

LEASE AGREEMENT

This LEASE AGREEMENT is made this 13th Day of February 2020.

Between

JAFFERJI DEVELOPERS LIMITED a Limited Company Incorporated in Tanzania under the Companies Act, No. 12 of 2002 with Certificate of Incorporation number 58869 of P. O. Box 38439, Dar Es Salaam, hereinafter referred as "the Lessor" of the one part

And

BINGWA LABORATORIES LIMITED a Limited Company Incorporated in Tanzania under the Companies Act, No. 12 of 2002 with Certificate of Incorporation number 97114 of P. O. Box 10009, Dar Es Salaam, hereinafter referred as "the Lessee" of the other part.

WHEREAS

- A. The Lessor has agreed to lease to the Lessee for commercial use on the Ground Floor, Shop Number **S-01**, Pemba Street, Kariakoo Area on Plot No. 14 of P.O Box 38439, Dar es Salaam, hereinafter the referred as "Premises".
- B. The Lessee desires to lease the said premises for the purpose specified herein above.
- C. The Lessor and the Lessee have agreed that the lease of the premises shall be subject to the terms and conditions stipulated under this Lease Agreement.

NOW THIS LEASE AGREEMENT WITNESSETH AS FOLLOWS:

1. COMMENCEMENT AND DURATION OF THE LEASE:

The lease shall be for a term of four (04) years commencing 1st day of March 2020 and terminating on the 28th day of February 2023 or on such later date as the Parties may agree upon renewal of this Agreement.

2. THE PREMISES:

- 2.1 The leased premises are for commercial occupancy as per Clause A above measuring approximately 152 square meters.
- 2.2 The building is commonly known as Clifton Apartments building of which the premises form part.

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3. RENT AND TERMS OF PAYMENT:

- 3.1 The rent payable for the demised shall be TZS. 1,500,000/- (Tanzanian Shillings One Million Five Hundred Thousand Only) per month, which shall be paid three (03) months in advance. The rent shall be paid punctually without any deductions whatsoever except tax deduction (With Holding Tax).
- 3.2 The building maintenance charges for demised premise shall also be paid three (03) months in advance directly to the caretaker of the building. The building maintenance charge can be increased by the caretaker due to increase in expenses which shall be communicated by the caretaker to the Lessee.
- 3.3 The above rent is exclusive of Value Added Tax (VAT) which shall be charged and payable along with the rent.
- 3.4 Withholding Tax on rent shall be subject to the requirements of the Income Tax Act 2004. The certificate of the same shall be submitted by the Lessee to the Lessor on time.
- 3.5 The rent hereby reserved can be subject to an escalation after one (01) year by the Lessor which shall be conveyed to the Lessee and agreed upon by both the parties.
- 3.6 Either party can give notice of two (02) months incase they wish to terminate the Lease Agreement before the expiry of term as per Clause 1 above.
- 3.7 Stamp Duty on the Lease Agreement shall be payable by the Lessee as per the Provisions of the Relevant Act.
- 3.8 Upon default of rent or building maintenance charges the payment by the Lessee, the Lessor shall disconnect the power (electricity) of the Tenant. Upon disconnection of power (electricity), a further grace period of three (03) days shall be given to the Lessee to pay the outstanding amounts with restoration fees of Tsh 50,000 + taxes. If the Tenant still fails to pay, then the Lessor shall lock the said Premises. During this dispute period the Tenant shall not have the right of entry to the said premises. Any expenses incurred in locking the said premises, court cases or any other charges involved in this process shall be borne by the Lessee.
- 3.9 Rent & building maintenance charges shall accrue and be payable by the Lessee for all the periods when the premises is locked as per Clause 3.8 above.

4. THE LESSEE HEREBY COVENANTS WITH THE LESSOR:

- 4.1 To pay the rent in the manner aforesaid on the lease and provide the Lessor with proof of such payment.
- 4.2 To pay building maintenance charges and electricity on time.
- 4.3 To keep the Premises clean and in good order and to hand over the property and fittings at the termination of the tenancy in the same condition and repair as on entry, fair wear and tear accepted.
- 4.4 To pay for the replacement or make good repair or restore all such articles or fittings and effects which shall be broken, lost or destroyed during the period of the tenancy.
- 4.5 To be responsible for all damage which is incurred as a result of negligence or willful act of the Lessee, his guests or servants during the tenancy to walls ceilings, floors, windows, doors and all parts of the Premises and will repair at his expense if required to do so by the Lessor.
- 4.6 To be responsible for all running repairs in connection with the internal plumbing, water heaters, electrical fittings, cabinets, windows, doors and locks, having confirmed that they are in working order before taking occupation of the Premises.
- 4.7 To report in writing to the Lessor any apparent defects that may develop in the structure of the said premises, to enable the Lessor to take immediate steps to put such defects in order.
- 4.8 Not without the previous consent in writing of the Lessor to erect or suffer to be erected on the Premises any addition thereto or to carry out any alteration renovation or installation thereon or to cut maim injure nor to allow to be cut maimed or injured any of the walls or timbers thereof; PROVIDED HOWEVER THAT any addition, alteration, installation of renovation carried out by the Lessee with the consent of the Lessor and the Lessee shall not be entitled to remove or to dismantle any addition, alteration of renovation effected by the Lessee upon the expiration of the term hereby created or its sooner determination, howsoever caused.
- 4.9 Not to do or suffer to be done on the Premises or any part thereof anything which will invalidate or increase premiums for the insurance policy over the Demised Premises against damage by fire and the Lessee shall be responsible to pay increased premiums and all expenses incurred by the Lessor due to the Lessee's breach of the covenant.
- 4.10 Not to keep without allowable permit or licenses any hazardous or inflammable materials, defective appliances or machinery or any materials or substances that can cause fire or destruction in the Premises. In event of occurrence of fire caused by any actions of the Lessee the Lessee shall be fully responsible for any loss to the Premises.
- 4.11 To use the Premises for commercial purposes only and not to use the Premises in a way that would create annoyance or nuisance or any danger to the public or neighbors.
- 4.12 To yield up the Premises with fixtures and fittings and additions thereto at the expiration of the term hereby created or its sooner determination in good and Lesseeable repair and condition in accordance with the covenants herein contained (fair wear and tear excepted), but the Lessee shall if so required by the Lessor remove fixtures and fittings, make good all damage occasioned, and with vacant possession and to deliver all keys of the entire Premises.

- 13 Before expiration of the lease, the Lessor or his representatives shall inspect the premises to ascertain that the premises are in good condition. The Lessee shall be asked to repair or pay for any damages within one month of the inspection date and prior to termination of the lease.
- 4.14 That the Lessor shall not be liable personally or otherwise for any activities that the Lessee undertakes in the said Premises which are or may be considered as morally, socially and lawfully unacceptable, unethical or illegal. Further the Lessee shall continue to be personally liable to indemnify the Lessor for any losses (cash and otherwise) and the repairing expenses caused due to such activities.
- 4.15 To be solely responsible for procuring and payment of all types of Licenses from the relevant Statutory Authorities which are currently required or may be required in future in line with the Commercial use of the Premises or nature of Business of the Lessee. Furthermore, the Lessee shall continue to be personally liable to indemnify the Lessor for any expenses (cash and otherwise) due to any penalty payable or expenses incurred by the Lessor in this regards.

5. THE LESSOR HEREBY AGREED WITH THE LESSEE:

- 5.1 To pay land rent, property tax and now or in future levied by the government authorities not directly related to commercial use of the premises..
- 5.2 The Lessor shall hand over to the Lessee the premises in good condition and service in proper state for use to the Lessee.

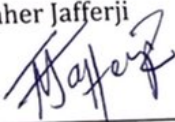
6. IT IS HEREBY AGREED BETWEEN THE LESSOR AND THE LESSEE

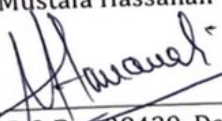
- 6.1 The Lessor retains the right to enter the Demised Premises to carry out inspection but will first obtain the permission of the Lessee to enter; such permission not to be unreasonably withheld. The Lessee will also, during the last month of the tenancy, permit any person or persons to enter and inspect the Demised Premises at reasonable times to view as required by the Lessor or his authorized agents.
- 6.2 The Lessor on determination of the term herein created and at his option may allow the Lessee to renew this tenancy for a further period at a rental and on terms to be agreed between the parties at that time.
- 6.3 No delay or failure in performance by either party of its obligations hereto shall constitute default hereunder or give rise to any claim for damages if such delay or failure is caused by Force Majeure. Force Majeure shall mean an occurrence beyond the control of the affected party and without fault or negligence of the party and which such party is unable to prevent or provide against by the exercise of reasonable diligence including, but not limited to acts of God or public enemy expropriation or confiscation of facilities, any of government intervention war, rebellion, terrorist activity, sabotage or riots, floods, unusually severe weather conditions which could not reasonably be anticipated.
- 6.4 The lease shall terminate on the expiry of the lease term reserved under clause one of this Agreement. Provided that if the Lessee gives three (3) months written notice prior to lease expiry of his intention to renew, and the Lessor is willing to renew the lease to the Lessee, the lease shall be renewed for a further period as may be agreed by both parties (Lessor and Lessee) subject to terms and conditions.

- 6.5 Termination of this lease shall not relieve either party of any obligations under this lease which is expressed to continue after termination and shall not prejudice any party's right or remedies under this lease.
- 6.6 Notices or other communication which are required to be given or served under this lease shall be deemed to have been sufficiently given or served if delivered personally in writing or by pre-paid post addressed to the party's addresses as appearing above or such other addresses as may be notified from time to time in writing by the parties hereto.
- 7.0 This lease is personal to the parties and neither of them may assign, mortgage, charge or dispose of any of its rights and obligations under this Agreement.
- 7.1 Nothing in this Lease shall create any partnership, joint venture or agency relationship between the parties.
- 7.2 This lease contains the entire lease between the parties in respect of the Premises and supersedes all previous agreements and undertaking between the parties and may be modified by an instrument in writing duly executed by parties or their authorized representatives.
- 7.3 The waiver by either party of any term or any breach of this lease shall not prevent the subsequent enforcement of that term and shall not be deemed a waiver of any subsequent breach.
- 8.0 Any disputes arising out of the terms of this Agreement shall be settled through negotiations or arbitrations, failing which shall be brought in any court of competent jurisdiction in Tanzania. This lease shall be construed and governed by the laws of Tanzania.

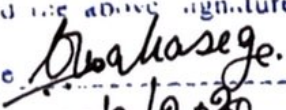
IN WITNESS WHEREOF the Parties hereto have duly executed these presents in the manner and on the dates herein appearing:

SEALED with the common seal of the said **JAFFERJI DEVELOPERS LIMITED** and **DELIVERED** in the presence of us, this 13th Day of February 2020.

Name: Taher Jafferji
 Signature: 
 Address: P O Box 38439, Dsm.
 Designation: Director

Name: Mustafa Hassanali
 Signature: 
 Address: P O Box 38439, Dsm.
 Designation: Chief Accountant / Adminsitrator



Witnessed the above signature (s)
 Signature: 
 Date: 13/2/2020



SEALED with the common seal of the said
BINGWA LABORATORIES LIMITED and DELIVERED
in the presence of us, this 13th Day of February 2020.



Name: HUSAIN. S. JANDOWALLA

Signature:

Address: P O Box 10009, Dsm.

Designation: DIRECTOR.

Name: MURTAZA. S. AKBERALI

Signature:

Address: P O Box 10009, Dsm.

Designation: DIRECTOR

Witnessed the above Signature (s)

Signature:

Date: 13/2/2020

Jointly Prepared and Agreed by:
JAFFERJI DEVELOPERS LIMITED
P. O. Box 38439
DAR ES SALAAM.
and
2- BINGWA LABORATORIES LIMITED
P. O. Box 10009
DAR ES SALAAM.

