New Imported Linen is added	
All LPG Gas lines are refurbished	New Imported Cutlery / Crockery / Glassware is added	

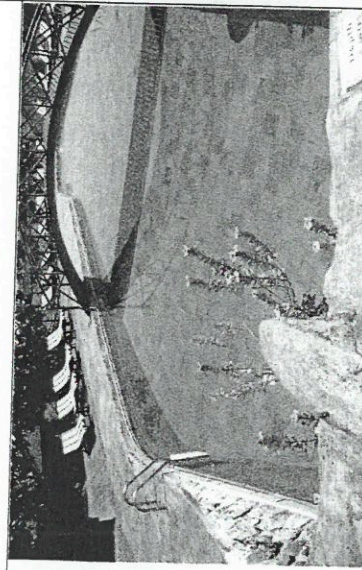
APPENDIX - LAKE MANYARA WILDLIFE LODGE PHOTOS



New Brass sign at the entrance



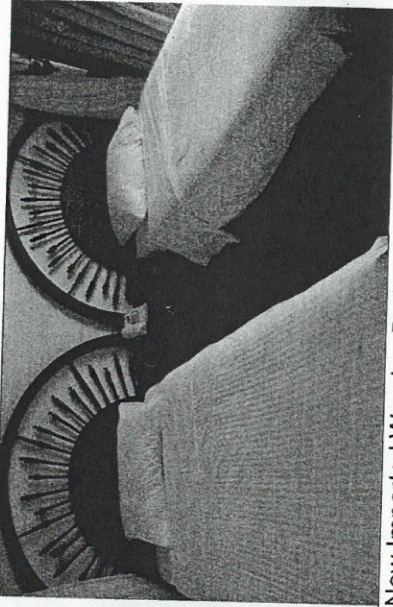
Car porch tiled with terracota tiles



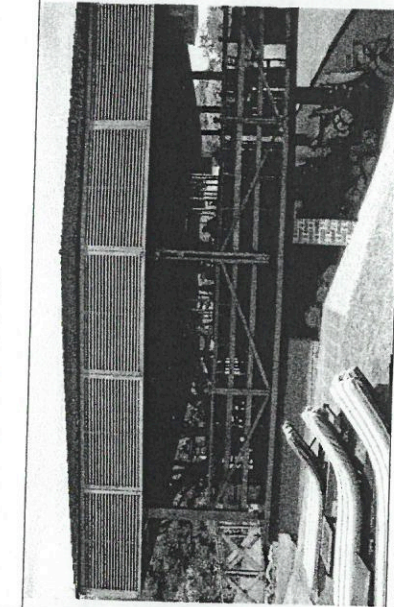
Swimming Pool floor and walls -Galana stones



50 rooms expansion program



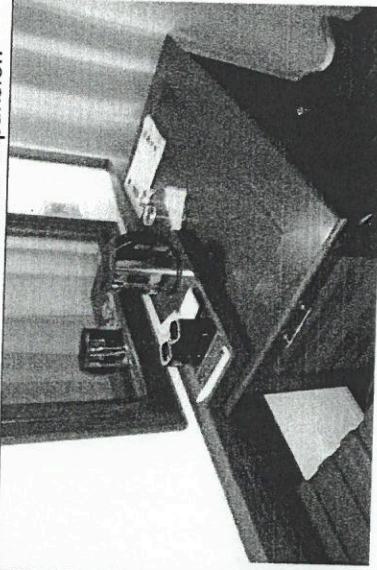
New Imported Wooden Beds



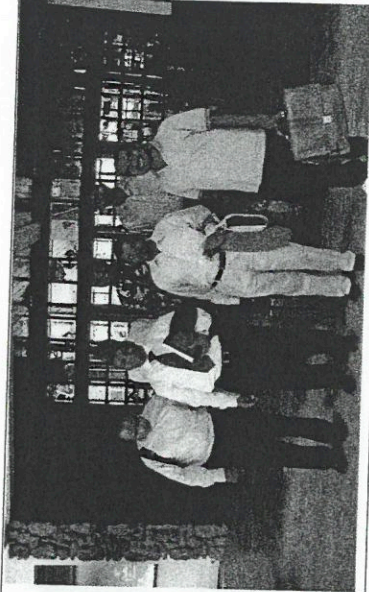
Newly constructed Bar



50 Rooms and presidential suites expansion



New Imported Dressing Wooden / Leather Tables



Guest receiving Area-New Floor Galana Stones

4.2 NGORONGORO WILDLIFE LODGE

The team found that most of the areas of the hotel have been renovated and various items including households such as furniture, linen, generators, and washing machines, kitchen equipments were replaced with new ones. Hotel & Lodges has also build new additional structures at the hotel site such as New Security Hut at the Main Gate.

Expansion plans in pipeline are renovation of driver quarters and construction of additional 24 deluxe guest rooms subject to approval issuance by Ngorongoro conservation area

Detailed of completed renovation activities are indicated in the attached list of completed renovation activities activities-Appendix II

The project photos showing area that have been refurbished on the project have also been attached as Appendix IIA

APPENDIX II

NGORONGORO WILDLIFE LODGE- REHABILITATION COMPLETED




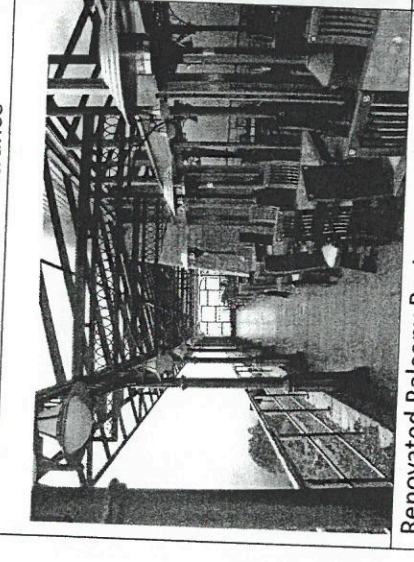
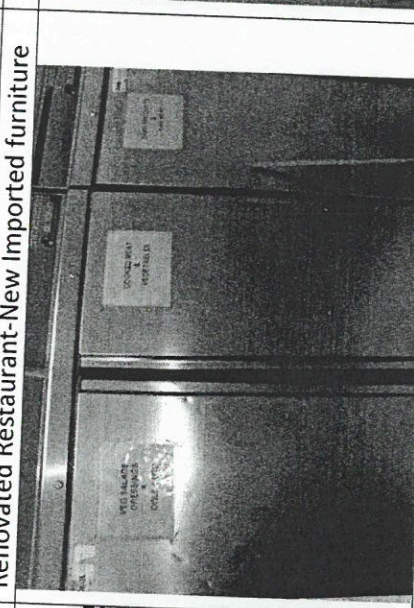
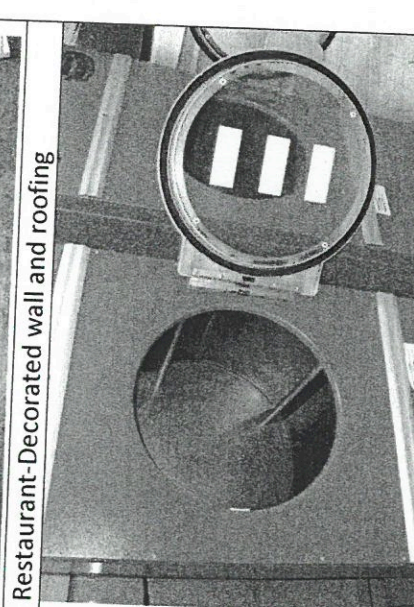

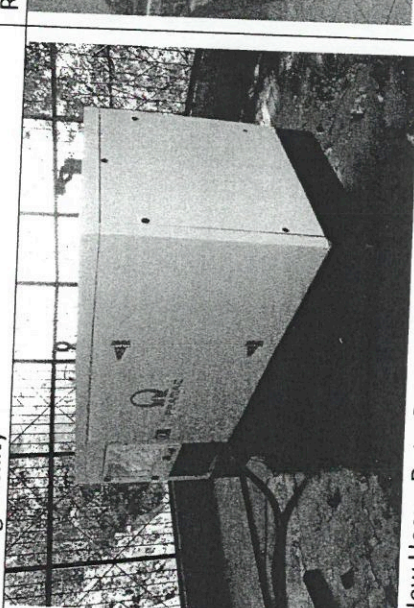
GUEST RECEIVING AREA - COMPLETED	RESTAURANT - COMPLETED	STORAGE AREAS - COMPLETED
Floor is tiled with Galana Stones	Restaurant Main Wall is designed with decorative paint and mirror pieces	All Cold room floors and walls are clad with Stainless Steel sheets
New Wooden / glass structure is constructed outside reception entrance	New Imported Wooden Dining Tables are added	All Deep Freezer floors and walls are clad with Stainless Steel Sheets
New Wooden Huge Benches with Cushions are added in receiving area	New Wooden Dining Chairs with Leather Cushions are added	All Deep Freezers and Cold rooms are fitted with new compressors
New Imported Glass Shandelier added in receiving area	New Imported Hot / Cold Buffet Counters are added	All Deep Freezers and cold rooms are fitted with stainless steel racks and meat hooks
New Wooden / Bevelled Glass Reception Entrance Door is added	New Imported Antique Candle Lanterns are added	All Deep Freezers and cold rooms are fitted with temperature meters
New Antique Light Poles added outside reception entrance door	New Imported hanging glass lights are fixed in the ceiling	All Dry Goods stores and fitted with new racks
New Brass Signage Board fixed at the reception entrance	New Imported Glass Chains are added to the ceiling	All Beverage Stores are fitted with new racks
New Imported Rugs are added	Various New Imported Restaurant tools and equipment are added	All old windows are replaced with Aluminium windows
	New Imported Glass Table Nos are added	All Old Doors are replaced with new Mininga doors with Imported Locks
RECEPTION AREA - COMPLETED	New Wooden Swing doors are added towards kitchen	All Areas between Stores and kitchen are tiled with imported tiles
Reception Wall is designed with decorative paint and mirror pieces	New Steel Pillars are added to take the extra weight of the roof	
Guest Room Entrance Wall is designed with decorative paint and mirror pieces	New Steel Pillars are clad with wood	POWER HOUSE - COMPLETED
Brass Hand rail is fixed to the reception counter		Walls are tiled with imported tiles upto ceiling
Wooden Canopy is fixed above the reception counter		All old windows are replaced with Aluminium windows
Lights are fixed in the wooden canopy on the reception counter	RESTAURANT BALCONY / VIEW POINT - COMPLETED	Old Doors are replaced with new Mininga doors wherever necessary
Reception working top is fixed with granite	New Imported Wooden / Leather Foldable Chairs are added	All Old Boilers are descaled and refurbished
Enough shelves and cup boards are added to reception counter	New Imported Wooden Coffee Tables are added	All Old Generators are serviced
New Antique Sofas and coffee tables are added	New Imported Wooden Dining Tables are added	New Generators are added
New Imported rugs are added	New Wooden Dining Chairs with Leather Cushions are added	All Hot / Cold water lines are refurbished and insulated
New Wooden Antique Juice Table is added with glass top	New Wrought Iron / Glass Canopy is erected	Existing LPG Gas Tankers are painted and refurbished
New Brass / Wooden Forex Rate Board is added	Sides of Balcony covered with Wrought Iron / Glass Panes	The Iron Sheet roof for LPG Gas Tank is added
New Imported Glass Shandelier added in receiving area	The Wrought Iron Canopy Posts are fixed with Garden Lights	All LPG Gas lines are refurbished
New Wooden / Glass Doors are added towards Guest Rooms	New Stainless Steel Balustrade is installed on Flower Bed	
All the walls are clad with imported stone tiles	Flower Bed is clad with Imported Tiles	GUEST PUBLIC TOILETS - COMPLETED
New Computers / printers are installed in the reception	New Imported LPG Gas Burner Chimneys are added to heat the place	New Imported Huge wooden table is placed at the entrance of public toilets

The Existing Concrete beam is cladded with imported tiles towards Lounge		New Imported Dressing Chair is placed at the entrance of public toilets
	GUEST ROOMS - COMPLETED	New Leather framed Vanity Mirror is placed at the entrance of public toilets
BACK OFFICE - COMPLETED	Guest Room Corridors walls are cladded with Mininga timber	New Imported Lights are fixed to ceiling outside public toilets
All offices are fixed with New Mininga Doors	Guest Room Corridor floor is tiled with Imported Laminated sheets	Floor is tiled with Galana Stones
All offices are furnished with new Mininga wooden furniture	Guest Rooms Floor is tiled with Imported Laminated Sheets	Walls are cladded with Galana Stones
All office walls are Cladded with Wooden frames fixed with Mkeka	New Mininga DT Dobie Windows are fixed outside toilets	Main Door & Internal Doors are replaced with Mininga Doors
All offices are installed with new computers / printers	Wrought Iron / Glass Canopies are fixed in Guest Suite Balconies	New Mininga wooden Ceiling is added
Office Corridor walls are cladded with Mininga timber	Suite Balcony Floors are tiled with Terracota Tiles	New lights are fixed in the wooden ceiling
All offices are installed with new wooden tube light fixtures	Stainless Steel Drainage Covers are fixed in Suite Balconies	New Wash Basins, WC are fixed
All Offices are equipped with Mininga wooden cupboards and file racks	New Imported Lights are fixed to Suite Balcony ceilings	New Vanity Mirrors are fixed
	All Suites are furnished with Imported Leathe Furniture	New Stainless Steel Taps, towel rails, soap dispencers, toilet roll holders, toilet brush, dust bin are added
BOUTIQUE - COMPLETED	All Suites are fixed with Wide T.V. Screens with DSTV Connection and DVD Players	New Imported Electric Hand dryers are fixed
Boutique is equipped with New wooden / glass cupboards and display units	Wide T.Vs are fixed in wooden cabinets	
New lights are installed on Boutique walls	Suite Kitchens are fitted with Granite Tops, Electric Cookers and Refrigerators	STAFF TOILETS - COMPLETED
Main Door is replaced with Mininga Door fitted with imported locks	New Imported Lights are fixed to Guest Room Corridor ceilings	Floor is tiled with Galana Stones
	New Imported Glass Shandeliers are fixed in Guest Room Corridors at strategic points	Walls are cladded with Galana Stones
LOUNGE / MAIN BAR - COMPLETED	Main Doors are replaced with Mininga Doors fitted with imported locks	Main Door & Internal Doors are replaced with Mininga Doors
All pillars and beams in the lounge are cladded with Mininga Wood	Bathroom Doors are replaced with Mininga Doors fitted with imported locks	New lights are fixed
New imported leather Sofas are added	Sliding Cupboard Doors are replaced with Mininga Doors	New Wash Basins, WC are fixed
New Imported wooden / leather Coffee Tables are added	New Imported Wooden Beds are installed with head boards	New Vanity Mirrors are fixed
New Imported Side Tables are added with new Wrought Iron / Glass table Lamps	New Imported Dressing Wooden / Leather Tables are installed with provision for Mini Bar	New Stainless Steel Taps, towel rails and showers are fixed
New Imported hanging glass lights are fixed in the ceiling	New Imported Mini Bar refrigerators are installed	
New Imported Glass Chains are added to the ceiling	New Imported Dressing Table Chair is added	OPERATING EQUIPMENT - COMPLETED
New Imported Glass Beed Curtain is added towards restaurant	New Imported Wooden Luggage Rack is added	New Imported Linen is added
New Imported Carpets / Rugs are added	New Imported Wooden / Leather Chairs with Coffee table is added	New Imported Cutlery / Crockery / Glassware is added
Fire Place Chimeny is cladded with Copper dome	New Wooden Bedside Tables are added	
New Wrought Iron Fire Place equipment is added	New Imported Wrought Iron / Glass lights are fixed on the bedside walls	ADDITIONAL STRUCTURES CONSTRUCTED - COMPLETED

All Walls are cladded with Imported tiles	New Imported Wrought Iron / Glass lights are fixed on the sides of vanity mirror	New Security Hut is constructed at the Main Gate with following features:
New Bar Counter is added with Ceiling lights, Liquor dispencers and Glass shelves	New Imported Spring Mattresses are added with fibre pillows	Walls are cladded with Terra Cota Scratch Tiles
New Brass Hand Rail and Foot Rail are added	New Imported Bed Linen, bed covers and duvets are added	Wooden Shingles Roof
New Imported Wooden / Leather Bar Stools are added	New Wooden Coat Hangers are added in the cupboards	Wooden / Glass Windows
Bar Work top is fixed with granite	New Electronic Mini Safes are added in the cupboards	Wooden Mininga Door
New Imported Cappuccino Machine is Installed	New Imported Kettles are added for making coffee / Tea	Glana Stone Flooring
New Imported Juice Blending Dispencers are installed	New Imported Window Curtains are added	
New Imported Stainless Steel Work Tables are added	New Wooden Window Curtain Boxes are added	
New Imported Bottle Coolers and Refrigerators are installed		STAFF HOUSING - COMPLETED
New Wooden / Clay wine racks are installed in the Bar Store	New Imported Leather Dust Bins are added	Staff House Floor is tiled with Galana Stones
Various New Imported Bar tools and equipment are added	Bathroom Tiles and Bath fixtures are re-enameled	Staff House Corridors are tiled with Galana Stones
	New Shower Curtains of Aluminium / Glass are added	Main Doors are replaed with new Wooden Doors
New Imported Wine Display Trolley is added	New Imported Wooden Toilet Seats are added	All Windows are replaed with New wooden windows with Mosquito Nets
New Wrought Iron / Glass Wine Display Buckets are added	New Stainless Steel towel rails, showers, toilet roll holder, soap dispencer, dust bin, Toilet brush & etc added	All the beds in staff houses are replaced with new beds
		All the Beds are fixed with Mattresses
T.V. LOUNGE - COMPLETED	KITCHEN - COMPLETED	New Wooden Shelves are made for storage
New Big Flat screen TV is installed with DSTV Connection	Floor is tiled with Imported tiles	New Wooden Vanity Mirrors are fixed
New Big Wooden T.V. Cabinet is added	Walls are tiled with imported tiles upto ceiling	New Wooden Dressing Chair is added
New Imported Wooden / Leather Sofas are added	Existing kitchen equipment is cleaned and refurbished	All Inside Walls are painted with Jortun Paint
New Imported Wooden Foldable Coffee Tables are added	New Imported Kitchen Equipment is added	All Outside Walls are painted with Weather Proof Paint
New Imported Antique Leather Cupboard is added	New Imported Stainless Steel work tables are added	All Corridor Walls are painted with Plastic Emulsion Paint
New Imported hanging glass lights are fixed in the ceiling	Various New Imported Kitchen Tools & Equipment are added	New Lights are fixed in the staff rooms and corridors
New Imported Glass Chains are added to the ceiling	Various New Imported Stainless Steel Kitchen Samlls are added	Entire Staff Quarters roof is changed with New IT5 roof
New Imported Carpets / Rugs are added	All Electrical installations, water and Gas connections are refurbished	All Toilet and Wash Room floors are tiled with Galana Stones
New Wooden / Glass Doors are added towards Guest Rooms	All old windows are replaced with Aluminium windows	All Toilet and Wash Room Walls are cladded with Galana Stones
	Old Doors are replaced with new Mininga doors wherever necessary	Toilet & Wash Room Main Door & Internal Doors are replaced with Mininga Doors
LAUNDRY - COMPLETED		New lights are fixed in toilets and wash rooms
Floor is tiled with Imported tiles	OTHER AREAS - COMPLETED	
Walls are tiled with imported tiles upto ceiling	Entire roof in the hotel is changed to Wooden Shingles roof	New Wash Basins, WC are fixed
		New Vanity Mirrors are fixed

Existing Laundry equipment is cleaned and refurbished	Many New Gates are erected with New Columns from Main Gate to Reception to service areas	New Stainless Steel Taps, towel rails and showers are fixed
New Imported Laundry Equipment is added	The entire hotel outside walls are cladded with Imported Stones	New Cloth Drying Lines are fixed in every block
New Imported Laundry Wet / Dry Trolleys are added	All Gate Columns are cladded with Imported tiles	
New Imported Stainless Steel work tables are added	All New Gate Coloums are fixed with Lights	EXPANSION PLANS & THEIR STATUS
New Extra Shelves are added for linen storage	Staff Canteen floor is tiled with Imported Tiles	All Driver quarters to be renovated - To start soon
All old windows are replaced with Aluminium windows	Staff Canteen walls are tiled with Imported tiles	New 24 deluxe rooms block - To start subject to NCAA Approval
Old Doors are replaced with new Mininga doors wherever necessary	A retaining concrete wall is constructed to protect the building from land slide	
	Brass Signage is fixed in the entire hotel	

APPENDIX IIA- NGORONGORO WILDLIFE LODGE PHOTOS

 <p>A photograph of a wooden entrance sign with the text 'TANZANIA' and 'NGORONGORO WILDLIFE LODGE'.</p>	<p>New Brass Signage Board - entrance</p>	 <p>A photograph showing the interior of a restaurant with new tables and chairs.</p>	<p>Renovated Restaurant-New Imported furniture</p>	 <p>A photograph of a restaurant interior featuring a decorative wall with string lights and a new roof structure.</p>	<p>Restaurant-Decorated wall and roofing</p>
 <p>A photograph of a balcony restaurant with a view of the surrounding landscape.</p>	<p>Renovated Balcony Restaurant-View Point</p>	 <p>A photograph of a large industrial cooling facility or generator unit.</p>	<p>Cooling Facility</p>	 <p>A photograph of two industrial washing machines, one with its door open.</p>	<p>Replaced Industrial Washing Machines</p>
 <p>A photograph of a large, white industrial generator unit.</p>	<p>New Heavy Duty Generator</p>	 <p>A photograph of a large industrial ironing machine.</p>	<p>New ironing Machine</p>		

4.3 SERONERA WILDLIFE LODGE

The team found that most of the areas of the hotel have been renovated and items replaced to new ones as indicated in the attached list of completed renovation activities activities- Appendix III

Staff housing renovation project is 50% completed staff house floor and corridor is tiled with galena stones also Main Doors are replaed with new Wooden Doors. Additional structures constructed and completed include new internet café, new gymnasium, New Massage Centre, new wildlife view point deck, new antique leisure hut and new staff canteen

Entire roof in the hotel is changed to wooden shingles roof except on the bar, the existing roads inside the hotel premises are covered with galana stones, new parking area is constructed with concrete covered with galana stones

The investor has a future plans to construct 50 more deluxe rooms, kitchen, bar, restaurant and swimming pool in order to increase the capacity of the hotel subject to approval from Serengeti National Park Authorities.

The project photos showing area that have been refurbished on the project have also been attached as Appendix IIIA

APPENDIX III

SERONERA WILDLIFE LODGE- REHABILITATION COMPLETED

GUEST RECEIVING AREA - COMPLETED	KITCHEN - COMPLETED	Borehole Generator Room:
Floor is tiled with Galana Tiles	Floor is tiled with Imported tiles	The floor is tiled with Imported Ceramic Tiles
New Wooden Ceiling added to Car Poarch	Walls are tiled with imported tiles upto ceiling	The Walls are cladded with Imported Ceramic Tiles upto to ceiling
Car Porch is fixed with New Iron Bars in the Front	Existing kitchen equipment is cleaned and refurbished	New Lights are fitted
New Stainless Steel Flag Posts erected	New Imported Kitchen Equipment is added	New Generators are added
New lights are fixed in the ceiling outside reception entrance door	New Imported Stainless Steel work tables are added	Outside Walls are painted with Weather Proof Paint
	Various New Imported Kitchen Tools & Equipment are added	Roof is changed with New IT5 roof
	Various New Imported Stainless Steel Kitchen Samlls are added	
RECEPTION / LOUNGE - COMPLETED	All Electrical installations, water and Gas connections are refurbished	Water Storage Tanks:
Floor is tiled with Terracota Tiles	All old windows are replaced with Aluminium windows	New Water Storage Tank with Capacity of 2 Lac Litres is Constructed
Brass Hand rail is fixed to the reception counter	Old Doors are replaced with new Mininga doors wherever necessary	Existing Water Storage Tank is refurbished to stop the leakages
Brass Pillars are fixed to support the reception ceiling		All Water Storage Tanks are painted with Weather Proof Paint
Gratuties / Suggestions Boxes are cladded with Brass		Existing Water Pipe Line from Borehole to Lodge is repaired
Lights are fixed in the reception ceiling	LAUNDRY - COMPLETED	
Reception working top is fixed with granite	Floor is tiled with Imported tiles	
Enough shelves and cup boards are added to reception counter	Walls are tiled with imported tiles upto ceiling	STAFF HOUSING - 50% COMPLETED
New Antique Chairs and coffee tables are added	Existing Laundry equipment is cleaned and refurbished	Staff House Floor is tiled with Galana Stones
New Brass / Wooden Forex Rate Board is added	New Imported Laundry Equipment is added	Staff House Corridors are tiled with Galana Stones
New lights are fixed in the ceiling	New Imported Laundry Wet / Dry Trolleys are added	Main Doors are replaed with new Wooden Doors
New Wooden / Bevelled Glass Walls are erected for entire reception area to protect from animals	New Imported Stainless Steel work tables are added	All Windows are replaed with New aluminium windows with Mosquito Nets
New Wooden / Glass Doors are added towards Garden	New Extra Shelves are added for linen storage	All the beds in staff houses are replaced with new beds
New Computers / printers are instaled in the reception	All old windows are replaced with Aluminium windows	All the Beds are fixed with Mattresses
The Wall towards Public Toilets are Cladded with Mininga Wood	Old Doors are replaced with new Mininga doors wherever necessary	New Wooden Shelves are made for storage
		New Wooden Vanity Mirrors are fixed
BACK OFFICE - COMPLETED	STORAGE AREAS - COMPLETED	New Wooden Dressing Chair is added
All offices are fixed with New Mininga Doors	All Cold room floors and walls are cladded with Stainless Steel sheets	All Inside Walls are painted with Jortun Paint
All offices are furnished with new Mininga wooden furniture	All Deep Freezer floors and walls are cladded with Stainless Steel Sheets	All Outside Walls are painted with Weather Proof Paint
All office floor is tiles with Galana stones	All Deep Freezers and Cold rooms	All Corridor Walls are painted with Plastic

	are fitted with new compressors	Emulsion Paint
All office walls are Cladded with Wooden frames fixed with Mkeka	All Deep Freezers and cold rooms are fitted with stainless steel racks and meat hooks	New Lights are fixed in the staff rooms and corridors
All offices are installed with new computers / printers	All Deep Freezers and cold rooms are fitted with temperature meters	Entire Staff Quarters roof is changed with New IT5 roof
Office Corridor walls are cladded with Mininga timber	All Dry Goods stores and fitted with new racks	All Toilet and Wash Room floors are tiled with Galana Stones
Office corridors are installed with Brass / Glass Hanging imported lights	All Beverage Stores are fitted with new racks	All Toilet and Wash Room Walls are cladded with Galana Stones
All Offices are equipped with Mininga wooden cupboards and file racks	All old windows are replaced with Aluminium windows	Toilet & Wash Room Main Door & Internal Doors are replaced with Mininga Doors
All Office are installed with new wooden tube light domes	All Old Doors are replaced with new Mininga doors with Imported Locks	
	All Areas between Stores and kitchen are tiled with imported tiles	New lights are fixed in toilets and wash rooms
BOUTIQUE - COMPLETED		New Wash Basins, WC are fixed
		New Vanity Mirrors are fixed
Boutique floor is covered with Mininga Wood	POWER HOUSE - COMPLETED	New Stainless Steel Taps, towel rails and showers are fixed
Mininga Wood Ceiling is fixed in the Boutique	Walls are tiled with imported tiles upto ceiling	New Cloth Drying Lines are fixed in every block
New lights are installed in wooden ceiling	All old windows are replaced with Aluminium windows	New Water Pipeline is layed from Lodge to Staff Village
New Wooden / Glass Walls are fixed in the Boutique	Old Doors are replaced with new Mininga doors wherever necessary	
	All Old Boilers are descaled and refurbished	ADDITIONAL STRUCTURES CONSTRUCTED - COMPLETED
MAIN BAR / BAR LOUNGE - COMPLETED	All Old Generators are serviced	New Internet Café is Constructed with following features:
New Imported Brass lights are fixed in the ceiling	New Generators are added	The floor is covered with Mininga Wood
New imported leather Sofas of various shapes and sizes are added	All Hot / Cold water lines are refurbished and insulated	Mininga Wood Ceiling is fixed
New Imported Antique wooden Coffee Tables are added	Existing LPG Gas Tankers are painted and refurbished	New lights are installed in wooden ceiling
New Imported Wooden Side Tables are added	All LPG Gas lines are refurbished	New Wooden / Glass Walls are fixed with sliding doors
New Imported Table Lamps are fixed on Side Tables		New Wooden / Leather Computer Tables are added
New Imported Rugs are added		New Wooden / Leather Computer Chairs are added
The Concrete Steps in the Bar are covered with Mininga Wood	SWIMMING POOL - COMPLETED	New Computers / Printers are added with Internet Connection
New Bar Counter is added with Ceiling lights, Liquor dispencers and Glass shelves	Swimming Pool floor is tiled with Galana stones	New Hot water Pipeline is layed in the entire hotel
New Brass Hand Rail and Foot Rail are added	Swimming Pool walls are cladded with Galana stones	
New Imported Wooden / Leather Bar Stools are added	New Swimming Pool Wooden Deck is constructed with Concrete Pillars Support	New Gymnasium is Constructed with following features:
Bar Work top is fixed with granite	New Stainless Steel Hand rail and ladders are fixed	The floor is covered with Mininga Wood
New Imported Cappuccino Machine is Installed	New Swimming Pool Lights are fixed	Mininga Wood Ceiling is fixed
New Imported Juice Blending Dispencers are installed	Swimming Pool Pump house is fixed with new pumps and refurbished	New lights are installed in wooden ceiling

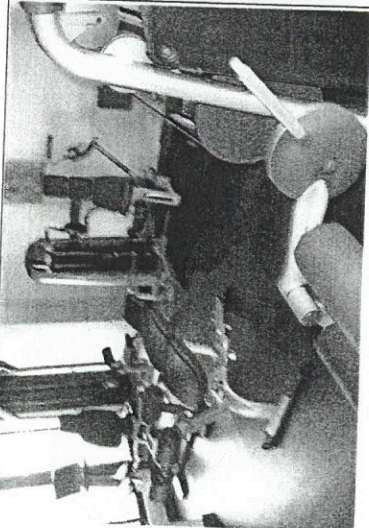
New Imported Stainless Steel Work Tables are added	New Brass Signage is added	New Wooden / Glass Walls are fixed with sliding doors
New Imported Bottle Coolers and Refrigerators are installed	New Imported Wooden Swimming Pools Beds are added with side tables and mattresses	New Imported Gym Equipment is installed of Technogym Brand
New Wrought Iron wine racks are installed in the wall	New Wooden Hut is constructed near Swimming Pool to store S/Pool Equipment	The wooden floor is covered with Gym Mat
Various New Imported Bar tools and equipment are added		New wide Flat screen TV is installed with DSTV Connection in Wooden Cabinet
New Imported Wine Display Trolley is added	GUEST PUBLIC TOILETS - COMPLETED	
Fire Place Chimney is clad with Copper dome	Floor is tiled with Galana Stones	New Massage Centre is Constructed with following features:
New Wrought Iron Fire Place equipment is added	Walls are clad with Galana Stones	The floor is covered with Mininga Wood
New Brass Decorative Posts are added in front of the fire place	Main Door & Internal Doors are replaced with Mininga Doors	Mininga Wood Ceiling is fixed
New Wooden / Glass Walls are fixed around the Bar area to protect from the animals	New Mininga wooden Ceiling is added	New lights are installed in wooden ceiling
	New lights are fixed in the wooden ceiling	New Wooden / Glass Walls are fixed with sliding doors
RESTAURANT - COMPLETED	New Wash Basins, WC are fixed	
New Imported Wooden Dining Tables with Glass tops are added	New Vanity Mirrors are fixed	New View Point Deck is Constructed on the rocks with following features:
New Wooden Dining Chairs with Leather Cushions are added	New Stainless Steel Taps, towel rails, soap dispensers, toilet roll holders, toilet brush, dust bin are added	Wooden Deck with Balustrade
New Imported Hot / Cold Buffet Counters are added	New Imported Electric Hand dryers are fixed	Wooden Staircase to reach the Deck
New Imported Antique Candle Display Screens are added	New Imported Leather Sofas with Cushions are placed outside the public toilets	Granite top Work Table surrounding the Deck
New Imported Brass Hanging lights are fixed		Lights are fixed on the deck and on the stair case leading to deck'
Various New Imported Restaurant tools and equipment are added	STAFF TOILETS - COMPLETED	
New Imported Glass Table Nos are added	Floor is tiled with Galana Stones	New Antique Leisure Hut is Constructed with following features:
The Concrete wall towards Kitchen is clad with Imported Tiles	Walls are clad with Galana Stones	Wooden Ceiling
New Mininga Pargolas are constructed on both sides of the reataurant to increase the seating capacity	Main Door & Internal Doors are replaced with Mininga Doors	Wooden Floor
One Pargola area floor is tiled with Terracota tiles	New lights are fixed	Wooden Pillars
Second Pargola area is made with Wooden Flooring supported with Concrete Pillars	New Wash Basins, WC are fixed	Brass Lights fixed
Lights are fixed in both pargola areas	New Vanity Mirrors are fixed	
	New Stainless Steel Taps, towel rails and showers are fixed	New Staff Canteen is constructed with following features:
GUEST ROOMS - COMPLETED		Walls are clad with Galana Stones
Guest Room Corridors walls are clad with Mininga timber	OPERATING EQUIPMENT - COMPLETED	Floors are tiles with Galana Stones
New Imported Brass Lights are installed on Guest Room Corridors	New Imported Linen is added	Concrete Tables and Benches with granite tops are constructed for dining

New Mininga DT Dobie Windows are fixed outside toilets	New Imported Cutlery / Crockery / Glassware is added	New Lights and fans are fixed to the Ceiling
Main Doors are replaced with Mininga Doors fitted with imported locks		New Shingles roof with Trusses is erected
Bathroom Doors are replaced with Mininga Doors fitted with imported locks	BOREHOLE AREA - COMPLETED	New Wash Basins are fixed with Granite Tops
Sliding Cupboard Doors are replaced with Mininga Doors	Borehole Staff quarters:	New Vanity Mirror is fixed at Wash Basins
New Imported Wooden Beds are installed with head boards	Floor is tiled with Galana Stones	New Wide Flat Screen T.V. with DSTV Connection is fixed for staff entertainment
New Imported Wooden Dressing Tables with glass tops are added with provision for Mini Bar	Walls are clad with Galana Stones	New Imported Iron Lockers are fixed for staff use
New Imported Mini Bar refrigerators are installed	Main Doors are replaced with new Wooden Doors	
	All Windows are replaced with New wooden windows with Mosquito Nets	
New Imported Dressing Table Chair is added		OTHER AREAS - COMPLETED
New Imported Wooden Luggage Rack is added	All the beds in staff houses are replaced with new beds	Entire roof in the hotel is changed to Wooden Shingles roof except on the bar
New Imported Wooden / Leather Chairs with Coffee table is added	All the Beds are fixed with Mattresses	The Bar roof is covered with Imported Tergola and Bituminus sheets
New Wooden Bedside Tables are added	New Wooden Shelves are made for storage	The existing roads inside the hotel premises are covered with Galana Stones
New Imported Brass lights are fixed on the bedside walls	Kitchen is tiled with Imported Ceramic Tiles	New Parking area is constructed with concrete covered with Galana Stones
New Imported Brass lights are fixed on the sides of vanity mirror	Bathrooms and Toilets are tiled with Galana Stones	Many New Gates are erected with columns towards Reception, Car Parking and Swimming Pool
New Imported Bed Linen, bed covers and duvets are added	Bathrooms and Toilets are fitted with WC, Instant showers, taps, etc.	
New Bathrobes are added in the cupboards	Overhead Water Tank is erected with pumping facility	All Columns are clad with Galana Stones
New Wooden Coat Hangers are added in the cupboards	Entire Staff Quarters roof is changed with New IT5 roof	All New Gate Columns are fixed with Lights
New Electronic Mini Safes are added in the cupboards	All Outside Walls are painted with Weather Proof Paint	Imported Wooden Table cum benches with granite top are added in the Garden
New Imported Kettles are added for making coffee / Tea	New lights are fixed in toilets, wash rooms and bedrooms	Brass Signage is fixed in the entire hotel
		Many New Offices are constructed in the basement area
New Imported Window Curtains are added	New Vanity Mirrors are fixed	Internal Roads are clad with Galana Stones and fixed with Garden Lights
New Wooden Window Curtain Boxes are added	New Cloth Drying Lines are fixed	New Staircase from Swimming Pool to Guest Rooms with lights fixed
New Imported Leather Dust Bins are added		New Soak away pit is constructed for environmental safety
Bathroom Tiles and Bath fixtures are re-enameled		
New Shower Curtains of Aluminium / Glass are added		FUTURE EXPANSION PLANS & THEIR STATUS
New Imported Wooden Toilet Seats are added		New 50 deluxe rooms block - To start subject to TANAPA Approval
New Stainless Steel towel rails, showers, toilet roll holder, soap dispenser, dust bin, Toilet brush & etc added		New Restaurant to be built to increase the capacity - To start after New 50 Rooms Block
Suite Balcony Floors are tiled with Terracota Tiles		New Kitchen to be built to increase the capacity - To start after New 50 Rooms Block

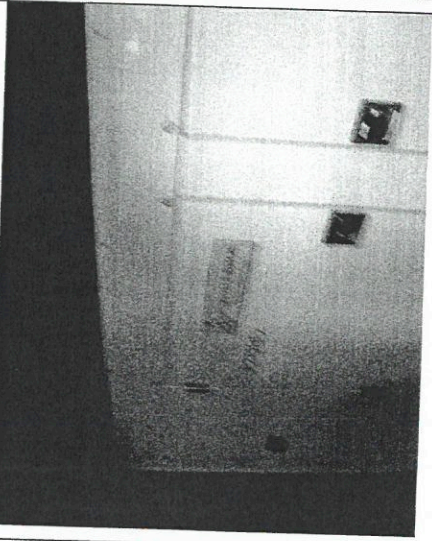
All Suites are furnished with Imported Leather Furniture		New Bar to be built to increase the capacity - To start after New 50 Rooms Block
All Suites are fixed with Wide T.V. Screens with DSTV Connection and DVD Players		New Swimming Pool to be built in increase the capacity - To start after New 50 Rooms Block
Wide T.Vs are fixed in wooden cabinets		New Deck around new swimming pool - to start after New 50 Rooms Block
Suite Kitchens are fitted with Granite Tops, Electric Cookers and Refrigerators		New Block of Junior staff quarters - To start after completion of New 50 rooms block



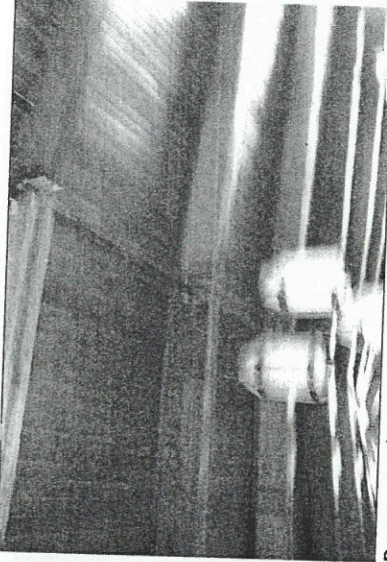
Hotel Reception



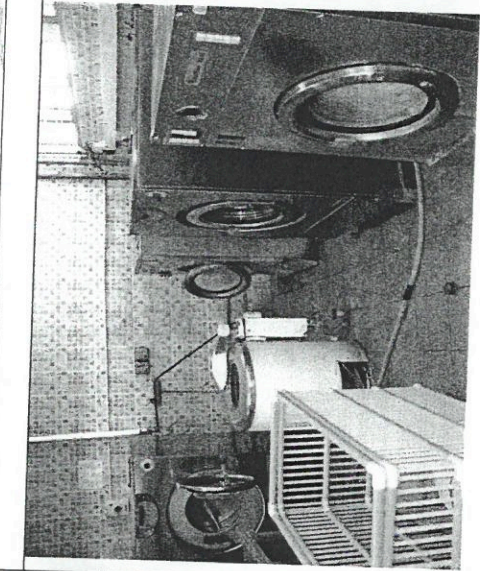
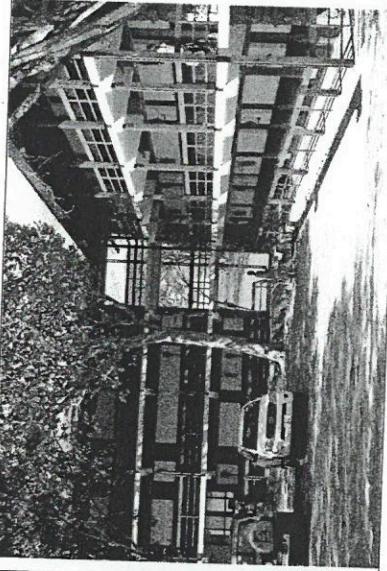
Constructed Gym and New Equipment



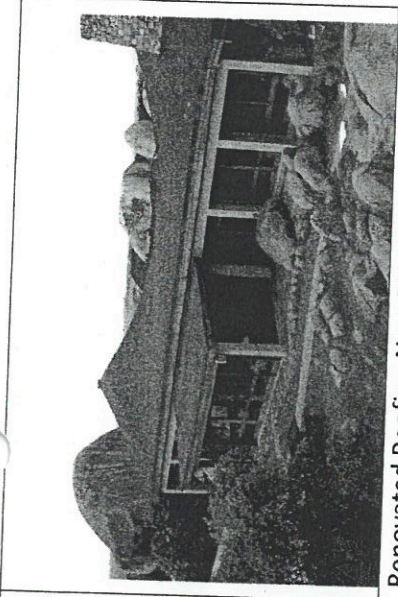
New Heavy Duty Generator



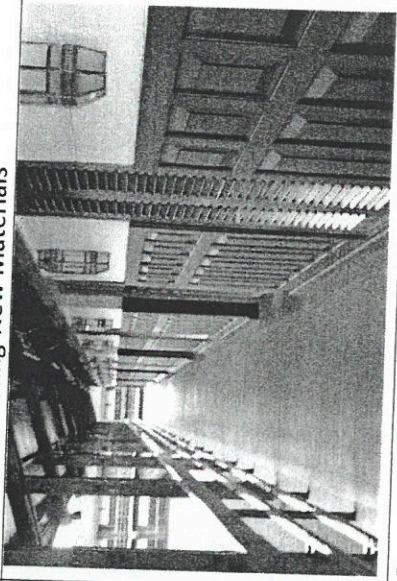
Renovated wooden ceiling



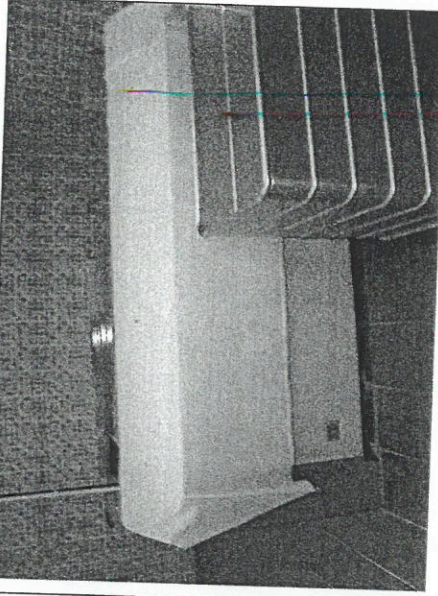
Replaced Industrial Washing Machines



Renovated Roofing-New Materials



Room Corridors walls clad with timber



New Heavy Duty ironing Machine

4.4 LOBO WILDLIFE LODGE

The lodge has a capacity of 80 rooms to accommodate 160 guests. The team found that most of the areas of the hotel have been renovated and items replaced to new ones.

See detail list of completed renovation activities activities-Appendix IV and project photos at Appendix IVA

APPENDIX IV

LOBO WILDLIFE LODGE- REHABILITATION COMPLETED STATUS


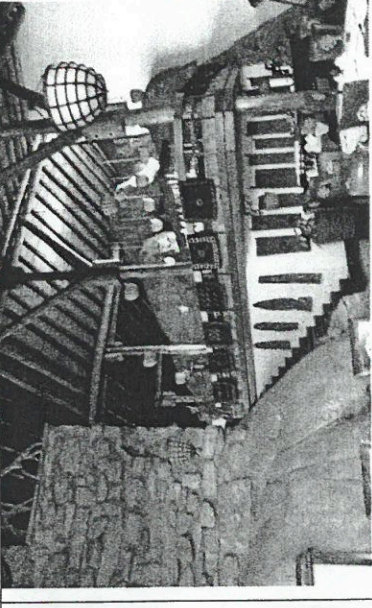
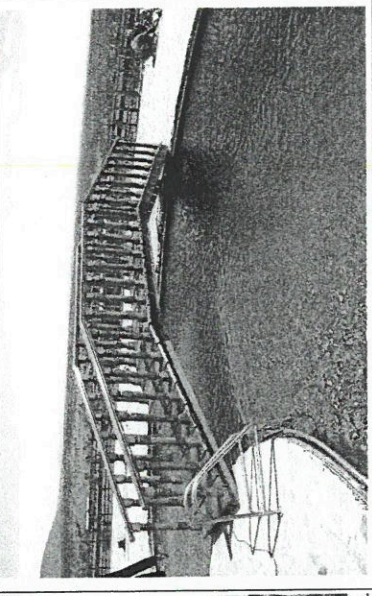

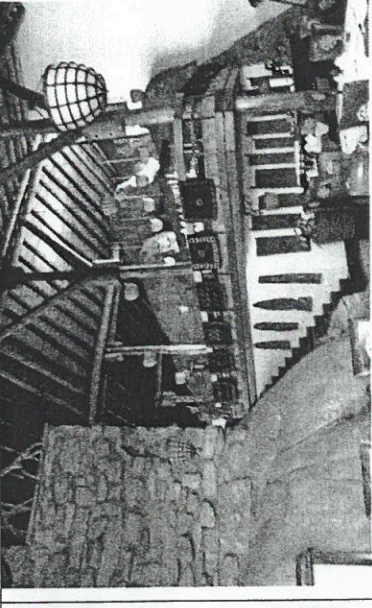
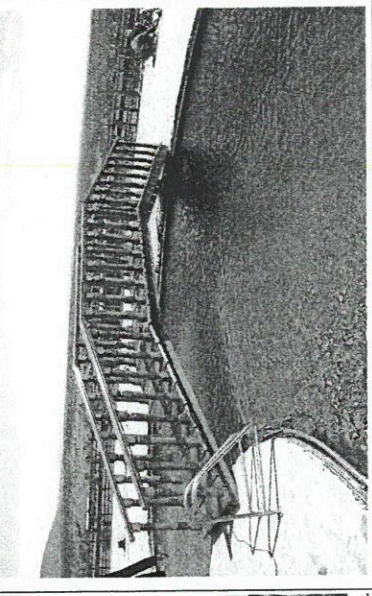

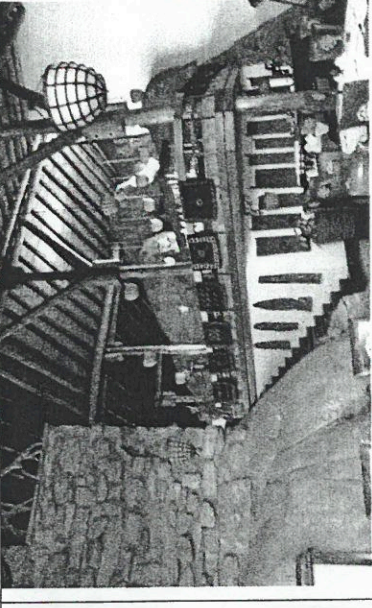
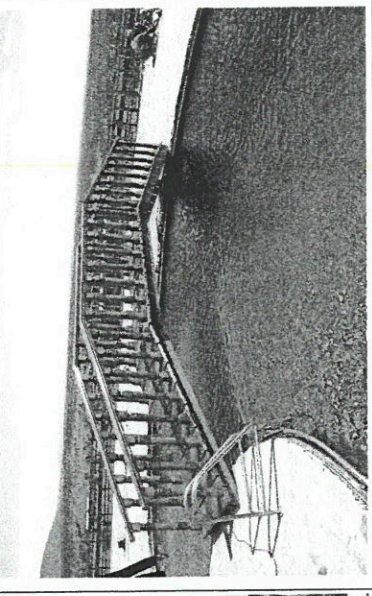
GUEST RECEIVING AREA - COMPLETED	GUEST ROOMS - COMPLETED	GUEST PUBLIC TOILETS - COMPLETED
New Stainless Steel Flag Posts erected	Guest Room Corridors walls are clad with Mininga timber	Floor is tiled with Galana Stones
New lights are fixed on the walls outside reception entrance door	New Imported Brass Lights are installed on Guest Room Corridors	Walls are clad with Galana Stones
New Wooden Foldable Door is installed as Entrance Gate	New Mininga DT Dobie Windows are fixed outside toilets	Main Door & Internal Doors are replaced with Mininga Doors
New Imported Antique Guest Relations Counter installed at receiving area	Main Doors are replaced with Mininga Doors fitted with imported locks	New Mininga wooden Ceiling is added
New Wooden Pargola with Wooden Floor constructed above receiving area	Bathroom Doors are replaced with Mininga Doors fitted with imported locks	New lights are fixed in the wooden ceiling
	Sliding Cupboard Doors are replaced with Mininga Doors	New Wash Basins, WC are fixed
RECEPTION / LOUNGE - COMPLETED	New Imported Wooden Beds are installed with head boards	New Vanity Mirrors are fixed
Floor is tiled with Terracota Tiles	New Imported Wooden Dressing Tables with glass tops are added with provision for Mini Bar	New Stainless Steel Taps, towel rails, soap dispensers, toilet roll holders, toilet brush, dust bin are added
Reception Wall is clad with Galana Stones	New Imported Mini Bar refrigerators are installed	New Imported Electric Hand dryers are fixed
Reception Counter is clad with Galana Stones	New Imported Dressing Table Chair is added	New Imported Leather Sofas with Cushions are placed outside the public toilets
Brass Hand rail is fixed to the reception counter	New Imported Wooden Luggage Rack is added	
Wooden / Copper Pillars are fixed to support the reception ceiling	New Imported Wooden / Leather Chairs with Coffee table is added	STAFF TOILETS - COMPLETED
Lights are fixed in the reception ceiling	New Wooden Bedside Tables are added	Floor is tiled with Galana Stones
Reception working top is fixed with granite	New Imported Brass lights are fixed on the bedside walls	Walls are clad with Galana Stones
Enough shelves and cup boards are added to reception counter	New Imported Brass lights are handed to ceiling next to vanity mirror	Main Door & Internal Doors are replaced with Mininga Doors
New Imported Antique Sofas and coffee table are added	New Imported Bed Linen, bed covers and duvets are added	New lights are fixed
New Imported Rugs are added	New Bathrobes are added in the cupboards	New Wash Basins, WC are fixed
The Existing concrete benches are covered with Granite	New Wooden Coat Hangers are added in the cupboards	New Vanity Mirrors are fixed
New Brass / Wooden Forex Rate Board is added	New Electronic Mini Safes are added in the cupboards	New Stainless Steel Taps, towel rails and showers are fixed
New Brass lights are fixed on the Wooden Pillars	New Imported Kettles are added for making coffee / Tea	
New Wooden Doors are added towards Restaurant	New Imported Window Curtains are added	OPERATING EQUIPMENT - COMPLETED
New Computers / printers are installed in the reception	New Wooden Window Curtain Boxes are added	New Imported Linen is added
New Imported Antique Guest Relations Table & Chair are added	New Imported Leather Dust Bins are added	New Imported Cutlery / Crockery / Glassware is added
	Bathroom Tiles and Bath fixtures are re-enamelled	
BACK OFFICE - COMPLETED	New Shower Curtains of Aluminium / Glass are added	STAFF HOUSING - 50% COMPLETED

All offices are fixed with New Mininga Doors	New Imported Wooden Toilet Seats are added	Staff House Floor is tiled with Galana Stones
All offices are furnished with new Mininga wooden furniture	New Stainless Steel towel rails, showers, toilet roll holder, soap dispenser, dust bin, Toilet brush & etc added	Staff House Corridors are tiled with Galana Stones
All office walls are Cladded with Wooden frames fixed with Mkeka	Suite Balcony Floors are tiled with Terracota Tiles	Main Doors are replaed with new Wooden Doors
All offices are installed with new computers / printers	All Suites are furnished with Imported Leathe Furniture	All Windows are replaed with New aluminium windows with Mosquito Nets
Office Corridor walls are cladded with Mininga timber	All Suites are fixed with Wide T.V. Screens with DSTV Connection and DVD Players	All the beds in staff houses are replaced with new beds
All Offices are equipped with Mininga wooden cupboards and file racks	Wide T.Vs are fixed in wooden cabinets	All the Beds are fixed with Mattresses
All Office are installed with new wooden tube light domes	Suite Kitchens are fitted with Granite Tops, Electric Cookers and Refrigerators	New Wooden Shelves are made for storage
	All Management Staff rooms are renovated same as Suites	New Wooden Vanity Mirrors are fixed
BOUTIQUE - COMPLETED		New Wooden Dressing Chair is added
Boutique floor is covered with Mininga Wood	KITCHEN - COMPLETED	All Inside Walls are painted with Jortun Paint
Mininga Wood Ceiling is fixed in the Boutique	Floor is tiled with Imported tiles	All Outside Walls are painted with Weather Proof Paint
New lights are installed in wooden ceiling	Walls are tiled with imported tiles upto ceiling	All Corridor Walls are painted with Plastic Emulsion Paint
New Wooden / Glass Walls are fixed in the Boutique	Existing kitchen equipment is cleaned and refurbished	New Lights are fixed in the staff rooms and corridors
	New Imported Kitchen Equipment is added	Entire Staff Quarters roof is changed with New IT5 roof
MAIN BAR / BAR LOUNGE - COMPLETED	New Imported Stainless Steel work tables are added	All Toilet and Wash Room floors are tiled with Galana Stones
New Imported Wrought Iron / Glass lights are hanged in the ceiling	Various New Imported Kitchen Tools & Equipment are added	All Toilet and Wash Room Walls are cladded with Galana Stones
New imported Antique leather Sofas of various shapes and sizes are added	Various New Imported Stainless Steel Kitchen Samlls are added	Toilet & Wash Room Main Door & Internal Doors are replaced with Mininga Doors
New Imported Antique wooden Coffee Tables are added with glass tops	All Electrical installations, water and Gas connections are refurbished	New lights are fixed in toilets and wash rooms
New Imported Antique Wooden Side Tables are added	All old windows are replaced with Aluminium windows	New Wash Basins, WC are fixed
New Imported Antique Table Lamps are fixed on Side Tables	Old Doors are replaced with new Mininga doors wherever necessary	New Vanity Mirrors are fixed
New Imported Rugs are added		New Stainless Steel Taps, towel rails and showers are fixed
The Concrete Steps in the Bar are covered with Mininga Wood	LAUNDRY - COMPLETED	New Cloth Drying Lines are fixed in every block
New Bar Counter is added with Ceiling lights, Liquor dispensers and Glass shelves	Floor is tiled with Imported tiles	
New Brass Hand Rail and Foot Rail are added	Walls are tiled with imported tiles upto ceiling	ADDITIONAL STRUCTURES CONSTRUCTED - COMPLETED
New Imported Wooden Bar Stools are added	Existing Laundry equipment is cleaned and refurbished	New Internet Café is Constructed with following features:
Bar Work top is fixed with granite	New Imported Laundry Equipment is added	The floor is covered with Mininga Wood
New Imported Cappuccino Machine is Installed	New Imported Laundry Wet / Dry Trolleys are added	Mininga Wood Ceiling is fixed
New Imported Juice Blending Dispencers are installed	New Imported Stainless Steel work tables are added	New lights are installed in wooden ceiling

New Imported Stainless Steel Work Tables are added	New Extra Shelves are added for linen storage	New Wooden / Glass Walls are fixed with sliding doors
New Imported Bottle Coolers and Refrigerators are installed	All old windows are replaced with Aluminium windows	New Wooden / Leather Computer Tables are added
New Clay wine racks are installed in the wall	Old Doors are replaced with new Mininga doors wherever necessary	New Wooden / Leather Computer Chairs are added
Various New Imported Bar tools and equipment are added		New Computers / Printers are added with Internet Connection
Fire Place Chimney is clad with Copper dome	STORAGE AREAS - COMPLETED	New Hot water Pipeline is layed in the entire hotel
New Fire Place with Copper Chimney is added at TV Area	All Cold room floors and walls are clad with Stainless Steel sheets	
New Wrought Iron Fire Place equipment is added	All Deep Freezer floors and walls are clad with Stainless Steel Sheets	NEW GYMNASIUM IS CONSTRUCTED WITH FOLLOWING FEATURES:
New Wooden / Glass Walls are fixed around the Bar area to protect from the animals	All Deep Freezers and Cold rooms are fitted with new compressors	The floor is covered with Mininga Wood
	All Deep Freezers and cold rooms are fitted with stainless steel racks and meat hooks	
New Imported Piano is added		Mininga Wood Ceiling is fixed
New Wide Flat Screen TV with DSTV connection is added	All Deep Freezers and cold rooms are fitted with temperature meters	
New Imported Antique Clay Pillars are added for decoration	All Dry Goods stores and fitted with new racks	New lights are installed in wooden ceiling
New Imported Antique Dressing Table is added for decoration	All Beverage Stores are fitted with new racks	New Wooden / Glass Walls are fixed with sliding doors
New Imported Antique Cupboard is added for decoration	All old windows are replaced with Aluminium windows	New Imported Gym Equipment is installed of Technogym Brand
New Imported Antique Wrought Iron high Table is added for decoration	All Old Doors are replaced with new Mininga doors with Imported Locks	The wooden floor is covered with Gym Mat
New Wooden Sliding Door is added towards Swimming Pool area	All Areas between Stores and kitchen are tiled with imported tiles	New wide Flat screen TV is installed with DSTV Connection in Wooden Cabinet
The Existing Concrete steps from Restaurant to Bar are covered with Mininga Wood		NEW MESSAGE CENTRE IS CONSTRUCTED WITH FOLLOWING FEATURES:
New huge Maasai Carving is added for decoration	POWER HOUSE - COMPLETED	
New huge Ziraffe carvings are added for decoration	Walls are tiled with imported tiles upto ceiling	The floor is covered with Mininga Wood
	All old windows are replaced with Aluminium windows	Mininga Wood Ceiling is fixed
	Old Doors are replaced with new Mininga doors wherever necessary	New lights are installed in wooden ceiling
RESTAURANT - COMPLETED		New Wooden / Glass Walls are fixed with sliding doors
New Imported Wooden Dining Tables are added	All Old Boilers are descaled and refurbished	
New Wooden Dining Chairs with Leather Cushions are added	All Old Generators are serviced	NEW SECURITY HUT IS CONSTRUCTED AT THE MAIN GATE WITH FOLLOWING FEATURES:
New Imported Hot / Cold Buffet Counters are added	Existing Generator house is extended to accommodate new extra generators	Walls are clad with Galana Stones
New Imported Antique wooden pillars are fixed on the wall for decoration	New Generators are added	Wooden Shingles Roof
New Imported Wrought Iron / Glass lights of various sizes are hanged in the ceiling	All Hot / Cold water lines are refurbished and insulated	
Various New Imported Restaurant tools and equipment are added	Existing LPG Gas Tankers are painted and refurbished	Wooden / Glass Windows
New Imported Glass Table Nos are added on	New Structure are created to cover LPG	Wooden Mininga Door
		Glana Stone Flooring

dining tables	Gas tanks	
New Imported Glass Candle Lights are added on dining tables	All LPG Gas lines are refurbished	
New Imported Wine Display Chillers are added		NEW SWIMMING POOL BAR IS CONSTRUCTED WITH FOLLOWING FEATURES:
New Wooden Spring doors are added towards kitchen	SWIMMING POOL / VIEW POINT - COMPLETED	Thick Concrete round base
New Imported Antique Projector Light is added for decoration	Swimming Pool walls are clad with Imported Tiles	Concrete Base is covered with Round Wooden Deck
New Imported Antique cotton spinning wheel is added for decoration	New Swimming Pool Wooden Deck is constructed with Concrete Pillars Support	Wooden Bar Stools
New Imported Antique Huge Cane Plates are added for decoration	New Stainless Steel Hand rail and ladders are fixed	Bar Counter with Ceiling lights, Liquor dispensers and Glass shelves
Existing concrete steps from Reception are covered with Mininga wood	New Swimming Pool Lights are fixed	Stainless Steel Hand Rail and Foot Rail
New huge Maasai Carving is added for decoration	Swimming Pool Pump house is fixed with new pumps and refurbished	Bar Work top fixed with granite
New Imported Antique Wooden Carvings are fixed on the walls	New Brass Signage is added	Imported Cappuccino Machine is Installed
New Imported Antique Menu Display Unit is added	New Imported Wooden Swimming Pools Beds are added with side tables and mattresses	Imported Juice Blending Dispensers are installed
New Imported Wrought Iron / Wooden Serving Trays are added	New Imported Bar Stools are added on the Deck	Imported Liquid Chocolate Dispenser is installed
Each Existing Wooden Pillar is added with two extra wooden supports to hold the roof	New Wooden Bridge is added across the Swimming Pool	Imported Stainless Steel Work Tables
	Swimming Pool Changing Rooms are refurbished	Imported Bottle Coolers and Refrigerators are installed
		Various Imported Bar tools and equipment

APPENDIX IVA- LOBO WILDLIFE LODGE PHOTOS

	<p>New Wooden Dining Chairs</p>		<p>Renovated Restaurant-New Imported furniture</p>		<p>Swimming pool-tile wall, wooden bridge</p>
	<p>Renovated Restaurant-New furniture</p>		<p>Cooling Facility</p>		<p>Room Corridors walls clad with timber</p>
	<p>Constructed Gym and New Equipment</p>		<p>New Imported Wooden Beds</p>		<p>Constructed Gym and New Equipment</p>

4.5 SELOUS GAME LODGE

The team could not visit Selous Game Lodge as it was informed by the Investor that Selous property is still under renovation and has not yet become operational.

4.6 ESTABLISHMENT OF TOUR OPERATION PROJECT

Hotel & Lodges (T) Ltd has also lodged an application with TIC to register its project for the purpose of provision of tour operation project. According to the investor, Tour operation services will enable the company to tie in tourists by providing the hotel and game drive services as one package to their clients, which will in turn be much cheaper as compared to tourists been handled by different companies on each service i.e. accommodation and tour services.

The tour operation project is expected to add new job amounting to 150 people when it become fully operational.

5.0 CONCLUSION

The team found that the project was being implemented as was presented to TIC, and the materials that were accorded to the project for rehabilitation and expansion of the lodges purposes were utilized for the project. It was also noted that expansion of the Lake Manyara Hotel to add 50 guest rooms was ongoing and as such 50% of the expansion has been attained. The project is planning to build more guest rooms in Seronera and Ngorongoro subject to be issued with approval by the National Park Authorities. The project needs to be accorded more time in order to complete this particular expansion.

Tourist Lodge operation targeted much on the clients who visit the National parks to watch wildlife animals therefore provision of tour operation services by lodge operator is an added competitive advantage because the hotel can target the client direct from the market source at the same time providing the product as one package at reduced price. By so doing, the project will contribute to increased number of visitors to Tanzania National parks, therefore increase Government revenue as well as contributing to creation of new jobs.

6.0 RECOMMENDATIONS

The team recommends that the project be granted extension period for the period of three years to enable completion of the rehabilitation project. This is due to the nature of expansion that has been undertaken especially in Lake Manyara i.e. construction of additional 50 rooms which will require significant investment and additional implementation duration

The team also recommends that Hotel & Lodges (T) Ltd be granted TIC certificate of Incentive to operate a tour operation as applied. This will enable the company to establish the services hence provide the hotel and game drive services as one package to their clients.

7.0 PARTICIPANTS

SIGNATURE

1. Mr. Revocatus Arbogast
2. Mr. Kyabukoba Mutabingwa
3. Mr. Respig Pancras
4. Mr. Adam Ling'wentu
5. Mr. Sospeter Ndelema

.....
.....
.....
.....
.....

Handwritten signatures and dates:
1. *Arbogast* 13.6.2011
2. *Mutabingwa* 9.6.2011
3. *Pancras* 9.6.2011
4. *Ling'wentu* 9/6/2011

TIC/PP.10/0030343/5

25th March 2011

Managing Director

Hotels and Lodges (T) Ltd

P.O Box 10808

Dar es Salaam

RE: HOTEL AND LODGES (T) LTD PROJECT VISIT BY TIC AND TRA MEMBERS

Reference is made to your letter that TIC received on 30th August 2010 and our telephone conversation with Mr. Ernest Mabiki regarding the subject above.

In this letter you had requested for project implementation period extension for hotel projects which was registered by TIC for the purpose of rehabilitating and expanding the tourist lodges in **Lake Manyara, Ngorongoro, Seronera and Lobo Game Reserve in Serengeti**

Prior granting extension of the implementation period TIC and TRA decided that, this project be visited by **TIC/TRA technical team** to assess the status attained by this project whereby four technical members of the TIC/TRA joint committee have been tasked to undertake the assessment

The project verification visit will take place as per below tentative schedule

Date	Activity	Transport Mode
27/03/2011	Travel Dar Arusha	Flight
28/03/2011	Travel Arusha Lake Manyara	Road
28/03/2011	Visit Lake Manyara Lodge	Road
29/03/2011	Visit Ngorongoro and Seronera lodges	Road
30/03/2011	Travel Ngorongoro-Serengeti and Visit lobo Lodge	Road
31/03/2011	Travel Serengeti Arusha	Road
1/4/2011	Travel Arusha Dar	Flight

List of Technical Team Members

1. Mr. Revocatus Arbogast- Manager, Investment Facilitation (TIC)- **Member**
2. Mr. Kyabukoba Mutabingwa-Manager, Tax Exemptions (TRA)- **Member**
3. Mr. Godfrey Kitundu-Trade facilitation officer (TRA)- **Invited**
4. Mr. Adam Ling'wentu –Customs Officer (TRA/TIC) **Member**

5. Mr. Sospeter Ndelema (Zonal Office-TIC)

Member

We therefore request you to be prepared and for this visit as per above schedule and we look forward for your favorable cooperation



Revocatus Arbogast

For: Executive Director

4

JAMHURI YA MUUNGANO WA TANZANIA
THE UNITED REPUBLIC OF TANZANIA

STAKABADHI YA SERIKALI
EXCHEQUER RECEIPT

37892344

1

TPN: 614 (Rev. 8.94)

NIPEPOKA KWIA
Received from

Hortals & Jobses (P) Ltd

KIASI
Amount

JUMLA YA SHILINGI (KWA MASHINGI)
The sum of Shillings (Words)

US Dollar Seven Hundred Fifty Only

Shs									
Cs									

NA SENZI
National Currency Unit

KWA MAJURO YA
In respect of
KWA FEDHA TASMINU/HUNDI
NAMBA By Cash/Cheque No. CASH
SABITI YA MPOKALI - Receipt/Signature

NPC-KIUTA
Signature

CHEU-TI
AOE
IP
STATION -
2011

KITTO - Station
BNU



3

TICC/PP.10/031571/3

13 January 2011

Managing Director,
Hotels and Lodges (T) Ltd,
P.O. Box 10808,
ARUSHA

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE
EXPANSION PROJECT IN ORDER TO ESTABLISH AND RUN TOUR
OPERATION ACTIVITIES**

We wish to acknowledge receipt of your project proposal to expand in order to establish and run tour operation activities as presented in the TIC P.A. 1 Form No. 08825 and Feasibility Study with a projected investment of USD 10m

We have studied your project proposal and are pleased to inform you that your investment proposal is now officially registered and therefore your project will be granted a CERTIFICATE OF INCENTIVES, given under authority conferred upon TIC under Part III, Section 17 (1-8) of the Tanzania Investment Act, 1997.

You will be required to submit to the Centre a Progress Report on the implementation of the project after every six months for our information and review. Guidelines for the preparation of the report are contained in annexure 2 also attached to this letter. Please do not hesitate to contact the Centre for any clarification if the need arises. Please also note that a facilitation fee equivalent to US\$ 750.00 is payable at the ruling exchange rate before your Certificate of Incentives is prepared. Please make deposit direct to the bank as per bank details below:

*Tanzania Investment Centre
Standard Chartered Bank (T) Ltd
US Dollar A/C 8702006002000
T.Shs A/C 0102006002000*

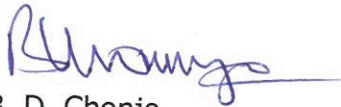
.../2

TICC/PP.10/031571/3

13 January 2011

We wish you every success in the implementation of the project.

Yours sincerely,
Tanzania Investment Centre



B. D. Chonjo
For: EXECUTIVE DIRECTOR

Copy to: Permanent Secretary,
Ministry of Finance and Economic Affairs,
P. O. Box 9111,
DAR ES SALAAM

Permanent Secretary,
Ministry of Natural Resources and Tourism,
P.O. Box 9372,
DAR ES SALAAM

Commissioner General,
Tanzania Revenue Authority,
P. O. Box 11491,
DAR ES SALAAM



TIC Evaluation Report

Name of the Company
Hotel And Lodges (T) Ltd.

Post Box	Summit Centre, Northern Circuit Manyara, Ngorongoro Robo And Serengeti	COI Number	46021	Contact	Mr. Dhiran G. Kotak
Post Office	10808	COI Date	19/05/2003	Designation	Managing Director
Region	Arusha	Application F. No	08825	Phone	022 2450017
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Tourism	Cell Phone	0
		Sub Sector	Tour Operator	Fax	022 2450302
		File No	031571	E-Mail Address	Yolk@Raha.Com

Project Location		Investment Finance Plan in Millions USD			
Plot/Block	Northern Circuit Manyara, Ngorogoro, Robo and Serengeti	Foreign Equity	Local Equity	Foreign Loan	Local Loan
Street	Summit Centre	0	10	0	0
District	Arusha				
Region	Arusha				

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	5
Yogesh Gopalji Kotak	Tanzanian	50	Plant	1.3
Dhiran Goplji Kotak	Tanzanian	50	Vehicles	0.5
			Furniture & Fittings	2
			Pre-expenses	0.2
			Others	0
			Working Capital	1
			Total	10

Employment	28	Evaluated By	wf officer1
Capacity	xxxx	Drawn By	wf regist3
Project Turn Over		Project Type	Local

Description
 To expand in order to establish and run tour operation activities

Recommendations
 Be approved subject to providing evidence as required by section 17 of Tanzania Investment Act, 1997

Decision

Approved - Dhiran G. Kotak

HOTELS & LODGES (T) LIMITED

P. O. Box 10808 Dar es Salaam, Tanzania

Phone: (022) 2450017 Fax: (022) 2450302

E-mail: ydk@raha.com

30th December, 2010

The Executive Director
Tanzania Investment Centre
P. O. Box 938
Dar es Salaam
Tanzania



Dear Sir,

RE: APPLICATION FOR REGISTRATION OF CERTIFICATE OF INCENTIVES TO RUN TOUR OPERATIONS

The above heading refers, please find enclosed duly completed Registration form for Certificate of Incentive along with all relevant documents, namely:

- (1) Business Plan (2) copies
- (2) Certificate of Incorporation
- (3) Articles and Memorandum of Association
- (4) Bank Letter
- (5) Title Deed/Lease Agreement
- (6) Board Resolution

We look forward to your kind consideration and eventual approval of our application

Yours faithfully

HOTELS & LODGES (T) LTD.

A handwritten signature in black ink, appearing to read "M. J. J. J.", written over a horizontal line.

For: **MANAGING DIRECTOR**



No 00217754

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

031571

No:

This is to certify that

.....
HOTELS AND LODGES (T) LTD
.....

of address
P.O. BOX 10808
.....

ARUSHA
.....

has been granted a Certificate of Incentives to invest in a new, ~~rehabilitated~~ enterprise known as

HOTEL AND LODGES (T) LTD
.....

Which is located at
2nd FLOOR BLOCK 'B' EASTERN AND WESTERN WING
.....

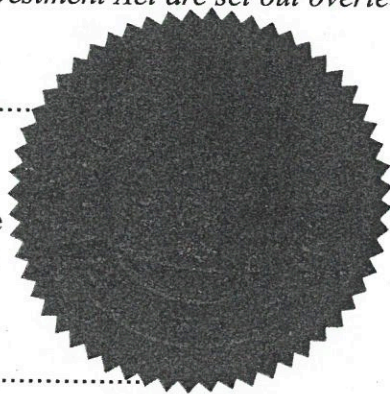
SUMMIT CENTRE COMPLEX, ARUSHA
.....

Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

.....
Ag. Executive Director

Tanzania Investment Centre
P.O. Box 938, Dar es Salaam

Dated 13TH JUNE 2011



This Certificate is issued in accordance with the provisions of Section 17 of the Tanzania Investment Act, 1997 and subject to the conditions prescribed under item 14 and 15 hereafter:—

1. Shareholders

	Nationality	Shareholding (%)
Yogesh Gopalji Kotak	Tanzanian	50
Dhiran Gopalji Kotak	Tanzanian	50
.....
.....

2. Proposed Activities : To expand in order to establish tour operation activities

3. Sector: Tourism Subsector Tour Operation

4. Investment cost: Foreign - Local USD 10m. Total USD 10m.

5. Project Financing: Equity USD 10m. Loans - Total USD 10m.

6. Source, terms and conditions of loan.....

7. Assets to be invested:

	Foreign	Local	Total
Capital items:	<u>-</u>	<u>USD 10m.</u>	<u>USD 10m.</u>

8. Technology Agreement None

9. Date of TIC Registration: 13th January 2011

10. Implementation period January 2011 - December 2013

11. Operative date..... January 2014

12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
 - (i) Applicable Import Duty And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
 - (ii) Applicable with-holding Tax As per Income Tax Act, 2004 (as amended)
 - (iii) Eligibility of Capital Allowances As per Income Tax Act, 2004 (as amended)

13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.

14. Conditions attached to this Certificate of Incentives
 - (i) Date of Commencement of investment has to be notified to the Centre.
 - (ii) Certificate not to be transferred, assigned or amended
 - (iii) Failure to commence implementation within two years invalidates Certificate
 - (iv) Failure to operate investment must be notified to the Centre
 - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre

15. Additional conditions attached to Certificate
To obtain TALA License

Signed 
Ag. Executive Director