

THE LAND ACT No. 4 OF 1999

LEASE AGREEMENT

BETWEEN

DEODATH SHAFTAEL MUNUO
"the Lessor"

AND

SHAHIDI HOLDINGS LIMITED
"the Lessee"

Misigiri farm located in Iramba Singida

DRAWN BY:-

**Kings Law Chambers
Haidery Plaza,
3rd Floor, Suite 3Ld
Kisutu Street/ Upanga Road
P.o.Box 32196
Dar Es Salaam**

LEASE AGREEMENT

THIS LEASE AGREEMENT made this 27th day of April 2022

BETWEEN

DEODATH SHAFTAEL MUNUO of P.O. Box 32194 Dar es Salaam, (Hereinafter called "**the Lessor**") which expression shall where the context so admits include his/her successors, assignees and agents of the one part

AND

SHAHIDI HOLDINGS LIMITED of P.O. Box 32194 Dar es Salaam, (herein after called "**the Lessee**" which expression shall where the context so admits include its successors, assignees and agents), of the other part.

WHEREAS

- A. The **Lessor** is the lawful owner of the premises comprised in the landed property known as, Misigiri farm located in Iramba **Singida** (hereafter referred to as "**the Demised Premises**")
- B. The Lessor has agreed to lease the demised premises to the Lessee to hold and enjoy the same for commercial purposes on terms and conditions hereinafter appearing.
- C. The **Lessor** has agreed to lease the demised premises to the **Lessee** to hold and enjoy the same for **premise use/** on terms and conditions hereinafter appearing.
- D. WHEREAS the Lessee is desirous of using the leased premises as premise to which the Lessor designed the same for such purposes.

NOW THIS AGREEMENT WITNESSETH as follows;

1. The **Lessor** hereby demises unto the **Lessee ALL THAT** demised premises **TOGETHER WITH** the right of access **TO HOLD** unto the **Lessee** for a term of ten (10) years with an option to renew upon formal request from the Lessors starts from 27th day of April 2022 up to and including 08th day of May 2031 at a monthly rent of **Tanzanian Shillings Two (Tshs. 2/=)**

inclusive of all taxes payable yearly in advance, (hereinafter referred to as **“the Rent”**).

2. Rent Increase - once the twenty-four (24) month of tenancy expires from the date of this agreement, the Lessor may review and increase (not exceeding twenty (20%) percent of the leased sum) the rent for the property. The Lessor will give the Lessee three month notice in writing of the rent increase.
3. The Lessee HEREBY COVENANTS WITH THE LESSOR as follows:
 - a. To pay the rent herein before reserved on the days and in the manner aforesaid.
 - b. To pay as and when due or demanded all charges for water, electricity and telephone, sewerage, refuse and sanitary removals if any, in respect of the demised premises and present up to-date records prior to moving out.
 - c. To keep the interior of the demised premises, including all water taps, basins, tanks (but not so as to make the Lessee liable to replace any water tanks) and all electric light fittings (other than electrical apparatus forming part of the internal wiring of the demised premises), windows and window frames, and other Lessor's fixtures in good and tenantable repair and condition (fair wear and tear and damage by fire, storm and tempest excepted) and to make good any damage caused by the willful neglect or default of the Lessee to any portion of the demised premises that is bound to be maintained under the covenant given by the Lessor in that behalf hereinafter contained.
 - d. To keep all the gardens, surrounding, trees walkways and premises in good order and maintained
 - e. To permit the Lessor and his agents at all reasonable times, after giving prior notice and confirmation of, to enter upon the demised premises to view the condition thereof and, if the same is found to be defective or out of repair, the Lessee to make good the same in a proper manner and to the satisfaction of the Lessor within the space of one calendar month.
 - f. Not to use or permit to be used the demised premises in a way which would create nuisance or annoyance to the neighbors and public.
 - g. To take adequate precautions against risks of fire.
 - h. Not to assign, sub-let or part with the possession of the demised premises or any part thereof without the consent in writing of the Lessor first having been obtained (such consent not to be

unreasonable withheld) in case of reasonable and respectable persons.

- i. To give notice of three months before the expiry of the term hereby created to the Lessor expressing his/ her (Lessee's) intention whether or not to renew the Lease for a further term. If the Lessee shall be desirous of an extension of the term hereby created then the Lessor shall grant such extension and at such rent on such terms and conditions as shall be acceptable to the Parties, PROVIDED THAT the Lessee shall give three months notice and shall have executed a new lease and paid the rent as then agreed prior to the expiry of the term set out in clause 1 above.
- j. That the fee for the preparation of the Lease shall be payable by the Lessee.
- k. Not to cut or injure any of the principal walls or woodwork of the demised premises without the consent of the Lessor (and the consent of the Lessor not to be unreasonably withheld) to make any alteration therein whatsoever not commit or permit any water or damage to the demised premises and not to erect on the demised premises any partitions of a permanent nature except such as have been approved in writing by the Lessor and after erection and completion thereof not to alter or remove the same without the consent of the Lessor in writing (such approval and consent not to be unreasonably withheld).
- l. Not to permit or be done anything whereby the policies of insurance effected by the Lessor may become void or voidable or whereby the rate of premium hereof may be increased and to repay the Lessor all sums paid by way of increased premium consequent on the act or default of the tenant, together with all expenses incurred by the Lessor in or about the renewal of such policies which may be rendered necessary by a breach of this covenant.
- m. Prior to moving out of the property, the tenant will be responsible for any damage caused to the property and its outer buildings as well as reinstating the property to its original state.

4. The Lessor HEREBY COVENANTS WITH THE LESSEE AS FOLLOWS:

- a. To keep the roof, walls, water pipes and the interior of the building forming part of the demised premises and all internal and external sanitary apparatus, electrical wiring, electrical circuits, and water pumps and storage tanks of the demised premises regularly maintained and in good and tenantable repair and condition AND to replace when necessary or carry out any repairs to the interior of the

demised premises which become necessary by reason of any breach of this covenant.

- b. That the Lessee paying rents hereinbefore reserved and performing and observing the covenants on his part hereinbefore contained may peacefully and quietly hold and enjoy the demised premises without unlawful interruption by the Lessor or any persons rightfully claiming under him.
- c. To pay the annual rent reserved by the right of Occupancy/ Government Lease under which the Lessor holds the said land and to observe and perform the covenants therein contained (so far as the same are not required to be performed by the Lessee under the covenants on their part hereinbefore contained).

5. PROVIDED ALWAYS AND IT IS HEREBY AGREED AND DECLARED as follows:

- a. In the case of violence due to war or civil commotion or insurgent activity or fire, explosion, storm, tempest, flood, inevitable accident, or other irresistible force
 - i. Rendering the whole of the demised premises unfit for the purpose for which they are hereby demised, the Lease shall forthwith be terminated;
 - ii. Provided further that in the case of aforesaid circumstances causing damage to part of the demised premises the Lessor will, to the satisfaction of the Lessee, restore and reinstate the demised premises, within a reasonable time, at their own expenses and meanwhile the rent or a fair proportion thereof shall abate until the demised premises shall be restored and made ready for occupation.
- b. If and wherever the said rent hereby reserved or any part thereof shall be unpaid for **five days** after any of the days hereinbefore appointed for payment of the same whether the same shall have been legally demanded or not if and whenever the Lessee shall not in all things well and truly observe, perform, fulfill and keep all and singular the covenants by the Lessee herein contained, then it shall be lawful for the Lessor to re-enter into the demised premises to again repossess and enjoy their former estate.

6. **ARBITRATION CLAUSE:**

Any dispute arising from or in connection with this Agreement shall be settled amicably between the Parties, failing which the matter may be

referred to Arbitration as provided for by the Arbitration Ordinance, (Chapter 15) of the laws of the United Republic of Tanzania.

7. NOTICE

Any notice required to be served hereunder shall be in writing and shall be sufficiently served upon either party if forwarded to that party by registered post or left at the party's last known address in Tanzania. A notice to the Lessee may be left at the demised premises. A notice sent by post shall be deemed to be given four days after the date of posting.

8. MODE OF PAYMENT

The Mode of payment should be made by either Crossed Cheque or Telegraphic to or any other means provided by the Lessor:

STAMP DUTY & WITHHOLDING TAX

The Lessor shall pay one (1%) percent stamp duty and ten (10%) withholding tax.

9. RENT REVIEW

The above rent is not subject to any review.

10. GOVERNING LAW

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

11. TERMINATION

This Lease Agreement is subject to termination by the lessor or Lessee upon issuing one year notice or by breach by the lessee to its covenant under this agreement.

12. COMMENCIMENT DATE

The commencement date and effective date of this agreement shall be 07th day of July 2021 and the signing date shall be the date appears in the first page and the jurat section.

13. SIGNAGE

- a. That the lessees can affix, erect, attach, exhibit or permit so to be upon any part of the Building, or exterior of the Premises, or through any window thereof any placard, poster, notice, advertisement, name or sign whatsoever
- b. To pay the relevant signage fees as may be levied upon such signage by the Municipal Authority.

14. INDEMNITY CLAUSE:

The Lessor shall indemnify and keep indemnified the Lessee against all proceedings, costs, claims, demands, charge, or expenses and liabilities whatsoever arising out of any fact not disclosed or known to the Lessee before the signing of this Agreement or to the extent that the same shall have been occasioned through misrepresentation as to any warranty here-in contained.

15. LISTS OF ITEMS

- a. The attached annexure (**marked as annexure 1**) containing list if all movable items/property shall form part of this agreement and the some must be signed by both parties to this agreement.
- b. The attached annexure (**marked as annexure 2**) containing the leasable area (4 acres) and the same shall form part of this agreement and the some must be signed by both parties to this agreement.

16. MISCELLANEOUS PROVISIONS

- a) Except in the case of an express waiver, the fact that one Party does not exercise all or any part of its rights, which are conferred upon it by this Agreement, shall not constitute in any event a waiver, or abandonment of the rights not exercised.
- b) All matters arising from or in connection to this Lease Agreement shall be governed and construed in accordance with the Laws of the United Republic of Tanzania.
- c) The parties hereto agree to execute documents and perform such further acts as may be necessary to implement the terms of this Agreement.

- d) The Lessee shall not do anything that will, in any way, jeopardize the Lessor's right and title over the Land pertinent to the property.
 - e) This Agreement shall be in the English Language and executed in three **(3)** original Copies, each being authentic.
17. The rent agreed upon may be revised after the expiry of the lease term

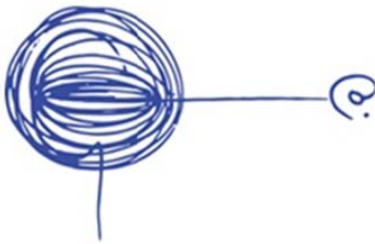
IN WITNESS WHEREOF the parties herein have hereto signed this deed on the day, month, year and the manner as hereinafter appearing.

THE LESSOR

SIGNED and DELIVERED by
DEODATH SHAFTAEL MUNUO
who is known to me personally/identified
by

the latter being known to me personally this
27th day of April 2022 in my presence

} _____
SIGNATURE



Notary Public

THE LESSEE

Sealed with the Common Seal of
SHAHIDI HOLDINGS LIMITED and
DELIVERED in our presence this
27th day of April 2022



Name: **Stanley Cheruiyot Munai**

Signature: _____
Qualifications: **Director**

Name: **Witness Shilekirwa Munuo**

Signature: _____
Qualifications: **Director/Company Secretary**