



THE UNITED REPUBLIC OF TANZANIA
PRESIDENT'S OFFICE
REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT
IKUNGI DISTRICT COUNCIL



P.O.BOX 42
SINGIDA

Ref. No. IDC/E.2/3E/38

14/04/2022

DIRECTOR,
ALFARDAWS INVESTMENT LIMITED,
P. O. Box 367,
SINGIDA.

**RE: ACKNOWLEDGE OF PAYMENT OF TSHS. 259,000,000.00 FOR LAND
ACQUISITION AT CHODA VILLAGE IKUNGI DISTRICT**

The heading above is highly considered.

2. With reference to my letter dated 06 April, 2022 Ref. No. IDC/b.2/3E/34 we acknowledge to receive the total of Tshs.259,000.000.00 through NMB PLC Account number **50810004982** named **IKUNGI DC Miscellaneous Deposit**.
3. We therefore assure you to start the compensation process as early as possible so that you can start investing on the particular land.
4. Thanks in advance.


Haika D. Massawe

For: District Executive Director

**DISTRICT EXECUTIVE DIRECTOR
IKUNGI DISTRICT COUNCIL**

THE UNITED REPUBLIC OF TANZANIA

CONTRACT DOCUMENTS FOR LAND ACQUISITION

BETWEEN

IKUNGI DISTRICT COUNCIL, established by the Local Government Act, No. of 1982 (CAP. 288 R.E 2002) having its office at Ikungi and whose address for the purpose of service is P.O.Box 42 SINGIDA (Hereinafter referred as the "The Local Government (LG)" on one part,

AND

ALFARDAWS INVESTMENT LIMITED a private limited liability company incorporated in Tanzania under the Companies Act (Cap. 212 R.E.2002),having its registered office in Singida, P.O. Box 367 (hereinafter referred to as "The Purchaser" on the other part.

Drawn by: The Parties



THE UNITED REPUBLIC OF TANZANIA

CONTRACT DOCUMENTS FOR LAND ACQUISITION

CONTRACT FOR ACQUISITION OF ONE THOUSAND, SEVEN HUNDRED ACRES
(1700 ACRES) OF LAND FOR COMMERCIAL AGRICULTURAL INVESTMENT

This contract is executed at Ikungi District on this ..07.....day of ..APRIL.....2022

BETWEEN

IKUNGI DISTRICT COUNCIL, established by the Local Government Act, No. of 1982 (CAP. 287 R.E 2002) having its office at Ikungi and whose address for the purpose of service is P.O. Box 42 Singida (hereinafter referred as the **"The Local Government (LG)"** on one part,

AND

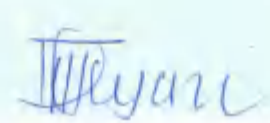
ALFARDAWS INVESTMENT LIMITED a private limited liability company incorporated in Tanzania under the Companies Act (Cap. 212 R.E.2002), having its registered office in Singida, P.O. Box 367 (hereinafter referred to as **"The Investor"** on the other part.

PREAMBLE

WHEREAS, THE LOCAL GOVERNMENT is the Manager and Administrator of Village Land within its jurisdiction and has, for the purpose of this agreement, identified 1700 acres of village land in Choda village within Ikungi District for investment purposes in favour of the Investor, the description of which shall be provided by the LG after the investor has made acquisition charges as provided for in this agreement.

WHEREAS, THE INVESTOR has applied, through the Tanzania Investment Center (TIC), to acquire and own the Land for the investment in commercial agricultural purpose vide a letter **Ref. No. TIC/DOM/DED/01/21** dated **01/02/2022**.

WHEREAS THE LG confirmed the application of the Investor through her letter Ref. No. I/DC/C1/27/106 dated 07/02/2022 to TIC thereby agreeing to facilitate the process of the land acquisition by the Investor.



AND WHEREAS after the **LG** confirming the availability of the land required by the Investor, and as a result of the meeting between the Investor and the Administration of District Council on 4th March 2022, reaching the agreement whose particulars are recorded herein.

NOW THIS CONTRACT WITNESSETH AS FOLLOWS:

1. In this agreement the recitals/preambles, and annexes to this agreement are deemed to be incorporated in and form part of this agreement.
2. **ACQUISITION AND COST**
 - 2.1 That, upon and subject to the terms and conditions of this agreement, the LG shall make available for acquisition by the investor, a land of 1700 acres described herein above at a cost of Tshs.246,500,000 (acquisition cost/fund) which shall be used by the LG to compensate the local landowners (villagers) for exhausted improvements on the land.
 - 2.2 That, the Investor shall pay to the Local Government of Ikungi Tshs.25,000,000 being administration/management charges to take care of the land acquisition process and registration of the same through TIC in the name of the Investor.
 - 2.3 That, the Investor will facilitate operation logistics during land acquisition processing and cover related costs.
 - 2.4 That, immediately upon signing this agreement, the LG shall issue a letter of instruction to the Investor directing him to process payments as per this agreement.
 - 2.5 That, upon signing of this agreement, the Investor shall deposit with the LG Tshs.Tshs.246,500,000 being the acquisition cost as described in this agreement whereby upon receiving the said deposit the LG will do the following: -
 - (i) Acknowledge receipt of the deposited amount by issuing receipt and letter of acknowledgement to the Investor.
 - (ii) Put demarcations on the land and prepare its plan (map) as per GPS and deliver the same to the Investor. This site plan/map of the wholly area shall become part of this agreement.

- (iii) Pay the villagers/occupiers of land as per the law and regulations and make them to give vacant possession of the land.
- (iv) Within 14 days from the date of the Investor deposits the acquisition cost issue the Investor with a letter acknowledging him to be the owner of the land and authorizing him to occupy and use the land as per his project plan while other administrative processes of land registration in favor of the Investor as per investment regulations are ongoing.

2.6 That, part from paying the acquisition cost stated herein, the Investor shall pay Tshs.25,000,000 being Management Fee to the LG. The payment shall be made in two equal instalments of Tshs.12,500,000 each. The First instalment shall be paid upon signing of this agreement and the Second instalment shall be made after the LG issues a letter to the Investor acknowledging him to be the owner of the land and authorizing him to occupy and use the land as per his project plan as stated in para 2.4 (iii) of this agreement.

2.7 That, the LG upon receiving payments from the Investor shall simultaneously with the signing of this agreement acknowledge receipt of amount deposited by the Investor and issue the receipts and a commitment letter that all what is agreed as per the contract shall be dully executed in favor of the investor and that the land cannot be assigned to any other person.

2.8 That, all payments referred to in this agreement shall be deposited in the following Bank Account of the LG:-

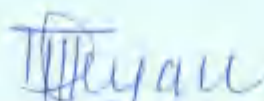
- **Bank Name; NMB Bank,**
- **Account Name: TO BE PROVIDED**
- **Account Number: TO BE PROVIDED**

3. **REPRESENTATIONS AND WARRANTIES OF THE LG**

That the LG represents and warrants the following to the Investor: -

3.1 That, the LG acknowledges that the Investor is relying upon such representations and warranties in entering into this Agreement.

- 3.2 That, the LG shall use the acquisition cost fund deposited by the Investor to pay compensation to the occupants/villagers immediately after receiving the amount mentioned herein. It is hereby agreed that the process of acquisition of land from the villagers to the Investor shall be done and completed within a period of 14 days from the date the Investor deposits the fund in the account of LG.
- 3.3 That, the LG hereby assures the Investor that the LAND is not under any lease or licenses neither has it been granted to any third party and that the current occupiers/villagers shall give vacant possession of the land immediately after depositing the acquisition fund.
- 3.4 That, the LG assures the Investor that the land acquisition process from the villagers and changing its status from being the village land to general land and having the same registered (for derivative right) in the name of the Investor shall be done and completed without fail within a period of at least 12 months and not more than 18 months from the date the investor deposit the acquisition fund with the LG. **However, it is hereby agreed by both parties that non completion of registration of land in the name of the Investor within the stated time shall not deprive the investor's right to occupy and use the land.**
- 3.5 That, the LG has a legal mandate over the land and its current occupants (villagers) and save as otherwise disclosed, the current occupants shall leave the land immediately for use by the Investor upon depositing the purchase price with the LC as provided herein.
- 3.6 That, save as disclosed, there are no restrictive covenants, statutory provisions, orders, charges, restrictions, agreements, conditions, or other matters which preclude the land from being transferred to the Investor and for the use intended by the Investor.
- 3.7 That, the LG undertakes to manage the current occupants/villagers and restrict them not to interfere with the affairs of the Investor while using the land.
- 3.8 That, LG guarantee the Investor the right to acquire another land within Ikung District as an additional land for investment purpose at the same or different price and fees stipulated in this agreement depending on time and the location of the requested land.



3.9 That, no step(s) has been taken or legal proceedings been started or threatened against the LG in the court of law over any part or all Land which would prevent, inhibit, or otherwise have a material adverse effect on the ability of the LG to fulfill its obligations under the Agreement.

4. REPRESENTATIONS AND WARRANTIES OF THE INVESTOR

The Investor represents and warrants the following to the LG as of the date of signing of the Agreement and the Investor acknowledges that the LG is relying upon such representations and warranties in entering into the Agreement.

4.1 The Investor is in good standing under the laws of Tanzania with full power and authority and the legal right to acquire the land for investment purposes and enter into this Agreement.

4.2 All necessary actions or other actions required to authorize the entering into the Agreement by the Investor and the performance of their obligations have been duly taken.

5. COVENANTS OF THE LG

5.1 The LG shall facilitate and process the acquisition of the land by the Investor until registration of the same in the Investor's land is complete.

5.2 The LG shall facilitate the transfer process of the said village land into the general land for investment purposes of the Investor.

5.3 The LG hereby covenants with the Investor to pay, discharge, and manage all outgoings and liabilities in respect of the land until legal possession thereof shall have passed to the Investor and further undertakes to indemnify the Investor against all notices, proceedings, claims, and demands arising out of and in connection with or incidental to the breach by the LG of the warranties, undertakings and covenants herein contained.

6. INDEMNITY.

The LG shall be responsible for any loss or damage the Investor may suffer or incur as result of any act or omission caused by the LG non fulfilment of her obligations under this agreement and the Investor shall be entitled to a 100% refund fo the amount paid up and received by the LG plus interest at a commercial rate of twenty percent per annum. In the event Investor

default, shall be responsible for any loss or damage the Investor may have caused to the LG to suffer and shall be entitled to offset 20% of the management fees as compensation, from any payment made by the Investor to the LG.

7. In case of any dispute, controversy, or claim arising out of or in relation to this Investor Contract, or any breach or invalidity thereof, shall be resolved amicably failing of which the matter shall be referred to the Arbitration according to the laws of Tanzania.
8. This Agreement shall be governed by the Laws of the United Republic of Tanzania.

IN WITNESS WHEREOF the parties have put their respective hands and seal herein at Ikungi in in the manner hereinafter appearing.

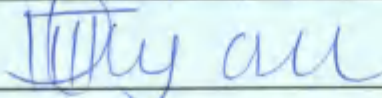
THE LOCAL GOVERNMENT
SEALED WITH THE COMMON SEAL OF
IKUNGI DISTRICT COUNCIL AND
DELIVERED at Ikungi District in our presence
this07..... day ofAPRIL.....2022

DISTRICT EXECUTIVE DIRECTOR
IKUNGI DISTRICT COUNCIL

SEAL

Full Name: JWITILE LIKIJAZI

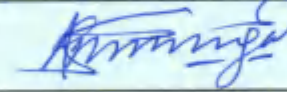
Address: BOX 42, SINGIDA

Signature: 

Designation: DED - IKUNGI

Full Name: AZIZ J. MWANBUA

Address: Box 42 SINGIDA

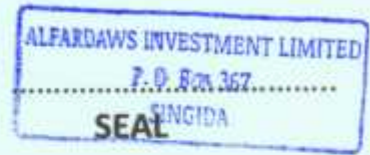
Signature: 

Designation: MWAZI HW



THE INVESTOR

SEALED WITH THE COMMON SEAL OF ALFARDAWS INVESTMENT LIMITED at Ikungi District in our presence this .07.day of ...APRIL...2022



Full Name: Anas Bassam Al Kasi h

Address: Singid 77

Signature: [Handwritten Signature]

Designation: Director of Alfdaws

Full Name: GRATIAN BERNARD MALI

Address: P.O. BOX 40831 DAR ES SALAAM

Signature: [Handwritten Signature]

Designation: COMPANY SECRETARY

[Handwritten Signature]