



LEASE AGREEMENT

DATED THIS 06 DAY OF OCTOBER 2021

BETWEEN

STEVEN SMITH ASSENGA

(LESSOR)

AND

YOUR LOCAL CLINIC LIMITED (LESSEE)

In relation to the property comprised in

House No. 5 Block 586/10 Block 'C' situated at Meru street, Mtoni Kijichi Area in Temeke district
at Dar es Salaam, Tanzania Comprised in Certificate of Title No. 100439

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Table of Contents

Contents	Page
1. Demised Premises	4
2. Term and Renewal.....	4
3. Rent	4
4. Expenses Attributed to Rental Payment	5
5. Chartells.....	5
6. Insurance Obligations.....	6
7. Covenants of The Parties.....	6
8. Right of First Refusal.....	7
9. Termination	8
10. Amendment.....	8
11. Entire Agreement	8
12. Notices.....	8
13. Counterparts	8
14. Applicable Law And Dispute Settlement	9
Schedule 1: Insurance	10

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LEASE AGREEMENT



THIS LEASE AGREEMENT is made on this 6th day of October 2021 (the "Lease Agreement")

BETWEEN

STEVEN SMITH ASSENGA OF PO BOX 55989 DAR ES SALAAM, (Herein after referred to as the "Lessor"), the expression which where the context so permits shall include its assigns and successors in title of the one party.

AND

YOUR LOCAL CLINIC LIMITED OF PO BOX 80512, DAR ES SALAAM, (Herein referred to as the "Lessee") the expression which where the context so permits shall include its assigns and successor of the other party.

The Lessor and the Lessee hereinafter together will be referred to as the "Parties" and individually as "Party".

- (A) **WHEREAS** the Lessor is the legal owner of House No. 5 Block 586/10 Block 'C' situated at Meru street, Mtoni Kijichi Area in Temeke district at Dar es Salaam, Tanzania Comprised in Certificate of Title No. 100439.
- (B) Herein referred to as the "Demised Premises".
- (C) **WHEREAS** the Lessor and Lessee have agreed to enter into this Lease Agreement which allows the Lessor to lease the Demised Premises to the Lessee in accordance with the terms stipulated in this Lease Agreement.
- (D) **WHEREAS** the Parties agree to enter into this Lease Agreement which allows the Lessor to lease the Demised Premises in accordance with the terms stipulated in this Lease Agreement.
- (E) **WHEREAS** the Parties agree and acknowledge that, the business the Lessee will be undertaking in the Demised Premises is a licensed business. Accordingly, the Parties recognize that they must comply with Government rules, regulations and directives at all times and agree that they shall not do or omit to do anything that will jeopardize the license.

- (F) **AND WHEREAS** the Lessor has agreed to enter into this Lease Agreement solely for the purpose of enabling the Lessee to undertake a health clinic business on the Demised Premises.

Now Therefore This Agreement Witnesses as Follows:

1. Demised Premises

For the avoidance of doubt the Lessor has ownership of the Demised Premises under a granted right of occupancy of a term of 33 years commencing from **01st** day of **April 2004**.

2. Term and Renewal

2.1 That the term of the Lease Agreement shall be for a period of seven (7) years and shall commence on **01st November 2020** (the "**Commencement Date**") and shall end on **31 October 2027** (the "**Term**") subject to renewal clause 2.2 of this Lease Agreement.

2.2 At any time prior to the end of the Term, the Lessee may give at least **three (3) months** prior notice of renewal and the Parties shall immediately meet to discuss and set the terms of renewal of the Lease Agreement. The Lease Agreement shall be renewed on the terms mutually agreed by the Parties.

2.3 From the Commencement Date, the Lessor shall allow the Lessee free and unrestricted access to the Demised Premises.

3. Rent

3.1 Subject to clause 4 of this Lease Agreement, the **Lessor** shall demise the said Demised Premises to the Lessee without any encumbrance at an annual rent of **Tanzania Shillings Six Million Only (TZS 6,000,000/-)** (the "**Rent**") payable annually in advance and then as revised pursuant to this Lease Agreement.

3.2 The Lessee may at its sole discretion elect to withhold all taxes that are legally imposed on the Lessor in relation to the Demised Premises and shall pay the same to the Tanzania Revenue Authority or any other relevant Government authority in favour of the Lessor prior to paying the Rent.

3.3 The Rent shall be paid to the Lessor's bank account set out below (the "**Bank Account**");

Bank Name:	CRDB Bank PLC
Account Name:	Shalom Car Hire and Tour Limited
Account Number:	0150435374100
Account Currency:	TZS
Bank Branch:	Ubungo

3.4 The Lessor may change the Bank Account details at any time by giving reasonable written notice to the Lessee.

3.5 The Rent may be reasonably reviewed annually subject to the Lessee's business performance and market rate. For avoidance of doubt, the Lessor and Lessee have agreed that the rent review shall not exceed fifteen (15%) percent of the prevailing rent of the previous year and the rent review shall commence after three (3) years from the Commencement Date.

4. Expenses Attributed to Rental Payment

4.1 The Lessor and the Lessee have agreed that after signing this Lease Agreement, the Lessee will accomplish renovation works at the Demised Premises, and that a total of Tanzanian Shillings Eight Million Two Hundred and Eighty Thousands (TZS 8,208,000/) incurred by the Lessee on behalf of the Lessor for the renovation works shall be regarded as an advance rental payment for the Demised Premises.

4.2 The Lessor and the Lessee have agreed that the renovation works whose costs will be considered as paid rent will include exclusively electric cabling and accessory fittings, renovation of the plumbing system, roof gutters and new gate fixing.

4.3 The Lessor and the Lessee have agreed that rent paid by the previous tenant of the Demised Premises, namely Telmed Solutions Company Limited (the **Previous Tenant**) should be treated as rent paid by the Lessee under this Lease Agreement.

4.4 For avoidance of doubt, a total of Tanzanian Shillings Eleven Million (TZS. 11,000,000 paid by the Previous Tenant to the Landlord shall be treated as an advance rental payment.

4.5 Upon termination of the Lease Agreement by the Lessor, for any reason, the Landlord shall refund to the Lessee all advance rent paid by the Lessee that has not been utilized.

5. Chartells

That all Chartells that will be fixed by the Lessee in the Demised Premises shall belong to the Lessee.

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6. Insurance Obligations

The Parties shall comply with insurance obligations set out in Schedule 1 to this Lease Agreement.

7. Covenants of The Parties

7.1 The Lessor hereby covenants with the Lessee as follows:

- (a) so long as the Lessee pays the Rent and performs the covenants and stipulations herein contained, the Lessee shall peacefully hold and enjoy the Demised Premises during the Term without interruption by the Lessor or any person claiming under or in trust for the Lessor;
- (b) that the Lessor shall pay all rents, rates, assessments, impositions, including Government land rent and municipal rates which are now or at any time during the Term may be assessed or imposed on the Demised Premises or any part thereof by the Government or municipal/local authority or any other authority save for the express provisions to the contrary herein;
- (c) that the Lessor shall pay all other applicable levies, taxes, imposts, and compliance costs relating to the ownership of the Demised Premises including property tax;
- (a) that the Lessor shall promptly inform the Lessee of any legal proceedings or any orders, instructions or prohibition issued by any Government authority which would prevent either of the Parties from entering into or performing its obligations under this Lease Agreement;
- (b) that the Lessor shall strictly observe the terms and conditions stipulated in this Lease Agreement; and
- (c) that the Lessor shall comply with all the conditions stipulated under the Certificate of Title held by the Lessor in respect of the Demised Premises or any Laws and regulations of any relevant Competent Authority which affect the Demised Premises which are legally required to be performed by the Lessor.

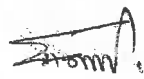
7.2 The Lessee hereby covenants with the Lessor as follows:

- (d) that the Lessee shall permit the Lessor or his agents at all convenient times and after reasonable notice to enter the Demised Premises to examine the condition and make good any defects for which the Lessor is responsible;
- (e) that the Lessee shall not assign, sublet or part with the possession of or part of the Demised Premises without a prior written consent of the Lessor which shall not be unreasonably withheld;

- (f) that the Lessee shall pay for his own electricity, water, and all other utilities during his stay at the Demised Premises;
- (g) that the Lessee shall comply with all Municipal regulations and other legal requirements;
- (h) that the Lessee shall hand over the Demised Premises in good condition at the end of this agreement; and
- (i) that the Lessor must offer the Demised Premises to the **Lessee**, prior to offering the Demised Premises for sale to a third party.

8. **Right of First Refusal**

- 8.1 During the Term, the Lessor shall not, directly or indirectly, enter or make a binding offer to sale the Demised Premises to a third party except in accordance with this clause 8.
- 8.2 If at any time during the Term, the Lessor resolves to sell the Demised Premises, the Lessor shall immediately notify the Lessee in writing in accordance with clause 12 (the **Offer Notice**).
- 8.3 The Offer Notice shall contain the price and other material terms of the proposed sale of the Demised Premises (the "**Material Terms**").
- 8.4 The Offer Notice shall constitute an offer, subject to contract, by the Lessor to enter an agreement with the Lessee on the Material Terms which shall:
 - (a) be irrevocable during the period of thirty (30) days following the Lessee's receipt of the Offer Notice Exercise Period; and
 - (b) not be capable of amendment without the written agreement of the Lessee.
- 8.5 At any time before the end of the Exercise Period, the Lessee may accept the offer set out in the Offer Notice by delivery to the Lessor of a written notice of acceptance executed by the Lessee.
- 8.6 On the Lessor's receipt of the written notice referred to in clause 8.5 the parties shall in good faith seek to conclude a formal agreement containing the Material Terms as soon as practicable.
- 8.7 If, the Lessee has not accepted the Offer and concluded a binding agreement with the Lessor relating to purchase of the Demised Premises by the end of the Exercise Period, and provided that the Lessor has complied with its obligations in this clause 8, the Lessor may offer for sale the Demised Premises to any other interested person on terms that are no less favourable to the Lessor than the Material Terms.
- 8.8 If the Lessor has not concluded a binding land sale agreement with to a third party within ninety days (90) days of the end of the Exercise Period in accordance with clause 8.7,

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the provisions of this clause 8 shall reapply and the Lessor shall not enter or agree to enter any land sale agreement during the Term without following the procedure set out in this clause 8.

9. Termination

This lease shall terminate on the expiry of the lease term herein reserved. Provided that the Lessee gives three (3) months written notice prior to the lease expiry of his intention to renew, and the Lessor shall renew the lease to the Lessee for a further seven (7) years on the same terms and conditions.

10. Amendment

That any provision of this agreement may be amended by mutual agreement of the Parties.

11. Entire Agreement

11.1 This Lease Agreement incorporates the entire agreement between the Lessor and the Lessee and no alteration, consensual or variation hereof shall be of any force or effect unless it is in writing and signed by both the Lessor and the Lessee.

11.2 Both Parties hereby acknowledge that no representations or warranties have been made by either the Lessor or the Lessee, nor are there understandings or terms of Lease, other than those set out therein.

12. Notices

12.1 Any notice under this Lease Agreement shall be in writing.

12.2 Any notice to the Lessee shall be sufficiently served if addressed to it and left at the Demised Premises or if sent by registered post addressed to it at its usual place of business.

12.3 Any notice to the Lessor shall be sufficiently served if sent to the Lessor by registered post addressed to it or is left at its usual place of business.

12.4 Any and all written notices to be given by the Parties in connection with this Lease Agreement shall be addressed to the official address of the Party intended to receive the notice.

13. Counterparts

This Lease Agreement may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

EH SC [Signature]

14. Applicable Law And Dispute Settlement

- 14.1 This Lease Agreement, its implementation, interpretation and construction shall be governed by, and be in accordance with, the laws of the United Republic of Tanzania.
- 14.2 The Parties submit to the exclusive jurisdiction of Tanzanian courts in respect of any matter or dispute connected with this Lease Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Lease Agreement as of the date written below and, in the manner, stipulated herein.

SIGNED and DELIVERED by the said **STEVEN SMITH ASSENGA** who is known to me personally
~~identified to me by~~
the latter being known to me personally in my presence this 06 day of October 2021.

[Signature]
.....

LESSOR



BEFORE ME:
Name: ALIKO SIMON
Signature: *[Signature]*
Address: PO Box 80512 DSM
Qualification: **COMMISSIONER FOR OATHS**

SIGNED and DELIVERED by the said **YOUR LOCAL CLINIC LIMITED** in the presence of:

[Signature]
.....

Director/Authorised Signatory

[Signature]
.....
Print Name

[Signature]
.....
Director/Company

Secretary/Authorised Signatory

[Signature]
.....
Print Name

[Handwritten initials and signature]

Schedule 1: Insurance

1. Definitions

- (a) **"Insurance Premium"** means, as it may apply:
- (i) the sums that the Lessor shall from time to time pay by way of premium for insuring the Demised Premises and the Fixtures and Fittings in accordance with this Schedule 1.
 - (ii) the sums that the Lessee shall from time to time pay by way of premium for insuring the Lessee's assets in accordance with this Schedule 1.
- (b) **"Insured Risks"** means fire, lightning, explosion, aircraft, riot, civil commotion, strikes, lockouts malicious persons, earthquake, storm, tempest, flood, bursting and overflowing of water pipes, tanks and other apparatus and impact by road vehicles and such other risks as the Parties from time to time may insure against.

2. Obligations of the Parties

- (a) The Lessor shall insure or cause to be insured and keep insured the Demised Premises and the Fixtures and Fittings therein against the Insured Risks.
- (b) The Lessee shall insure or cause to be insured and keep insured the Lessee's assets kept in the Demised Premises.

3. Lessee's Insurance Covenants:

The Lessee covenants with the Lessor:

- (a) To comply with all the reasonable requirements and recommendations of the insurers.
- (b) Not to do or omit anything that could cause any policy of insurance procured pursuant to this Schedule 1 to become void or voidable wholly or in part.
- (c) To keep the Demised Premises supplied with such firefighting equipment as the insurers and the fire authority may require or as the Lessor may reasonably require and to maintain such equipment in efficient working order and other firefighting equipment to be inspected by a competent person.

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- (d) Not to store or bring onto the Property any article, substance or liquid of a specially combustible inflammable or explosive nature other than in respect of any stand-by generator fuel and to comply with the requirements and recommendations of the fire authority and the reasonable requirements of the Lessor with regards to fire precautions relating to the Demised Premises.
- (e) Not to obstruct access to any fire equipment or the means of escape from the Property nor to lock any fire door while the Demised Premises are occupied.
- (f) To give notice to the Lessor upon the coming to the notice of the Lessee of the happening of any event which Lessee is aware might affect any insurance policy on or relating to the Demised Premises or upon the happening of any event against which the Lessor may have insured under this Lease.
- (g) in relation to the policy of insurance effected by the Lessee pursuant to its obligations in this Schedule 1 to produce to the Lessor on demand reasonable evidence of the terms of the policy and the fact that the last premium has been paid.

4. **Lessor 's Insurance Covenants:**

The Lessor covenants with the Lessee in relation to the policy of insurance effected by the Lessor pursuant to its obligations in this Schedule 1 to produce to the Lessee on demand reasonable evidence of the terms of the policy and the fact that the last premium has been paid.

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