



**LEASE AGREEMENT**

**-BETWEEN-**

**ACKLAN GHALIB SAID**  
(AS THE "LESSOR")

**-AND-**

**RAGRISA-RTS KUKU LIMITED**  
(AS THE "LESSEE")

**-OVER-**

**LEASE AGREEMENT OVER LAND SITUATED AT;**

<b>Street:</b>	Ititi
<b>Village/Street:</b>	Ititi
<b>Ward:</b>	Uhamaka
<b>District:</b>	Singida Cbd
<b>Region:</b>	Singida
<b>Postcode:</b>	43116

**(THE "PREMISES")**

**Drawn By:-**

**JUMA ISSA LUPATU**

**ASSOCIATE**

Mbwambo Law Office  
Karakata Street, Airport - Dar es Salaam  
+255758054175 / +255621029061  
**P.O.Box 77565**

**O**

**THIS LEASE** is made on the **8<sup>th</sup>** day of **September, 2022.**

**BETWEEN**

**ACKLAN GHALIB SAID** of Post Office Box Number 226, SINGIDA in The United Republic of Tanzania (hereinafter called the **“Lessor”** which expression shall where the context so admits include their personal representatives and permitted assigns) of the first part;

**AND**

**RAGRISA-RTS KUKU LIMITED**, a company incorporated in The United Republic of Tanzania under Certificate of Incorporation Number 152983093 and of Post Office Box Number 35556 (hereinafter the **“Lessee”** which expression shall where the context so admits include its successors and assigns) of the second part.

**1. LEASE**

**WHEREAS:**

The Lessor as legal and or beneficial owner of the above noted location **HEREBY LEASES** to the Lessee the Demised Premises (hereinafter called the **“Premises”**).

The Lessor has agreed to grant the Lessee a lease over the Lease Premises to be used solely for businesses purposes for the Term (herein defined) and at the fees and subject to the covenants, agreements conditions restrictions stipulations and provisions hereinafter contained.

**2. TERM AND RENEWAL OPTION**

2.1.The term (**“Initial Term”**) of this Lease shall commence on 2022 and end on 2026 for a period totaling 5 years (60 Months), unless terminated earlier as provided in this Lease.

2.2. Provided that the Lease has not been terminated or that the Lessee is not in default of any provision of this Lease, the Initial Term may be extended, at the option of the Lessee, for an additional five-year term (an "Extended Term"). Notice of the exercise of such option to extend the Initial Term shall be given by the Lessee, in writing, to the Lessor not less than six (6) months prior to the expiration of the current term.

2.3. A rent review to the open market value will be carried out after the second year of the term and every two years thereafter.

2.4. The rent on any renewal will be the then market rate capped at 10% above the rent for the immediately preceding period. Any dispute in determining the then market rate will be referred to an Independent Valuer as an Expert and not an Arbitrator.

### **3. RENT PAYABLE**

3.1 Lessee agrees to pay the Lessor a monthly rent of Tanzanian Shillings One Hundred Sixty-Six Thousand Six Hundred and Sixty-Six (**166,666/=**) in advance payable on or before the first day of each and every month during the Initial Term. The amount to be reviewed every second year in accordance with clause 2.3 above.

3.2 Rent shall be payable to the Lessor at the Lessor's address as provided in Section 14 herein in advance, beginning the day the lease begins, and on the first day of the month and on the first day on each of the following months.

3.3 As used in this Lease Agreement "Rent" shall mean all amounts provided for in this Lease Agreement to be paid by the Lessee, all of which shall constitute Rent in consideration for the leasing of the Leased Premises. Rent shall be paid at the times and in the amounts provided for herein in legal tender of the United States of America. The Rent shall be paid

without notice, demand, abatement, deduction or offset except as may be expressly set forth in this Lease Agreement.

#### **4. UTILITIES**

In addition to said Rent, the Lessee agrees to pay to the utility companies or municipalities all utility deposits and monthly payments for electrical, water, sewer, telephone and gas service to the Leased Premises.

#### **5. USE OF PREMISES**

5.1 The Lessee's use of the Leased Premises under this Lease shall be the Lessee's normal and usual activities in connection with the Lessee's business. The Lessee also agrees that it will not use, or suffer or permit any person to use the said Leased Premises or any portion or portions thereof for any use or purpose in violation of the laws of the United Republic of Tanzania or other governmental subdivision having jurisdiction with respect to the Leased Premises, and neither suffer nor permit nuisances upon the said Leased Premises.

5.2 The Lessor acknowledges that the Lessee's operations and use of the Leased Premises may involve the use, storage and handling of certain Hazardous Materials. The Lessee shall use, store and handle any Hazardous Materials in compliance with all environmental laws that are applicable to the Lessee's operations. Notwithstanding the foregoing, the Lessor shall remain responsible for complying with all environmental laws applicable to the Lessor's ownership or use of the Leased Premises.

#### **6. SUBLETTING**

The Lessee shall neither sublet the Leased Premises nor assign the Lease, or any part thereof, without the prior written consent of the Lessor, which consent shall not be unreasonably withheld, delayed or conditioned. Notwithstanding the above, the Lessee's

parent company, subsidiaries or affiliated entities may use the Leased Premises without the necessity of a sublease or assignment.

## **7. REAL ESTATE TAXES AND SPECIAL ASSESSMENTS**

- 7.1 The Lessor agrees to pay directly to the taxing authorities all ad valorem taxes, assessments or other charges (the "Assessments") levied or assessed on the Leased Premises during the term hereof, including applicable Stamp duty on this agreement and any extensions or renewals thereof. The Lessee shall pay personal property taxes on its inventory and equipment during any term of this Lease.
- 7.2 Withholding taxes shall be withheld from remittances made by Lessee under this agreement in accordance with **Section 82 & the First Schedule, Art 4(b)(ii) of the Tanzanian Income Tax Act**. An appropriate withholding tax receipt shall be provided to Lessor as soon as practically possible after receipt thereof from the appropriate revenue authority. Any withholding tax receipts provided shall be considered as sufficient evidence of settlement of such obligations under this agreement.
- 7.3 Lessor shall provide Lessee with a copy of its VAT registration certificate issued by the Tanzanian Revenue Authority indicating the VAT registration number. VAT shall be charged in addition to the rental amount indicated in Art 3.1 above and recorded separately on a Tax Invoice presented to the Lessee for settlement, in the manner prescribed by the relevant VAT legislation.

## **8. INDEMNITY**

- 8.1 Lessor shall release, defend, indemnify and hold harmless Lessee from and against any and all claims, demands, causes of action, losses, damages, fines, penalties, expenses and other costs, including without limitation reasonable attorneys' fees and reasonable consultants' fees ("Claims"): (a) to the extent such Claims arise out of or relate to the

negligence or willful misconduct of Lessor, or its employees, contractors, agents or invitees; and/or (b) arising from or related to Lessor's their respective employees', contractors', agents' or invitees' ownership or use of the Leased Premises, all whether before, during or after any term of this Lease.

8.2 Lessee shall release, defend, indemnify and hold harmless Lessor from and against any and all claims, demands, causes of action, losses, damages, fines, penalties, expenses and other costs, including without limitation reasonable attorneys' fees and reasonable consultants' fees ("Claims"): to the extent such Claims arise out of or relate to the negligence or willful misconduct of Lessee, or its employees, contractors, agents or invitees.

8.3 Neither party shall be liable to the other or its affiliates in any action or claim loss of profit, loss of product, loss of use, delays, or for indirect, consequential or special damages, even if advised of the possibility of such damages. The foregoing shall be applicable even if the liability asserted is based on negligence (whether active or passive) or other fault or strict liability, and regardless of whether the action or claim is based in contract, tort, statute or otherwise.

## 9. INSURANCE

The Lessor will be required to insure the Property against fire and other usual commercial risks (to be listed in the Lease) including terrorism. The Property must be insured to its full reinstatement value and against loss of rent and the Lessor shall be obliged to use any insurance monies to reinstate the Property should it be destroyed or damaged. Rent will be suspended if the Premises cannot be accessed and ultimately the Lessee shall be able to terminate the Lease.

## 10. INSPECTION

The Lessor may enter the Leased Premises at reasonable times to inspect the same, upon forty-eight (48) hours prior written notice to Lessee (except in emergencies). The Lessee may accompany the Lessor or the Lessor's agents or employees during such inspections.

## 11. DEFAULT

### 11.1 Default of the terms of this Lease by the Lessee;

- (a) The Lessee shall be in Default of the terms of this Lease if the Rent payable under this Lease, or any part thereof, shall be due for payment for more than ten (10) days after the Lessee's receipt of a written notice of such default;
- (b) The Lessee shall be in Default of the terms of this Lease if the Lessee fail to perform or keep any of the non-monetary terms, covenants and conditions herein contained for which the Lessee is responsible under this Lease, and such failure continues to be uncured for a period of thirty (30) days after the date the Lessee receives a written notice, or if such default is a default which cannot be cured within thirty (30) days period, the Lessee fails to commence to correct the same within said thirty (30) days period and thereafter the Lessee fails to cure the same to its completion with reasonable diligence to the satisfaction of the Lessor;
- (c) Upon the occurrence of an event of default in terms of clause 11.1(a) and (b) herein above, the Lessor may terminate the Lessee's right to possession under this Lease, and at the expiration of ten (10) days from the date of service of a written notice to that effect, the Lessor shall be entitled to the possession of the Leased Premises. If the Lessee shall refuse to surrender and deliver up the possession of the Leased Premises after the service of the said notice, then and in that event, the Lessor may, without further notice or

demand, enter into and upon the Leased Premises, or any part thereof, and take possession thereof in accordance with the law.

- (d) Taking of possession by the Lessor, or the Lessor's service of an eviction demand shall not constitute an election by Lessor to terminate this Lease, unless expressly so stated in writing.

#### 11.2 Default of the terms of this Lease by the Lessor:

- (a) The Lessor shall be in Default of the terms of this Lease if the Lessor fails to perform any of the Lessor's obligations and/or breaches any of the Lessor's representations and or warranties contained herein (such failure to perform and or breach of Lessor's representations and or warranties hereinafter collectively referred to as "**Lessor's Default**") and such Lessor's Default shall continue to be not cured for a period of thirty (30) days after receipt of written notice from Lessee specifying the nature of Lessor's Default.
- (b) Provided however, that if the nature of Lessor's Default is such that more than thirty (30) calendar days are required for it to be cured, the Lessor shall not be deemed in default if Lessor has commenced to cure such Lessor's Default within thirty (30) days and thereafter diligently pursues the same to completion. In any event if the Lessor's Default is not cured within ninety (90) days after the receipt of a written notice from the Lessee, the Lessee may terminate this Lease by a written notice and have no further obligations under this Lease.
- (c) If the Lessor is in default, the Lessee may exercise any of its rights provided in law or at equity and shall have the right, but not the obligation, to cure any Lessor's Default and to deduct the costs incurred by the Lessee to cure such Lessor's Default, including legal fees and expenses, from the Rent next due and owing under the Lease.

## 12. REPAIRS

- (a) The Lessee shall maintain and keep the Leased Premises in a good state of repair.
  
- (b) The Lessee agrees to surrender the Leased Premises at the termination of this Lease in substantially as good a condition as when received, except for damage by the Lessor or Lessor's employees or agents, and ordinary wear and tear, damage by fire, hurricane, tornado, flooding, other casualties and the elements, and natural decay or deterioration.
  
- (c) The Lessor shall, at its own expense, be responsible for the prompt repair and maintenance of the foundation, structural walls, exterior roof and sub-flooring and utilities to the property (including electrical and communications cabling, gas, water and sewerage) serving all properties and improvements at the Leased Premises, provided such repairs are not necessitated due to the negligence or willful misconduct of the Lessee. Such repairs should be concluded within 30 days of Lessee's written notice to Lessor.

## 13. ALTERATIONS, ADDITIONS AND IMPROVEMENTS

The Lessee agrees not to make any permanent alterations, additions or improvements to the Leased Premises without the written consent of the Lessor, which consent shall not be unreasonably withheld, delayed or conditioned. Such approved alterations, additions or improvements may remain with the Leased Premises at the sole discretion of the Lessee.

#### **14. NOTICES**

- (a) Any notice or communication which either party desires or is required to give to the other party shall be given by way of email or mobile phone.
- (b) Any such notice shall conclusively be deemed delivered when appropriately and successfully sent.

#### **15. BINDING OF SUCCESSORS**

This Lease shall be binding upon the parties hereto, their heirs, devisees, personal representatives, successors and assigns, from and after the date hereof.

#### **16. CONFIDENTIALITY**

Both parties agree that they will not during the term of the Lease or at any time hereafter without the consent of the other disclose the terms of the Lease to any person or company and wording to that effect will be included in the Lease. The Lessee requires right to disclose to their consultant's information pertinent to their role as consultants on any fit out works.

#### **17. SIGNAGE**

Rights to display external signage on the exterior of the Property will not be withheld. Statutory licenses and compliance remain the responsibility of the Lessee.

#### **18. REINSTATEMENT**

At the expiration or sooner determination of the Term or any renewal Term, the Lessee shall be required reinstate, remove or make good any alterations or additions made to the Premises during the Term or remove any fixtures, fittings or signs and shall be

required to yield up the Premises to the Lessor in compliance with its covenants contained at the repair clause in the Lease.

## **19. FEES AND COSTS**

Each party is responsible for its own fees and costs in relation to this transaction.

## **20. OPTION TO LEASE ALL OR PART OF REMAINDER OF PLOT**

Lessee to have the right during the initial term to serve on the Lessor six months prior written notice of their wish to lease at an open market rent to be agreed additional space on the plot on the above-stated location. Lessors consent not to be unreasonably withheld.

## **21. DESTRUCTION AND CONDEMNATION**

Destruction:

- (a) if any Property situated at the Leased Premises should be damaged or destroyed by fire, tornado, any other casualty, or by the elements, Lessee shall give immediate notice thereof to Lessor;
  
- (b) if the property or any other improvement necessary for Lessee's operations should be so damaged in such a way that building or repair cannot be completed by the Lessor within ninety (90) days after the date the Lessor becomes aware or is notified by Lessee of such damage or destruction, the Lessee shall have the option to terminate this Lease and the Rent shall be abated effective from the date of such damage or destruction.

- (c) In the event of a partial destruction or damage, the Rent shall abate in proportion to the extent that the Leased Premises are rendered untenable for the Lessee's operations until repairs are completed. The Lessor shall use best efforts to timely complete the repairs, in the event that such repairs cannot be completed within ninety (90) days from the date the Lessor becomes aware or of being notified of the destruction, the Lessee, at its option, may terminate this Lease.

**Condemnation:**

- (a) If there is any taking by eminent domain that materially affects the Lessee's use of the Leased Premises, the Lessee may terminate this Lease with written notice.
- (b) Upon termination of the Lease, the Rent shall be apportioned as of the date of such notice. In the event the Lessee has paid any Rent for a period beyond that date, such prepaid and subsequently abated Rent shall be refunded, and paid by the Lessor, to the Lessee within thirty (30) days after the date of termination.
- (c) If there is a taking by eminent domain and the Lessee does not elect to terminate this Lease as provided hereinabove, the Rent shall abate in proportion to the portion of the Leased Premises that is taken.

**22. ATTORNMENT**

- (a) In the event of a transfer of the Lessor's ownership or right to possession of the Leased Premises consequent to the Lessor's liability of a lien, mortgage or security interest upon the Leased Premises, such action shall not result in either a termination of this Lease, or a diminution or impairment of any of the rights granted to Lessee under this Lease.

- (b) The Lessee agrees that it will attorn to any such new owner, provided that such new owner:
- (i) notifies the Lessee in writing of its acquisition of ownership or right of possession of the Leased Premises;
  - (ii) accepts and performs the obligations of Lessor; and
  - (iii) acknowledges and recognizes all of Lessee's rights under this Lease.
- (c) Upon request by the Lessor, a current or proposed mortgage or lien-holder agrees to execute, within a reasonable time, a subordination and non-disturbance agreement, in a form reasonably acceptable to the Lessee, provided that such agreement shall provide that:
- (i) the new owner shall assume all obligations of Lessor under this Lease;
  - (ii) that none of the Lessee's rights under this Lease shall be disturbed or diminished; and
  - (iii) any amounts due and owing by the Lessor to the Lessee or any other person or entity pursuant to the Lessor's obligations under this Lease shall be paid by the new owner, or may be paid by the Lessee and deducted from the Rent.

### **23. REPRESENTATIONS AND COMPLIANCE WITH LAW**

23.1. The Lessor represents to Lessee that the Lessor has full authority to enter into this Lease, that Lessor has a title to the Leased Premises, and the Lease Premises are free and clear of all liens, mortgages and security interests, to all the properties, improvements, and the land which constitute the Leased Premises, and that the Leased Premises shall be vacant and in broom clean condition on the Commencement Date.

23.2. The Lessor represents that it has no knowledge of any defect at the Leased Premises and that the Leased Premises conforms to all laws, ordinances, restrictions, zoning regulations and requirements of all governmental authorities or agencies and that there is legal access to the Leased Premises, adequate for Lessee's intended use of the Leased Premises.

23.3. The Lessor represents that the Leased Premises is not in violation of any Laws, Rules or Regulations relating to environmental conditions or Hazardous Materials on, under or about the Leased Premises, including, but not limited to, soil and ground water conditions and any remedial goals or cleanup standards related thereto, and that the Leased Premises is not in violation of the Law relating to use, generation, manufacture, storage or disposal of any Hazardous Materials on, under, or about the Leased Premises or transportation of any Hazardous Materials to or from the Leased Premises.

#### **24. YIELDING UP**

At the expiration of the Term:

To yield up the demised premises in good and substantial repair in accordance with the terms of this Lease, fair wear and tear accepted.

To give up all keys of the demised premises to the Lessor, and

To remove all signs erected by the Lessee in, upon or near the demised premises and immediately to make good any damage caused by such removal.

#### **25. VIEWINGS**

To permit the Lessor and/or any prospective purchasers of, or any managing agents instructed in connection with the sale of, the Lessor's reversion or of any other interest

superior to the Term to view the demised premises during Normal Working Hours and upon the provision of reasonable prior written notice (of not less than forty-eight (48) hours) to the Lessee provided they are authorised in writing by the Lessor or its managing agent.

## **26. ARBITRATION CLAUSE**

If any dispute arises between the **Lessee** and other tenants or occupants of the Property as to any easement, right or privilege in connection with the use of the demised premises and any other part of the Property or as to the boundary structures separating the demised premises from any other part of the Property or any other part of the Estate, it shall be decided by the **Lessor** or in such manner as the **Lessor** shall reasonably direct or at the **Lessor's** option by the Surveyor acting as an expert and not as an arbitrator.

If any dispute, difference or question shall at any time hereafter arise between the parties hereto or their respective representatives or assigns in respect of the construction of this lease or concerning anything herein contained or arising out of this lease or as to the rights, liabilities, or duties of the said parties hereunder, the same shall be settled by arbitration in accordance with and subject to the provisions of **the Arbitration Act [Cap. 15]** of the laws of the United Republic of Tanzania. The number of arbitrators shall be three, one appointed by each of the Parties hereto and a third arbitrator (who shall act as chairman) to be appointed by the two arbitrators appointed by the Parties. If any Party fails to appoint an arbitrator or the arbitrators appointed by the Parties cannot agree on the third arbitrator, the arbitrator for the non-appointing party or as the case may be, the third arbitrator shall be appointed by the chairman for the time being, of the Tanzania Institute of the Arbitrators. Any arbitral award issued shall be final and binding and judgment on such award may be entered in any court having jurisdiction thereof.

## **27. GENERAL TERMS**

The Lessor agrees to provide to the Lessee, prior to commencement of this Lease, any and all available environmental reports and/or studies identifying the current condition of the Leased Premises.

If any date for performance of any term, condition or provision hereof shall fall on a Saturday, Sunday or public holiday, then the time of such performance shall be extended to the next business day.

If any provision of this Lease should be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby.

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



**FIRST SCHEDULE**

**THE RENT**

**Rent Payable as per Clause 3**

<b>Year</b>	<b>Period</b>	<b>Rent Amount (per month) - TSHS.</b>
<b>1.</b>	JANUARY – DECEMBER – 2022	<b>TZS 166,666/=</b>
<b>2.</b>	JANUARY - DECEMBER – 2023	<b>TZS 166,666/=</b>
<b>3.</b>	JANUARY - DECEMBER – 2024	<b>TZS 166,666/=</b>
<b>4.</b>	JANUARY - DECEMBER – 2025	<b>TZS 166,666/=</b>
<b>5.</b>	JANUARY - DECEMBER – 2026	<b>TZS 166,666/=</b>



**IN WITNESS WHEREOF** the parties hereto have duly executed these presents and signified their acceptance of these terms by signing their respective names on the day, month and year hereinafter appearing.

**SIGNED and DELIVERED** at Dar es Salaam by the said **ACKLAN GHALIB SAID** who is ~~personally known to me~~/identified to me by JULIA ISSA LUPATU the latter being personally known to, in my presence on this 07<sup>th</sup> day of SEPTEMBER, 2022.

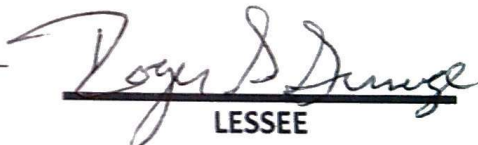
  
LESSOR

**BEFORE ME:**

Full name: Harry Godfrey Mbise  
Signature: Mbise  
Address: P.O. Box 11609, Dar es Salaam  
Qualification: COMMISSIONER FOR OATHS



**SIGNED and DELIVERED** at Dar es Salaam by the said **RAGRISA-RTS KUKU LIMITED** being represented by **ROGER GRINAGE** as Principal Officer of the LESSEE who is ~~personally known to me~~/identified to me by JULIA ISSA LUPATU the latter being personally known to, in my presence on this 07<sup>th</sup> day of SEPTEMBER 2022.

  
LESSEE

**BEFORE ME:**

Full name: Harry Godfrey Mbise  
Signature: Mbise  
Address: P.O. Box 11609, Dar es Salaam  
Qualification: COMMISSIONER FOR OATHS

