

THE LAND ACT NO. 4 OF 1999
(as amended by the Land Act Amendment Act No. 2 of 2004)

Lease Agreement

Between

MSASANI SLIPWAY
LIMITED

And

COASTAL TRAVELS
LIMITED

Lease Agreement

This Lease Agreement is made this **1st January, 2022** between **M/s Msasani Slipway Limited**, P.O. Box 250, Dar es Salaam, a limited liability company incorporated in the United Republic of Tanzania (hereinafter called "**The Lessor**", which expression shall, where the context so admits, include his successors and assignees) of the one part

And

Coastal Travels Limited of Box 3052, Dar es Salaam, Tanzania (hereinafter called "**The Lessee**", which expression shall, where the context so admits, include his successors in title) of the other part.

Whereas the Lessor is the lawful owner of buildings located on the parcel of land known as Plot Number 1496-1497-1498, Msasani Peninsula, Dar es Salaam, together with the other adjacent facilities and improvements therein, which buildings are operated as a commercial centre under the name and style of "The Slipway" (the said buildings and commercial centre are hereinafter referred to as "**The Slipway**").

And whereas the Lessee is desirous of leasing from the Lessor and the Lessor is willing to lease to the Lessee space at The Slipway for the purposes and upon the terms and conditions set out hereinafter, such space to be referred to as "**The Demised Premises**".

It is hereby agreed as follows:

The Lessor lets and the Lessee is willing to rent the above-mentioned Demised Premises subject to the conditions and the terms hereinafter appearing.

Now Therefore this Agreement Witnesses as Follows:

1. **Description and Use of the Demised Premises:**

The Demised Premises referred to under this Lease Agreement comprise of the premises referred to as **Shop number 49** and measuring **220** square meters.

The Lessee shall have the right to use the Demised Premises from 08:00 hours to 20:00 hours for seven days a week.

The Lessee agrees to keep the Demised Premises open for business and fully staffed for the service of the clientele of The Slipway during the hours of use and at least up to 12:00 hours each day including weekends and public holidays.

The Lessee shall have the right to trade only in merchandise, products and services listed in

Appendix 1 of this Lease Agreement. Any additional merchandise, product or service the Lessee would like to trade in will require prior written approval by the Lessor, such approval not to be unreasonably withheld.

2. **Lease Agreement Duration:**

The duration of the Lease Agreement for the Demised Premises, herein referred to as the "Contractual Period", shall be for Three years starting on **1st January, 2022** and ending on **31st December, 2024**.

3. **Lease Agreement Rentals and Charges:**

The Lessee shall pay rent and related charges and fees for the Demised Premises during the Contractual Period at the following rates and in the following manner:

- a) (i) The rental amount shall be pegged to US Dollar at prevailing market rates.
- (ii) The Lessee shall pay to the Lessor a monthly rent of **TZS 5,060,000 (Five Million and Sixty Thousand Tanzania Shillings only)**. This rate is net and does not reflect or include legally applicable taxes.
- b) (iii) The rental amount in 3(a)(ii) above, was gained using the rate of TZS 2,300 (Two thousand and three hundred shillings only) per one US dollar. And that, prevailing market rates shall be applied for all future invoices.
- c) **Monthly service charge** will be charged separately from the rent and will cover, inter alia, water, security to the public areas of The Slipway, building insurance, management charges, car parking, cleaning, and illumination of public areas and 35hrs of generator per month but does not include content and shop insurance, shop security, or electricity.
- d) Rent and service charges for each calendar month shall be paid, whether or not formally demanded by the Lessor, no later than the fifth calendar day of the calendar month to which the rent or service charge relates.
- e) If the monthly rent due is not received by The Slipway on or before the 5th day of the month in which rent is due, the Lessee hereby agrees to pay a late charge of five percent (5%) of the rental payment. This late charge is additional rent, is immediately due and payable.
- f) **Charges for electricity** supplied by TANESCO or any of its agents or successors shall be paid according to metered consumption and at published retail rates per Kwh or Kva or as the case requires. The Landlord is obliged and authorised to collect this charge from the Lessee on behalf of the supplier. The charge shall be payable no later than 5 days after presentation of the invoice. Any failure by the Lessee to pay in time will result in disconnection by the Landlord of electricity supply to the Lessee.
- g) **Monthly generator charges** based on consumption of generator power by the Demised Premises. This charge will also include generator maintenance and spare parts. Generator



charges shall be payable by the Lessee no later than 5 days after presentation of the invoice.

4. **Guarantee Deposit:**

- a) The Lessee shall pay to the Lessor a guarantee deposit equivalent to three (3) months rent prior to the commencement of this Lease Agreement.
- b) The guarantee deposit shall be held by the Lessor until the proper termination of this Lease Agreement in accordance with the terms herein contained.
- c) No interest shall be payable by the Lessor to the Lessee in respect of the guarantee deposit.
- d) The Lessee shall not be entitled to set off against the guarantee deposit any amount that he owes to the Lessor for Lease Agreement rentals or for any other obligations whatsoever arising out of this Lease Agreement.
- e) The Lessor may at his sole discretion apply the guarantee deposit towards any amounts due to the Lessor by the Lessee under this Lease Agreement.
- f) Upon the proper and final termination of this Lease Agreement in accordance with the terms herein contained, the Lessor shall refund to the Lessee the guarantee deposit less any amounts towards which the Lessor may have applied the guarantee deposit in accordance with clause 4(e) above.

5. **Changes in Management and Shareholding:**

- a) The only proprietors of the Lessee's business are those listed in Appendix 2 of this Lease Agreement.
- b) If there is any change in the proprietorship of the Lessee's business the Lessor may revisit this Lease Agreement and may at his sole discretion and without prejudice to any other rights of the Lessor in law and/or under the terms of this Lease Agreement terminate the Lease Agreement and the Lessee hereby gives his explicit consent that such termination is recognised by the Lessee as proper and valid in all respects and the Lessee and/or his officers, proprietors and/or agents will not object to or dispute such termination.
- c) In the event that the Lessor consents to and accepts a change in the proprietorship of the Lessee's business as contained in Appendix 2 of this Lease Agreement, the Lessee accepts and undertakes to ensure that all agreements, certificates, communications, correspondence and any other documents executed by the outgoing proprietors of the Lessee's business, whether dated in the past, post-dated or not dated at all will survive the change in the proprietorship of the Lessee's business and will be recognised and honoured by the new proprietors of the Lessee's business.

6. **Rights Reserved to the Lessor**

The Lessee shall use the Demised Premises subject to the following rights of the Lessor, his



successors in title as well as occupiers of adjoining properties:

- a) The right of passage and the running of water, waste, gas and electricity and/or other services from and to The Slipway or adjoining neighbours' properties through sewers, drains, conduits, gutters, watercourses, pipes, cables, wires and/or mains serving such adjoining neighbours' properties and the right to enter upon the Demised Premises for the purpose of:
 - ▲ Inspecting, repairing, altering, diverting and/or replacing any such installations
 - ▲ Maintaining, repairing, altering and/or adding to the structure of the Building and/or any related property
 - ▲ Fixing, altering and/or repairing appliances for any of the Building or any part thereto.
 - ▲ Viewing the condition of the Demised Premises and taking particulars of alterations and additions and making the same good on default by the Lessee.
- b) The right to let any other available space in The Slipway for any kind of products and merchandise even if similar to any being traded at existing outlets.
- c) The right to make changes to the building and to the entire parcel of land covered by this Lease Agreement and to develop the said parcel of land as he deems fit and regardless of any perceived negative effects that such development activities may have on the Lessee and his business.

7. **Lessee's Covenants**

The Lessee hereby covenants with the Lessor as follows:

- a) To pay the reserved rent in the manner aforesaid and, if so required by the Lessor in writing, to make such payments by cheque or cash and in the desired currency.
- b) To pay all fees and charges in respect of the Demised Premises during and for the said term as outlined in paragraph 3. above.
- c) To keep the front face and the interior of the Demised Premises in good condition.
- d) To permit the Lessor and/or his agents having given to the Lessee reasonable notice in writing at all reasonable times of the day with or without workmen to enter the Demised Premises to view the condition of the Demised Premises and to execute repairs when necessary.
- e) Not to make any alterations or additions to the Demised Premises without the prior written consent of the Lessor.
- f) Not to do anything which may render the Lessor liable to pay in respect of the Demised Premises or any part thereof more than the ordinary or present rate of premium for insurance and/or which may make void or voidable any policy for such insurance.
- g) To repay to the Lessor on demand all sums paid and/or payable by the Lessor by way of increased premium rendered necessary by any breach by the Lessee in respect of clause 7(f) above.
- h) To be responsible for third party liability relating to his business and to maintain in respect

thereof a comprehensive insurance cover to meet third party claims for injury or death.

- i) To be covered at all times by a suitable insurance policy against theft, malicious mischief, fire loss or damage of fixtures, merchandise or other personal property owned or installed by the Lessee; in the event of damage by fire the monies received through the said insurance shall be used by the Lessee to restore the condition of the Demised Premises. The Lessee shall also maintain a separate cover for his insurable possessions, if any.
- j) To maintain and keep all the water pipes and drainage clear and unobstructed and to take all necessary precautions to avoid damage to any other part of the Building by reason of the overflowing of any pipe, tank or any water apparatus in the Demised Premises.
- k) To take all precautions for the purpose of avoiding general loss of or damage to the Demised Premises and/or loss or injury to the occupants of the premises, which shall include installation and maintenance of fire extinguishers and other relevant equipment.
- l) Not to sublet, assign or part with possession of any part or the whole of the Demised Premises and/or the rights of the Lessee under this Lease Agreement during the term hereby created, nor use it as collateral or security for any loan or credit facilities without the prior written consent of the Lessor.
- m) To use the Demised Premises for the purpose listed in Appendix 1 only or for such additional purposes as the Lessor may have approved in writing.
- n) Not to use or permit to use the Demised Premises in any way and/or for any purpose which would create nuisance or annoyance to the public, the Lessor, neighbours and/or adjoining Lessees.
- o) Not without the Lessor's written consent to place or display, other than the name of the Lessee's business, any notice, poster, advertisement, name or sign outside the Demised Premises, and not to fix any aerial or other things to the exterior of the building.
- p) To use the provided public parts such as toilets, entrance gates, passages and areas to be prescribed by the Lessor for their respective purposes and not to obstruct the public parts and make good immediately and to the satisfaction of the Lessor any damage done through any act or omission of the Lessee, his agents, customers, suppliers and/or visitors.
- q) Not to overload the floors or structures of the Demised Premises with heavy articles without prior written consent of the Lessor.
- r) Acknowledging that the use of the Demised Premises for the purpose authorised by this Lease Agreement is an essential adjunct to the running of The Slipway for the benefit primarily of visitors to The Slipway, to maintain the highest standards of ability and efficiency in his business and in the use of the Demised Premises and to preserve good relations with all persons and entities at The Slipway. In particular but without prejudice to the generality of the foregoing the Lessee shall:

▲ Maintain and sell at the Demised Premises adequate stocks and varieties of



merchandise normally associated with the business authorised to be carried on by the Lessee and in particular of the items listed in the Appendix 1 of this Lease Agreement.

- ▲ Keep his business open to the public as outlined in paragraph 1. above.
 - ▲ Display the Lessee's goods in the Demised Premises so as to present a clear and attractive appearance acceptable to the Manager of The Slipway such that neither the goods displayed nor the manner of their display contravenes any legislation or offends against good taste or common decency.
 - ▲ Ensure so far as the Lessee reasonably can that all employees, agents, and visitors of the Lessee at The Slipway shall be capable and qualified for the work with which they are entrusted and be of good character and appearance at all times. At the request of the Lessor, they shall be removed or caused to be removed from the Demised Premises or any part of The Slipway, either temporarily or permanently as the case may be, if in the opinion of the Lessor the conduct of the staff, agent or visitor is unfit for or detrimental to the interests of the Lessor or of The Slipway.
 - ▲ Instruct his employees to only use designated staff facilities for personal hygiene (including toilet use) and for eating provided such facilities are made available and maintained by the Landlord.
- s) In dealing with all persons, entities, institutions, establishments and the Government, to clearly indicate that the Lessee is in business on his own account and not to hold himself out as the agent, partner, joint-venturer and/or representative of the Lessor.
 - t) Not pledge, in his capacity as the Lessee in this Lease Agreement, the credit and/or reference of the Lessor, his managers, directors, associates, affiliates, shareholders and/or subsidiaries to any party whatsoever without the prior written permission of the Lessor.
 - u) Be responsible entirely for all taxes, stamp duties and other such levies imposed in regard to the services provided by him and/or to him under this agreement.
 - v) Maintain the premises including any public areas that, with the Lessor's consent, he may be using in a clean and hygienic condition. The Lessee shall not store, place, collect or leave rubbish or waste in areas not identified for such purpose.

8. **Lessor's Covenants:**

The Lessor hereby covenants with the Lessee as follows:

- a) To keep the Demised Premises and other parts of The Slipway insured against loss or damage by fire and in case of damage or destruction by fire, unless the insurance money becomes irrecoverable through any act or default of the Lessee, to re-build and reinstate the same as speedily as possible.
- b) To pay all existing and future land rents and other rates, tax assessments, impositions and outgoings which are now payable by the Lessor or which may thereafter be imposed or



charged on the Lessor in respect of the Demised Premises.

- c) To maintain and keep the main structure and roofs of the building in good repair.
- d) To permit the Lessee paying the rent and performing and observing the covenants and stipulations in this Lease Agreement to peacefully hold and enjoy the Demised Premises during the Contractual Period without any unjustified interruptions by the Lessor or any of his agents.

9. **Common Clauses:**

The Lessor and Lessee mutually agree and declare as follows:

- a) That all expenses in respect of the preparation of this Lease Agreement including advocate fees, stamp duty and registration fees shall be payable by the Lessee.
- b) That any notice under this Lease Agreement shall be in writing. Notice to the Lessee shall be deemed to be sufficiently served if left addressed to him on the Demised Premises or sent to him by registered mail through his postal address as contained in Appendix 3 to this Lease Agreement. Notice to the Lessor shall be deemed to be sufficiently served if sent to him by registered mail through his postal address as contained in Appendix 3 to this Lease Agreement. Any notice delivered to the Lessee at the Demised Premises shall be deemed to have been received by the Lessee the next calendar day following the day on which it was delivered. Any notice to either party delivered by registered post shall be deemed to have been received by the addressee five calendar days after the date of dispatch. Any change to the addresses contained in Appendix 3 to this Lease Agreement shall be in writing and shall be delivered in the manner stipulated in this clause 9b).
- c) That the Lessee hereby also covenants with the Lessor that should the Lessee fail or neglect to vacate the premises and hand over possession thereof to the Lessor on the expiry of the Contractual Period, such failure and event being in contravention of the provisions of this Lease Agreement, the Lessee shall become liable for payment of damages to the Lessor at a daily rate which shall be equal to five times the rent payable under the Lease Agreement when computed on daily rate for each day after the expiry of the term until re-possession of the premises by the Lessor, and that the Lessee's payment of or undertaking to pay the said damages does not prejudice in any way the right of the Lessor to take possession of the Demised Premises on the expiry of the Contractual Period and/or to legal processes or other means for the recovery of the possession of the premises.
- d) In the event of the Demised Premises or any part thereof being damaged or destroyed by fire during the continuance of the Contractual Period so as to render them unfit for occupation, the Lessor will until such time as the Demised Premises shall be structurally fit for occupation allow the Lessee a total proportionate abatement of the rent hereby reserved as the case may be.

- e) If the said rent or service charge as defined under clause 3a) and 3b) respectively, or any part thereof shall be in arrears for thirty days after any of the days whereon the same ought to have been paid as aforesaid, whether formally demanded or not, if there shall be any breach, non-performance or non-observance by the Lessee of any of the covenants or any conditions hereinbefore contained then and in any such case it shall be lawful for the Lessor at his sole discretion to apply the Guarantee Deposit paid by the Lessee towards clearing the said arrears and in addition to re-enter upon the Demised Premises or any part thereof, repossess and enjoy use of the premises without prejudice to any right of action or remedy of the Lessor in respect of any antecedent breach of any of the covenants by the Lessee.
- f) Without prejudice to the Lessor's rights contained in paragraph e) of this clause, if either party shall desire to terminate the Contractual Period it shall give to the other party three (3) months notice in writing of such desire, and the Lease Agreement shall terminate on the expiry of such notice. The Lessee may in lieu of such notice tender to pay the Lessor a sum equivalent to three months rent which payment shall be accepted or declined by the Lessor at his sole discretion. Upon acceptance by the Lessor of payment tendered by the Lessee, the Lessee shall be discharged from all his obligations under this Lease Agreement without any further requirement.

10. **Termination of the Lease Agreement**

This Lease Agreement will be terminated on occurrence of any one of the events listed below. Notwithstanding the manner in which the Lease Agreement is terminated, the Lessee will not be discharged from his obligations under this Lease Agreement until such time as a director of the Lessor will execute the certificate of discharge contained in Appendix 4 of this agreement.

This Lease Agreement is terminated:

- a) Upon completion of the Contractual Period.
- b) Upon notice given by either party as defined under clause 9 f) of this Lease Agreement.
- c) If the Lessee is in arrears to pay any sum or sums of money to the Lessor that he owes to the Lessor under this Lease Agreement, and if the Lessee fails to make good such payment within thirty calendar days of the Lessor making a formal demand for payment of the arrears.
- d) If the Lessee is in breach, other than a breach that is dealt with by the Lessor under clause 10c) above, of any one or several terms of this Lease Agreement, and if within thirty calendar days of the Lessor notifying the Lessee of the breach the Lessee fails to take actions to the satisfaction of the Lessor to remedy the breach.
- e) Upon the Lessee being placed in receivership, whether voluntary or otherwise, or being placed under liquidation or a notice to wind up issued by a Court.
- f) If any one or several of the shareholders and/or directors of the Lessee are declared bankrupt or are convicted of a criminal offence.



11. **Variations and Waivers**
- a) All variations to the terms of this Lease Agreement must be in written form and executed by both parties.
 - b) If the Lessor waives any one or more of his rights under this Lease Agreement then this shall not constitute a permanent waiver of all similar future right or rights of the Lessor unless such permanent waiver is incorporated in this Lease Agreement as a variation in accordance with clause 11a) above.
12. **Interpretations**
- a) The use of headings in this agreement is only for the purpose of ease of reference and shall not be construed in any other manner whatsoever.
 - b) The Appendices to this Lease Agreement form an integral part of the agreement and should be read in conjunction with the Lease Agreement in its entirety.
 - c) In the event of any dispute or claim arising from or in connection with this agreement, which is not settled mutually by the parties thereto such dispute or claim may be referred by either party to a court of competent jurisdiction for adjudication and settlement.
 - d) If any clause or clauses in this Lease Agreement shall be found to be void or defective for any reason whatsoever then the Lease Agreement shall be read and interpreted as though the void or defective clause or clauses are not part of the Lease Agreement and the Lease Agreement in its entirety shall not be rendered void through the voidness or defect of one or several clauses.
 - e) In this agreement references to the masculine gender will also include the feminine gender and vice versa.
 - f) The *edjusedem generis* rule shall not be applied in the interpretation of this agreement.
 - g) This agreement is the product of free and fair negotiations between the Lessee and the Lessor. In the interpretation of this agreement, the *contra proferentem* rule of construction shall not apply nor shall this agreement be construed in favour of or against any party by reason of the extent to which any party or its professional advisors participated in the preparation of this agreement.
 - h) This Lease Agreement shall in all respects be interpreted in accordance with The Laws of the United Republic of Tanzania.

IN WITNESS WHEREOF the parties hereto have duly executed this Lease Agreement in the manner and on the date herein contained.

SEALED with the Common SEAL of the Said **MSASANI SLIPWAY LIMITED** and DELIVERED in the presence of us this 1st of January, 2022

MSASANI SLIPWAY LTD
TIN 100-100-54
VRN 10-000380 E

Seal

Postal Address P.O. Box 250 Dar es Salaam

Qualification Director

Signature

Postal Address P.O. Box 250 Dar es Salaam

Qualification Director/Authorized Signatory

Signature

SIGNED by the said Coastal Travels Ltd

COASTAL TRAVELS LTD.
P.O. Box 3052
DAR-ES-SALAAM

Signature & Stamp

In the presence of Commissioner of Oaths

Name Paul J. MGAJA
Postal Address: P.O Box Dar es salaam.
Qualification: Advocate



Signature

APPENDIX 1

List of merchandise, products and services in which the Lessee is permitted to trade:

(1) Airline, Travel and Tour Operations.

===== END OF APPENDIX 1 =====

APPENDIX 2

List of Directors of the Lessee's business:

(1) Carolina Colangelo

===== END OF APPENDIX 2 =====

APPENDIX 3

Addresses to be used for serving notices under the Lease Agreement

For the Lessee

Hand deliveries to the Demised Premises addressed to:

Coastal Travels Limited

Deliveries by registered post to:

P.O. Box 3052

Dar es Salaam, Tanzania.

For the Lessor

Deliveries by registered post to:

Msasani Slipway Limited

P.O. Box 250

Dar es Salaam

Attention of Carolina Colangelo

===== END OF APPENDIX 3 =====



APPENDIX 4

CERTIFICATE OF DISCHARGE

This certificate of discharge is issued pursuant to the Lease Agreement dated between Msasani Slipway Limited of P.O. Box 250, Dar es Salaam ("the Lessor") and **Coastal Travels Ltd** of P.O Box **3052** (the Lessee") for the Lease Agreement of premises defined in the Lease Agreement ("the Demised Premises").

The Lessor hereby confirms that:

- a) He has received possession of the Demised Premises from the Lessee.
- b) The Demised Premises have been inspected by the Lessor and found to be in a condition acceptable to the Lessor.
- c) All sums payable by the Lessee to the Lessor under the terms of the Lease Agreement have been received by the Lessor.

The Lessee hereby expressly warrants to the Lessor that:

- a) It has not pledged any part of or the whole of the Demised Premises as collateral or security to any party in any transaction.
- b) It has not omitted to make disclosure to the Lessor of any information, whether or not in the public domain, which information might prevent the Lessor from freely executing this certificate of discharge.
- c) The Lessee will not bring or permit to be brought in his name any claim or claims against the Lessor arising from or under the Lease Agreement.
- d) The Lessee will keep the Lessor fully indemnified against any claim or loss suffered by the Lessor and which claim or loss arises from an obligation of the Lessee under the Lease Agreement or from the failure of any of the warranties of the Lessee herein contained.

In consideration of the Lessee giving to the Lessor the express warranties and indemnity herein above contained, the Lessor discharges the Lessee from the obligations of the Lessee under the Lease Agreement.

Signed for and behalf of the Lessee

Name:

Qualification:

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Signature

Signed for and behalf of the Lessor:

Name: **Msasani Slipway Ltd.**

Qualification: **Director**

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}

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Signature

Date: _____