

THE REGISTRATION OF DOCUMENTS  
ORDINANCE (CAP 117)

# LEASE AGREEMENT

BETWEEN

**ATHUMANI BADI NKYA T/A NATAI PLAZA**

---

AND

**BRAC TANZANIA FINANCE LIMITED**

In respect of:

**Suite No. F2.01**

**PLOT 17.MIKOCHENI LIGHT INDUSTRIAL AREA**

**COCA COLA ROAD  
DAR ES SALAAM**

Lessor Initials ..... 

1

Lessee Initials ..... 

This Lease Agreement is made on **16<sup>th</sup> December, 2020** by and between

1. **ATHUMANI BADI NKYA\_T/A NATAI PLAZA** of P.O.BOX 34370 DAR ES SALAAM (herein after referred to as "the Lessor"):

AND

2. **BRAC TANZANIA FINANCE LIMITED** a company incorporated in Tanzania under certificate of registration number 67364 of P.O. Box 105213 DAR ES SALAAM (herein after referred to as "the Lessee")

WHEREAS:

- A. The Lessor is the legal and beneficial owner of the parcel of land together with buildings and improvements thereon situated on **Plot Number 17 MIKOCHE NI LIGHT INDUSTRIAL AREA**, Dar es Salaam registered under Certificate of Occupancy Number 33286 (herein after referred to as the "Building")
- B. The Lessor has agreed to make available for lease a portion of the Building **Suite F2.01** measuring approximately **556 sq.mt.** and located on the **second** floor (herein after referred to as the "Premises")
- C. The Lessor desires to lease the Premises to Lessee, and Lessee desires to lease the Premises from Lessor for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable considerations, it is agreed:

**1. Term.**

- 1.1. The Lessor represents and warrants that it has good title to the Premises and has the right and full power to lease to the Lessee the Premises in the manner set out in this Lease.
- 1.2. The Lessor hereby leases the Premises to the Lessee, and the Lessee hereby leases the Premises from Lessor, for a period of **TWO (02) years** beginning and including **1<sup>st</sup> January, 2021** and ending **31<sup>st</sup> December 2022**.
- 1.3. The Lessee may renew the Lease for a further term. The Lessee shall exercise such renewal option, by giving written notice to the Lessor not less than sixty (60) days prior to the expiration of the Term herein created. The renewal term shall be at mutually agreed rentals but otherwise upon the same covenants, conditions and provisions as provided in this Lease.

**2. Rental.**

- 2.1. The Lessee shall pay the Lessor during the Term rent of **US\$ 3,892 (Three Thousand Eight Hundred and Ninety-Two)** per month payable Six (06) months in advance totaling **USD. 23,352 (Twenty-Three Thousand Three Hundred Fifty-Two) exclusive** of VAT.
- 2.2. The rental payment amount for any partial calendar months included in the lease term shall be prorated on a daily basis.

2.3. Should the Lessee desire to pay the rents in local currencies, the Lessor shall apply Bank of Tanzania (BOT) average exchange rate for a particular day of payment.

**3. Service Charge:**

3.1. In addition to the rent, a service charge payable three months in advance will be levied to cover all outgoings, operational costs and over heads relating to the building.

3.2. The service charge will be based on the initial assessment of the approximately USD 2 per square meter per month, which equates to **USD 1,112** per month payable 06 (Six Months) month in advance totaling **USD.6,672** exclusive of VAT.

3.3. Apportionment of the actual costs incurred will be done every 6 months. An apportionment schedule showing the total apportionment for each unit will be provided and any difference between the initial payments and the actuals either credited or debited to individual accounts.

3.4. The Service charge will be subject to adjustment either up or down at the end of each accounting year following an annual assessment of the building's actual outgoings.

**4. Value Added Tax**

4.1. In addition to the above rental and service charges, the Lessee will be liable to pay all Value Added Taxes and other taxes levied from time to time in law in respect of any amounts payable by the Lessee except Withholding Tax which is borne by the Lessor.

**5. Security Deposit.**

5.1. To maintain a deposit of **USD 5,004 (Five Thousand and Four)** equivalent to one month's rent, service charge with the Lessor which deposit shall be refundable at the end of the term hereby created, subject to deductions for all charges for repairs and redecoration of the Premises. The deposit shall act as security for the due performance of the tenancy and the Lessor shall be entitled to apply the same to remedy any default of the Lessee hereunder. For the avoidance of doubt the Lessee will top up the initial deposit with an additional **USD.351** (Three Hundred and Fifty-One)

**6. Withholding Tax**

6.1. The Lessee shall deduct from the Rent payable the requisite withholding tax in respect of the Premises, remit the said sum to the Commissioner of Income Tax and provide the Lessor with a receipt and requisite payment schedule from the Commissioner of Income Tax as proof of payment within 14 days of paying the Rent to the Lessor.

**7. Permitted User**

7.1. The Lessee shall use the Leases Premises as Office space.

7.2. Notwithstanding the forgoing, the Lessee shall not use the Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical.

**8. Quiet Possession.**

- 8.1. The Lessor covenants and warrants so long as the Lessee pays rent and performs and observes the covenant the conditions contained or implied in the Lease, that the Lessee shall have exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Premises during the term of this Lease, without any interruption from or by the Lessor or any person rightfully, claiming from or under him.
- 8.2. The Lessor shall upon issuing a reasonable notice to lessee have the right to enter upon the Premises at reasonable hours to inspect the same, provided Lessor shall not thereby unreasonably interfere with Lessees business on the Premises.

**9. Parking.**

- 9.1. The Lessee will be allocated **15** onsite parking bays for the duration of the Term
- 9.2. The Lessor reserves the right to designate parking areas within the Building or in reasonable proximity thereto.

**10. Signs.**

- 10.1. Following the Lessor's consent which shall not be unreasonably withheld, the Lessee shall have the right to place on the Premises, at locations selected by Lessee which are permitted by applicable zoning ordinances and private restrictions, any signs displaying the name and logo of the Lessee.
- 10.2. The Lessor may refuse consent to any proposed signage that is in the Lessor's reasonable opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Premises or use of any other Lessee.

**11. Utilities.**

- 11.1. The Lessee hereby agrees to apply to the relevant authorities and/or supplier, services relating to its business and all other services to be supplied and metered separately to the Premises and to pay all application, turning on and all other incidental charges in relation thereto including any tax now or in future imposed in respect of such charges during the entire Term.
- 11.2. The Lessee hereby agrees to pay all charges including any tax now or in future imposed in respect of water and electricity and any other services supplied and metered separately to the Premises and to pay all necessary installation, hire and all other incidental charges for any equipment or appliances supplied to the Premises by the relevant authorities or service provider. In the event of such water, electricity and any other services are not being metered separately to the Premises during the Term including the Fitting-out Period, to pay to the Lessor a proportionate part of the cost thereof including any tax, such costs shall be calculated by the Lessor and notified to the Lessee by a statement in writing, such statement shall be conclusive as to the amount thereof. The Lessee shall pay such costs to the Lessor within seven (7) days of receipt of such statement.

**12. Repairs.**

- 12.1. During the Lease term, the Lessee shall keep the Premises clean and tidy and in good repair save from damage arising from reasonable wear and tear.
- 12.2. During the Lease term, the Lessor shall keep the roof, main walls of the Building , the drains and plumbing, septic tanks and supply and the pipes carrying the same to the Building, the exterior of the Building and including the perimeter fence or wall, gates main walls and roof of any buildings, gutter, down-pipes and drains and the plumbing and electrical wiring within the structure of the Building and the Premises in good and tenable condition before handing over the Premises to the Lessee and at all times during the Term subject to normal wear and tear.
- 12.3. The Lessee shall permit the Lessor or its agent, at all reasonable times during the Term with or without workmen with notice to enter upon and examine the condition of the Building or the Premises and in case the Premises shall be found to be defective or outof repair to leave notice in writing at the Premises of such defects or maintenance of which the Lessee is liable under the provisions of this lease requiring the Lessee to make good the same in a proper manner to the satisfaction of the Lessor within the space of 1 (one) calendar month next after service to the Lessee of every notice.
- 12.4. The Lessee shall at the expiry date of the Lease, yield up the Lease Premises in such repair and condition as at the start of the Lease, fair wear and tear accepted. For the avoidance of doubt the Lessee shall paint the Premises in two coat paint only if the premises is damaged by acts which are not a result of normal wear and tear.

**13. Alterations and Improvements.**

- 13.1 The Lessee, shall at Lessee's expenses, have the right, following the Lessor's consent (which consent shall not to be unreasonably withheld or delayed), to remodel, redecorate, and make internal improvements and replacements of any part of the Premises from time to time as the Lessee may deem desirable, provided the same are made in workmanlike manner and utilizing good quality materials.
- 13.2 The Lessee shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Premises, and fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by the Lessee at that commencement of the Lease term or placed or installed on the Premises by the Lessee thereafter, shall remain the Lessee's property free and clear of any claim by Lessor.
- 13.3 The Lessee shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Premises caused by such removal shall be repaired by the Lessee at Lessee's expense. The Lessee shall provide a copy of the final floor plan for their space to the Lessor for his approval prior to commencing works.

**14. Sublease and Assignment.**

- 14.1 The Lessee shall have the right with the Lessor's consent, to assign this Lease to a corporation with which the Lessee may merge or consolidate, to any subsidiary or Lessee

to any corporation under common control with the Lessee, or to a purchaser of substantially all of Lessee's assets.

## 15. Property Taxes

The Lessor shall pay, all general real estate taxes and instalments of special assessments becoming due during the Lease term on the Premises and Building, and all personal property taxes with respect to the Lessor's personal property, if any, on the Premises. The Lessee shall be responsible for paying all personal property taxes with respect to Lessee's personal property at the Premises. The Lessor shall promptly pay to the concerned authorities all property rates, taxes and dues pertaining to the property or any similar tax replacing it or pertaining a similar fiscal function.

## 16. Insurance.

- 16.1 The Lessor shall insure at all times during the term of the lease and keep insured the Premises (but not the Lessee's fixtures and fittings) against loss or damage by fire, lightning, earthquake, flood and such other risks as the Lessor may from time to time in his absolute discretion shall insure against, and shall maintain fire and extended coverage insurance on the Building and the Premises in such amounts as Lessor shall deem appropriate, and shall provide the Lessee with proof of such insurance.
- 16.2 The Lessee shall be responsible for insuring all of its personal property, including removable trade fixtures, located in the Premises.
- 16.3 The Lessor shall not be liable for any injury to the Lessee, invitee servants or visitors of any kind and wherever on the Premises, including tradesman caused by diligent working of any machinery in the Premises.
- 16.4 If the Premises or any other part of the Building is damaged by fire or other event resulting from any act or negligence of Lessee or any of Lessee's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and the Lessee shall be responsible for the costs of repair not covered by insurance.
- 16.5 If Premises or any part thereof or any appurtenance thereto is so damaged or destroyed by fire, structural defects or any insurable risk so that the same cannot be used for the Lessee's purposes, then the Lessee shall have the right within ninety (90) days following damage to the Premises, to elect by written notice to the Lessor to terminate the Lease as of the date of such damage.
- 16.6 In the event of minor damage to any part of the Premises, and if such damage does not render the Premises unfit for the Lessee's purposes, the Lessor shall promptly repair such damage at the cost of the Lessor.
- 16.7 In making the repairs called for in this clause, the Lessor shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labour or other matters which are beyond the reasonable control of the Lessor.
- 16.8 The Lessee shall be relieved from paying rent and other charges during any portion of the Lease term that the Premises are inoperable or unfit for occupancy, or use, in whole or in part, for the Lessee's purposes.
- 16.9 Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Lessee.

- 16.10 The provisions of this clause extended not only to the matters aforesaid, but also to any occurrence which is beyond the Lessee's reasonable control and which renders the Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for the Lessee's purposes.
- 16.11 Any notice to terminate this lease by either the Lessor or the Lessee under this clause shall be without prejudice to the rights of either party for breach of any of the covenants in the lease.

**17. Legal Documents:**

The Lessee shall provide copies of the following documents for the Lessor's records

- i. Certificate of incorporation
- ii. Memorandum and article of association
- iii. TIN & VAT Certificate.
- iv. Valid Business License
- v. For lease signatory: -
  - i. Two passport size photos
  - ii. Identification documents (passport/voters ID or driving license for citizens)
  - iii. Passport and work permit for foreigners and proof of residence e.g. utility bill or tenancy agreement

**18. Termination.**

- 18.1 Either party to this agreement shall be entitled upon giving the other party Two (02) calendar months' notice in writing of his intention to do so terminate the said term and shall until the time of such termination perform and observe all the covenants and agreement herein contained. Immediately after expiration of the said notice this present lease and everything here contained shall cease and be void without prejudice to any claim either party may have against the other, in respect of any antecedent breach of any covenant or condition herein contained. The allocation of rent paid will be calculated on a proportional basis up to the date on which the said notice expires and the Lessor shall refund to the Lessee any rent paid in advance covering any period after the date of the expiry of the said notice.
- 18.2 The Lessee may opt to pay two months' rent in lieu of notice and also pay the agency re-letting fees equivalent to one month's rent.
- 18.3 Termination of this lease shall not affect any other right or remedy that either party may have in relation to any earlier breach of this lease.

**19. Default Interest.**

- 19.1 If there is Default with respect to any of the Lessor's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from the Lessee to Lessor specifying the default, the Lessee may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing instalment or instalments of rent payable hereunder until the Lessee shall have been fully reimbursed for such expenditure, together with interest thereon at a rate equal to prevailing Interbank lending rate [currently Nine (9%)
- 19.2 If this Lease terminates prior to Lessee's receiving full reimbursement, Lessor shall pay the unreimbursed balance plus accrued interest to Lessee on demand

## 20. Yielding up at the end of the Term

20.1 At the end or sooner determination of the Term hereby created: -

- a) To surrender to the Lessor all keys giving access to all parts of the Premises irrespective of whether or not the same have been supplied by the Lessor;
- b) Quietly to yield up the Premises and the Lessor's fittings and fixtures the reasonable satisfaction of the Lessor (after removal of all tenant's fittings which during the Term and with the Premises repaired and cleaned in accordance with the Lessee's covenants contained in this Agreement).
- c) Without prejudice to the generality of the foregoing provisions, to reinstate all air-conditioning installations, sprinkler system and other electrical and electronic installations therein to its original condition to the reasonable satisfaction of the Lessor, such reinstatement work and all other reinstatement works as required under this Agreement shall be carried out at the Lessee's costs and expense by a contractor appointed by the Lessee and approved by the Lessor.
- d) To redecorate the Premises to the reasonable satisfaction of the Lessor, with two coats of good quality oil paint or emulsion paint and with wall paper for those part normally wall papered and other appropriate treatment of all internal parts of the Premises including the ceiling and floor in a good workmanlike manner using suitable and appropriate materials as the Lessor may reasonably and properly require if the destruction is not from normal wear and tear of the building.
- e) At any time upon the written request of the Lessor, to remove any signs, names, advertisements or notices erected upon or affixed to, within or outside the Premises or the exterior walls of the Building and to make good any damage or disfigurement caused by reason of such erection, affixing and/or removal thereof

20.2 If the Lessee shall be in breach of Clause 20.1(d) the Lessor may reinstate the Premises in accordance with the provisions contained herein at the Lessee's cost and expense and such costs and expense thereby incurred together with Rent and Service Charge which the Lessor shall be entitled to claim and such amount shall be paid by the Lessee within seven (7) days of demand from the Lessor, and in this connection, a certificate from the Lessor as to the amount of cost and expenses incurred shall be conclusive and binding on the Lessee. The rights of the Lessor contained herein shall be without prejudice to any other rights or remedies which the Lessor may be entitled to. Provided Always that nothing herein contained shall mean that it is obligatory on the Lessor to reinstate the Premises as aforesaid.

20.3 For the avoidance of doubt rent will be payable until the final handover date when all the repair works and paintings have been finished.

## 21. Notice.

21.1 Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by delivered certificate mail, return receipt requested, or by email, provided that the sender had received receipt indicating proper transmission and that a hard copy of such notice or communication is forthwith sent by prepaid post, to the relevant party at his or its address for services set out in clause 21.2 below or at such other address for service as that party may have notified the other parties in accordance with this clause

The addresses referred to in clause:-

In case of a notice given to the Lessor:

The Managing Agent:-

SHINAR LIMITED

P.O.Box 10848, Dar es Salaam, Tanzania

Email: [shinar@shinar.co.tz](mailto:shinar@shinar.co.tz)

In case of a notice given to the Lessee, The Head Administration Procurement and Logistics Department  
BRAC TANZANIA FINANCE LIMITED  
P.O.Box 105213  
Dar es salaam ,Tanzania  
Bractanzania@brac.net

21.2 .The Lessor and Lessee shall have the right from time to time to change the addresses given under the paragraph by written notice thereof to the other party.

**22. Condemnation.**

If any legally, constituted authority condemns the Building or such part thereof which shall make the Premises unsuitable for Leasing, this Lease shall cease when the public authority takes possession, and Lessor and Lessee shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

**23. Registration and enforcement of Lease.**

Stamp duty payable to the revenue authority on the lease agreement will be paid by the Lessee.

**24. Headings.**

The Headings used in this Lease are for convenience for the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

**25. Successors.**

The provisions of the Lease shall extend to and be binding upon the Lessor and the Lessee and their respective legal representatives, successors and assigns.

**26. Consent.**

The Lessor shall not unreasonably withhold or delay its consent with respect to any matter for which the Lessor's consent is required or desirable under this Lease.

**27. Compliance with Law.**

The Lessee shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to the Lessee's use of the Premises(Including but not limited to Withholding Taxes against amounts payable to the Lessor as shall be determined by the relevant revenue and other authorities). The Lessor shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Premises.

**28. Final Agreement.**

The Agreement terminates and supersedes all prior understanding or agreements on the subject matter hereof. This agreement may be modified only by a further writing that is duly executed by both parties.

**29. Governing Law.**

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

IN WITNESS WHEREOF the Lessor and Lessee have hereto signed this deed on the day, month, year and the manner as hereinafter appearing.

SIGNED by the said LESSOR

ATHUMANI BADI NKYA

This 29 day of December, 2020

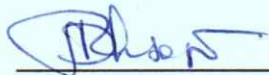
} 

Witness:

Full Name:

DICKSON J. NGOWI

Signature:



Postal Address:

Box 31373, DAR ES SALAAM



SIGNED and SEALED by the said LESSEE

BRAC TANZANIA FINANCE LIMITED

This 11th day of December, 2020

By:

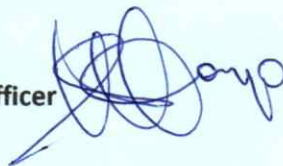
NAME:

Nkosilathi Moyo

POSITION:

Chief Executive Officer

SIGNATURE:



In the presence of

NAME:

Amedeus Michael, Advocate

POSITION:

Company Secretary/Legal Manager

SIGNATURE:





ORDER 03724426  
611  
100089263121542889037244200426

TAX OFFICE KINNDONI

CUSTOMER NAME ATHUMAN NKYA  
CUSTOMER ID TYPE BUYER'S TIN  
CUSTOMER ID 110985576  
CUSTOMER VRN 40037961

RECEIPT NUMBER 4466  
ZNo 1/0626  
DATE 04-01-2021 TIME 16:25:25

ECR: 01 OP: 01

CERTIFICATION 60'000.00 A

TOTAL EXCLUSIVE OF TAX 50'847.46

TAX A-18.00% 9'152.54

TOTAL TAX 9'152.54

TOTAL INCLUSIVE OF TAX  
60'000.00

CASH 60'000.00  
ITEMS NUMBER 1

RECEIPT VERIFICATION CODE  
46C38D4466



\*\*\* END OF LEGAL RECEIPT \*\*\*