

LEASE AGREEMENT

DATED THIS 21ST DAY OF APRIL 2022

BETWEEN

**CITY PLAZA LTD, DAR ES SALAAM
(LESSOR)**

AND

**PANAFRIQUE RE LIMITED
DAR ES SALAAM
(LESSEE)**

IN RESPECT OF OFFICE 6.1 AND 6.2, CITY PLAZA LIMITED OF DAR ES
SALAAM JAMHURI STREET, P.O.BOX 22353 DAR ES SALAAM, TANZANIA

Drawn by:-
LEGAL DEPARTMENT
CITY PLAZA LIMITED,
P.O.BOX 22353,
DAR ES SALAAM

LEASE AGREEMENT

THIS LEASE is made the **21st** day of **APRIL** in the year Two thousand and Twenty and Two (**2022**)

BETWEEN

CITY PLAZA LTD, a company registered in Tanzania with registration number **62257** of Jamhuri street, plot/house no. **716-11** P. O. Box **20464** Dar es Salaam (hereinafter called the Lessor which expression shall where the context so admits include her successors and the person for the time being entitled to the reversion immediately expectant on the terms hereby created) of the one part.

AND

PANAFRIQUE RE LIMITED , registered under Companies Act with registration number **153820201** of Dar es Salaam (hereinafter called the Lessee which expression shall where the context so admits include her assigns and successors in title) of the other part.

WHEREAS the Lessor owns a building situated at Jamhuri Street/City center Dar es Salaam Plot No.716-11 also known as the "**CITY PLAZA LTD**" (Hereinafter called the **Property**) idle for business and intends to demise one of its **160 SQM** of commercial space to the lessee for terms and covenants herein prescribed; **AND WHEREAS** the Lessee has agreed to the lease **160SQM** of the Lessors building at 6TH Floor, office number **6.1 AND 6.2** (Hereinafter referred to as the "**Demised premises**") in a manner hereinafter agreed, to hold and enjoy the same for commercial purposes on terms and conditions hereinafter appearing.

NOW THIS LEASE WITNESSETH as follows:

In consideration of the monthly rent of **US\$ 1700 (One thousand and seven hundred united states Dollars)** inclusive of VAT and **US\$ 1800 (One thousand and eight hundred united states Dollars)** after the period for one year starting from **1st June 2023 up to 31st July 2022** to be paid by the Lessee to the Lessor by way of rent (the receipt whereof the landlord hereby acknowledges) the Landlord hereby demises unto the Lessee all that space area of **160 SQM** at **6th Floor**, office number **6.1 and 6.2** herein situated at Jamhuri street/ City center Dar es Salaam **to hold** the same unto the tenant for the term of Two (2) **Year** subject to covenants herein prescribed; renewable but subject to terms and conditions to be agreed.

The Lessee shall use the Demised premises for commercial/office purposes.

1. DURATION AND TYPING OF THE LEASE:-

The lessee shall occupy and hold the demised premises for the term of **Three (3)** year commencing on **1st day of JUNE 2022** up to **31st MAY 2025** The lease hereby created is subject to renewal for another term and subject to new conditions to be stipulated.

2. PURPOSE OF THE LEASE:-

The lessee shall occupy and use the demised premises for carrying thereon business and other matters related to commercial and ancillary thereto but not alcohol and all business that shall offend the Lessor.

3. (A) RENT AND SERVICE CHARGE:-

The Lessee shall pay to the Lessor during the six month in advance of the building space herein known as the "Carpeted area" that includes the toilet and pantry located in the rented premises.

The initial rent is agreed to be paid **six month in advance for all period of the lease agreement.**

(B) MODE OF PAYMENT OF RENT:-

The lessee shall pay and deposit the said rent and other payments payable to the Lessor under this agreement into a bank Account CITY PLAZA LTD at EXIM BANK ACCOUNT NUMBER 0080026358 USD. CLOCK TOWER BRANCH, SWIFT CODE EXTNTZTZ before the due date and immediately thereupon submits to the Landlord the pay-in-slip or other document evidencing the said payments.

4. DATE OF EXECUTION OF THE LEASE:-

This lease has been executed by the duly authorized representatives of the parties on the date and manner herein appearing.

5. TERMINATION OF CONTRACT

Under no circumstances shall either party to this Agreement terminate this lease within the lease period except where the LESSOR and the LESSEE mutually agree that this lease be terminated. Should that termination happen and if initiated by the LESSOR, the LESSEE shall be reimbursed the amount of unutilized rent with interest at the Bank rate applicable to the unexpired lease term. If the lessee terminates the contract in any of the circumstances whatsoever, any rent paid shall not be reimbursed or refunded by the lessor.

Each party have the right this contract by issuing to the **other party one (1) month written Notice prior** to such termination.

6. RENEWAL

The LESSEE shall have an option to renew this Lease for another period provided that, the LESSEE must communicate to the LESSOR, in writing his intention to renew this Lease at least one (1) month prior to the date of expiry of the lease term. This lease will be renewed for another term by the lessee giving prior one (1) month notice of her intention to do so subject to renegotiation of the rent. In any event rent increase shall not be more than 40% of the existing rent.

7. DATE OF DELIVERY OF POSSESSION OF THE DEMISED PREMISES TO THE LESSEE:-

That the possession of the said demised premises will be given to the lessee on **1ST day of June 2022** or before that time and the lessee acknowledges the same by executing this agreement.

8. COVENANTS BY THE LESSEE:-

(a) To use the demised premises only for commercial purpose and other ancillary business connected and relating thereto. And any extension or renewal thereof the lessee shall not be permitted to use the property for any other purpose without the express written permission of lessor. Any change in the permitted use will require lessor's written consent, in which the consent may be granted or withheld in lessor's reasonable discretion.

- (b) To pay the rent on the day, in the manner herein reserved and stipulated.
- (c) To keep the demised premises including doors, windows, fixtures, fastenings, drain pipes sanitary and water apparatus therein in good condition throughout the period hereby created, fair wear and tear excepted.
- (d) Not to erect other building or structures upon the demised premises without the written consent of the Lessor.
- (e) Not to engage in any immoral business.
- (f) Not to sublet or part with possession, mortgage, sale or transfer the demised premise or any part without the permission of the Lessor.
- (g) During the term of lease not to do or omit or suffer to be done or omitted to be done any matter in contravention of any statute, regulations or municipal rules for the time being in force.
- (h) To permit the Lessor, its agents or workman having received from the Lessor period notice in writing within reasonable time during the said term to enter into and upon the demised premises for the purposes of examining the state and condition thereof and for ascertaining the due performance of the Lessee's covenants herein contained.
- (i) To yield up the demised premises at the expiration or termination of the term hereby created in good and tenantable repair and condition (fair wear and tear excepted).
- (j) Not to do anything that will invalidate the policy of insurance against fire or which may increase the premium in respect of the demised premises and to pay to the lessor sums paid by way of insurance premium, and any expenses incurred by the landlord due to the lessee's breach of covenant.
- (k) Not to use the demised premises in a way which would create nuisance or damages to other neighbors.
- (l) To observe and conform to all reasonable regulations and restrictions made by the lessor for the proper management of the demised premise and notified in writing by the lessor to the lessee from time to time.
- (m) On the expiration of the lease term to deliver the demised premises to the lessor with all keys, locks and fasteners in good condition, reasonable wear and tear accepted.

9. **COVENANTS BY THE LESSOR:-**

- (a) To pay all fees for sanitary removal during the term of this lease.
- (b) To permit the lessee paying the rent hereby reserved and performance and observing the hereby agreed implied and on his part to be performed and observing peacefully and quietly to possess and enjoy the demised premises during the term created without any interruption for or by the Lessor any person rightfully claiming for the Lessor or under it or in trust for it.
- (c) To maintain and keep the main structure of the demised premises in good and substantial repair.
- (d) To pay during the term hereby created land rent and all such rates and taxes levied and payable on the land registered under the above

reference and/or the building erected thereon as are levied and payable from time to time by concerned authorities.

- (e) In case of damage or destruction by fire or rebuild and reinstate the same as speedily as possible.
- (f) To permit the lessee to display its signs and posters at prominent places at the front or side of the demised premises and undertakes to ensure that the lessee's, signs and posters shall not be obstructed by any other signs.
- (g) To provide adequate security for the property and demised premises by way of security guards and alarms.

10. REPRESENTATIONS AND WARRANTIES.

The Landlord represents that it is the rightful registered owner of the property with full power and authority to demise to the lessee the demised premises in the manner herein provided.

That each party agrees to execute, complete, deliver, documents, instruments, notices, acts, and things necessary or required to implements and give full effect to the provisions of the lease and shall register this lease agreement in accordance with the law.

Each party represents and warrants to the other that:-

It has full power and authority to execute deliver and perform its obligation under this agreement and no limitation on its power will be exceeded as a result of its entering into this agreement;

This agreement is its legal valid and binding obligation, and is enforceable against it in accordance with its terms and conditions.

This agreement may only be varied by written instrument signed by each party.

- The lessee shall be responsible, at its expense, for fire and extended coverage insurance on the leased property including personal property, equipment and fixtures, located on or within the demised property.
- If the demised property or any other part of the building is damaged by fire or other casualty resulting from any act or negligence of the lessee or any of the 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 repairing not covered by his insurance.

11. WAIVER.

The waiver by either party of its rights or remedies or of any breaches by either party under this agreement shall not be considered as a waiver of the same or different right, remedies or branches in subsequent instances.

12. SEVERABILITY.

In event that any provision of this agreement or the application of any such provision to the parties hereto with respect to their obligations hereunder shall be held by a court or other tribunal of competent jurisdictions to be unenforceable, the remaining provisions hereof shall remain in full force and

effect to the extent they are not inconsistent with the original provisions and the intentions of the parties expressed herein.

13. TAXES:

- The lessee shall be liable to pay any obligatory duty to the concerned authorities.
- The lessee shall be liable to pay any taxes, assessments, license fees and other charges that are levied or assessed against or based in relation to the lessee's nature of business.
- The lessee shall deduct withholding tax from the rental amount (currently at **10%** and stamp duty **1%** and shall provide the necessary proof of payment from TRA within one month of making any rental payment to the lessor.
- The lessor shall be liable to pay the land rent and other statutory charges payable by the lessor.

14. DEFAULT:

The occurrence of any of the following shall constitute a material default and breach of this lease by the lessee:-

- I. The abandonment of the premises by lessee.
- II. The lessee's failure to make any payment of rent and/or service charge (including late charges) as and when due.
- III. Lessee's failure to observe or perform any of the provisions of this lease to be observed after written notice of such failure from lessor to lessee.
- IV. Lessee's becoming bankrupt, insolvent or a "debtor"

15. SUCCESSION, ASSIGNS AND ASSOCIATES.

14.1 Except as otherwise provided herein, the right and obligations created hereunder shall inure to the benefit of and be binding upon the heirs, associates successors and authorized assigned of the parties hereto;

14.2 Notwithstanding any provision hereof, neither the Landlord nor the Lessee shall have a right to assign or transfer any of its rights herein and no such assignment or transfer shall have any validity unless with prior notice and consent of the other part.

16. COMMUNICATION AND NOTICES.

Any notice, request or other communication required or permitted to be given or made under this agreement any part must be in writing. Such notice, request or other communication may be delivered by hand or postal address of each part notified to the other.

17. FORCE MAJEURE.

16.1 In this clause, Force Majeure means an act of God, war declared or undeclared, blockade, revolution, riot, insurrection, civil commotion.

16.2 If any part to this agreement is unable, wholly or in a party, by reason of force majeure to carry out any obligation required of it under this contract, that obligation is suspended so far as it is affected during the continuance of force majeure.

16.3 As soon as possible after being affected by force majeure, the party so affected must furnish to the other party full particulars of the force majeure and the manner in which its performance is prevented or delayed. The party whose obligation under this agreement has been suspended must promptly and diligently take appropriate action to enable it to perform such obligations.

18. GOVERNING LAW.

This agreement shall be governed by and construed in accordance with the laws of the United Republic of Tanzania. In the event of dispute between the parties, the parties agree to attempt amicable mediation in the form of not less than three (3) mediation meetings. Thereafter the parties may be free to seek legal remedy in court of competent jurisdiction.

19. INTERGRATED AGREEMENT.

This agreement constitutes the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and there is no agreement understandings restrictions or warranties among the parties other than those set forth herein.

20. Exemption of Lessor from Liability.

Lessee waives all claims against Lessor in respect of, and Lessor shall not be liable for the following: injury to Lessee's business, loss of income from such business, or damage or injury to the goods, wares, merchandise, or other property or the person of Lessee, Lessee's Invitees, or any other persons in, upon, or about the Premises, whether such damage, loss, or injury is caused by or results from criminal acts, fire, steam, electricity, gas, water, rain, the breakage, leakage, obstruction or other defects of pipes, sewer lines, sprinklers, wires, appliances, plumbing, air-conditioning or lighting fixtures, or any other cause, conditions arising upon the Premises, or other sources or places, and regardless of whether the cause of such damage, loss, or injury or the means of repairing such damage, loss, or injury is inaccessible to Lessee.

21. Miscellaneous:

- Notwithstanding any other provision in this Lease to the contrary, Lessee shall not have any open flames in the Premises, or Building at any time whatsoever, including, but not limited to, lit candles, lighters, matches or as it relates to cooking. No inflammable, explosive or dangerous fluids or substances shall be used or kept by Tenant in the Premises, Building or about the Property.
- The Lessor shall provide a Backup Generator to which the Lessee shall have a right to connect. The costs incurred in respect of the utilization of the Backup
- Generator shall be to the lessee account. Each Tenant will have its own meter and the Lessee agrees to pay for the internal consumption of the electricity and diesel charges relating to his or her unit as per the meter reading at the prevailing rate fixed by the lessor. Maintenance and repair of the Backup Generator shall be solely the responsibility and expense of the Lessor.
- The lessee will be charged a fee of \$50 USD for loss and replacement of new electricity meter Card

- The lessor shall not be held accountable for any damages arising as a result of power fluctuations or power outages by city's power supply.
- The Management Company reserves the right to revise these charges in future in line with rising inflation or increase in TANESCO prices.
- service charge and electricity will be coordinated on a day-to-day basis via the appointed management company.

22. OTHER DOCUMENTS.

Parties hereof covenants and agreed that they shall execute such other and further instruments and documents as are or may become reasonable necessary or convenient to effectuate and carry out the purpose of this agreement.

IN WITNESS WHEREOF the Landlord and the lessee have duly executed these presents in the manner and on the dates hereinafter appearing:

SIGNED and DELIVERED at Dar es Salaam

On behalf of the LESSOR

This **21ST** day of **APRIL 2022**

In the presence of

1. Name: ARMANI GUOANAMA

Address 27353 DSM

Qualification: ACCOUNTANT

Signature: [Signature]

2. Name:

Address

Qualification:

Signature:

[Signature]

Company Official stamp



SIGNED AND DELIVERED at Dar es Salaam

by the LESSEE this **21ST** day of **APRIL 2022**

In the presence of

1. Name: KULTHUM IBRAHIM

Address 63004 DAR-ES-SALAAM

Qualification: ACCOUNTANT

Signature: [Signature]

2. Name: MBWANA BELEKO

Address: 63004 DAR-ES-SALAAM

Qualification: DOCUMENTATION OFFICER

Signature: [Signature]

[Signature]

The LESSEE



[Handwritten mark]