

SALE AGREEMENT

BETWEEN

**MARINE PARK LODGE LIMITED
(Seller)**

AND

**BASECAMP MAFIA ISLAND PROPERTIES LIMITED
(Buyer)**

**CONCERNING THE SALE AND TRANSFER OF LAND AND BUILDING
LOCATED AT UTENDE, MAFIA UNDER TITLE NUMBER 13811**

Drawn By:

Marine Park Lodge Ltd
and
Basecamp Mafia Island Properties

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SALE AGREEMENT

This **SALE AGREEMENT** is made this ^{17th} day of ⁰⁴ 2023

BETWEEN

MARINE PARK LODGE LIMITED, a private limited liability company incorporated in the United Republic of Tanzania and having its registered office located at Utende, Mafia under Title Number 13811 (hereinafter referred to as the "**Seller**" which expression shall, where the context so requires, include the Seller's successors in title and assigns) of the one part;

AND

BASECAMP MAFIA ISLAND PROPERTIES LIMITED, a private limited liability Company incorporated in the United Republic of Tanzania and having its registered office situated at Plot No. 1826/76, House No. 6, Bandari Road, Off Kahama Road, Masaki, of Postal Office Box Number 79395, Dar es Salaam, Tanzania (hereinafter referred to as the "**Buyer**" which expression shall, where the context so requires, include the Buyer's successors in title and assigns) of the other part;

PREAMBLE

WHEREAS:

- A. The Seller is the Legal owner of the land and building, herein after referred as 'Property' together with all the improvements therein all comprised in the landed property situated at Utende in the district of Mafia as delineated on registered Survey Plan No. 10997, Mafia and located at LO No. 18106, without any third-party rights, claims, actions, demands, charge or encumbrance on the Property. The said landed property is comprised under Certificate of Title number 13811 comprising an area of 13.8 acres.

- B. The Buyer is an incorporated company in the United Republic of Tanzania which intending to operate in the hospitality business.
- C. This Agreement is fully enforceable and binding against both parties in accordance with its terms. The parties shall indemnify and save harmless each other from and against any and all losses that may be suffered by the parties in the event any covenants, representations and warranties under this Agreement prove to be false or misleading.
- D. The Seller has considered and agreed to sell and transfer his Property to the Buyer and the Buyer has agreed to purchase the said Property on terms and conditions as hereinafter appearing.

NOW THIS SALE AGREEMENT WITNESSETH AS FOLLOWS:

1.0 DEFINITIONS

1.1 In this Sale Agreement unless the context otherwise provides:-

"Agreement" means this Sale Agreement between the Seller and the Buyer leading to the transfer of the Buildings and property situated at Utende in the district of Mafia as delineated on registered Survey Plan No. 10997, Mafia and located at LO No. 18106 under certificate of Title Number 13811 comprising an area of **13.8 acres** of land.

"Parties" mean the signatories to this Agreement.

"Purchase Price" means the amount of **Euros Six Hundred and Fifty Thousand (Euros 650,000) only excluding VAT** payable to the Seller by the Buyer as consideration for the purchase of the Property.

'Land and Buildings' means any fixture, buildings or houses, plants and natural vegetation attached permanently on the face by earth.

- 1.2 References to the singular include, when the context so admits, references to the plural and vice versa.
- 1.3 Words importing the masculine gender shall include the feminine gender and vice-versa and words importing persons shall include companies.
- 1.4 The headings as used in this Agreement are for convenience of reference only and shall not affect the construction of any of the terms and provisions hereof.

2.0 LAND AND BUILDING EARMARKED FOR SALE

The Property to be sold to the Buyer is within the Utende Area in the district of Mafia as delineated on registered Survey Plan No. 10997, Mafia and located at LO No. 18106 comprised under Title Number 13811 as demarcated on the plan annexed hereto together with the buildings, fixtures and all the improvements therein.

3.0 CONDITIONS PRECEDENT TO COMPLETION

- 3.1. The property valuation to be done through the Government authorized valuer as per the requirements.
- 3.2. The Tax Clearance Certificate should be issued by the Tanzania Revenue Authority for the sale transaction and proof of payment of the Capital Gains tax is presented. The VAT, stamp duty and other transfer fees is paid by the Buyer.

- 3.3. All formalities of the signing of land transfer forms should be completed and original Title deed along with the annexures to be submitted to the lawyers for processing of the transfer of the property.

4.0 CONSIDERATION AND MODE OF PAYMENT

- 4.1. In consideration of the Buyer paying the sum of **Euros Six Hundred and Fifty Thousand (Euros 650,000) only excluding VAT** payable to the Seller as consideration for the purchase of the Property described hereinabove together with all the improvements and developments erected and being thereon, free from any encumbrances.
- 4.2. Provided always that the Purchase Price shall be paid by the Buyer to the Seller in three instalments as follows:

1st Instalment and/or safety deposit

- 4.2.1. The first instalment of Euros 120,000 (Euros One Hundred Twenty Thousand Only) exclusive of VAT has been paid on signing of this agreement. This amount shall be treated as an initial non-refundable commitment fee as the guarantee of the proposed transaction.
- 4.2.2. Upon transfer of the first instalment by the Purchaser, the seller shall not be allowed to consider or accept any other offer from any other interested purchasers to the effect that the first installments warrant lock-in and lock-out between the parties.
- 4.2.3. The above commitment fee shall be transferred to the Company's NBC bank account N° 047105001220 swift code NLCBTZTXIND on terms provided under clause 4.2.1 above. This amount shall be considered as the first instalment and shall be deducted from the agreed price of Euros Six Hundred and Fifty Thousand (Euros 650,000).

- 4.2.4. During this phase, the purchaser and the buyer shall complete due diligence and clearance of any pending issues on the side of the Purchaser and the Seller including finalizing the process of obtaining a valid certificate of Title at the Land Registry and clearing any outstanding issues with Tanzania Investment Centre if the Mafia Lodge was a registered project with TIC.
- 4.2.5. In the event the seller is unable to obtain a valid and certified Title Deed for purposes of effecting the sale 50% of the down payment of the Euros 120,000, being Euros 60,000 shall be fully refundable to the Purchaser within 14 days after receiving evidence.
- 4.2.6. The first installment shall primarily be used by Seller to settle Tax obligations with TRA. If the capital Gain Tax cannot be paid by Seller, Buyer will be committed to help finding a solution, for instance by prefinancing this payment to TRA, as further specified in 4.2.8 The extra amount that in this case is provided by Seller, will be deducted from the amount of the 2nd instalment.
- 4.2.7. During this phase, parties are at liberty to exhaust other options including to take over the management of the Seller. Upon which, within this phase, a conclusive tax audit on the assets and liabilities of the company has to be examined and finalized.

2nd Instalment

- 4.2.8. Upon signing of this agreement, the Purchaser shall make another payment of Euros 200,000 (Euros Three Hundred Twenty-Five Thousand) exclusive of VAT as a second installment. Payment will be done within 7 days of receiving the signed agreement. The second instalment will be used for TRA capital gain tax clearance, which will be paid directly to TRA by the Seller.

4.2.9. Upon transfer of the 2nd Installment into the bank account of the Seller, the Seller shall surrender a Certificate of Title and all original documents in relation to the purchased land. Upon which the Buyer shall commence with the disposition of the landed property to Ministry of Land and the TIC and obtain necessary certificates as addressed under clause 4.2.5 above.

3rd Installment

4.2.10. The third and final instalment of Euros 330,000 (Euros Two Hundred Five Thousand Only) exclusive of VAT shall be due and payable to the Seller as final settlement of the sale price of the landed property as located within Utende Area in the district of Mafia as delineated on registered Survey Plan No. 10997, Mafia with L.O No. 18106 comprised under the Certificate of Title Number 13811 upon the National Land Allocation Committee has approved the investment and such approval has been formally communicated to the Purchaser.

4.2.11. After the payment of the third and last instalment, the Purchaser shall have full and direct access to the land and buildings.

4.3 The monies payable to the Seller in Euros currency shall be deposited by the Buyer into the Seller's Bank Account:

1.	Account Name:	
2.	Account No.	
3.	Bank Name:	
4.	Branch Code	
5.	Swift Code	
6.	Bank Code	
7.	Iban No.	

4.4 The Seller shall provide an electronic tax receipt to the Purchaser and further issue an acknowledgement receipt upon confirmation that the monies have been received.

5.0 THE SELLER'S COVENANTS

The Seller hereby covenants to the Buyer as follows:

- 5.1 That in the event the sale and the eventual transfer envisaged in this Agreement shall fail for no fault of either the Seller or of the Buyer, parties here-in shall relapse to the status quo whereas all the monies paid to the Seller by the Buyer in consideration of the sale shall be refunded to the Buyer after deducting 50% of the Capital Gains Taxes and the VAT as these are not recoverable once paid to the TRA.
- 5.2 That if the Agreement fails for no fault of either party but at the very advanced stage when the payments to the Government authorities have been paid such as Capital Gain tax, Stamp duty, transfer fees have been paid, parties will agree amicably on the best and equitable way to recover the costs.
- 5.3 That the Seller upon signing of this Agreement and the transfer documents shall allow the Attorneys who are acting on behalf of the Buyer, to seek approval for the transfer from the Land Commissioner and lodge all the necessary documents with the Land Registry or relevant authority to execute the transfer.
- 5.4 That the Seller shall hand over to Buyer all documents necessary for the transfer of Certificate of Title upon payment of the second instalment.
- 5.5 The Seller shall at all time whenever necessary be available to facilitate and assist the purchaser during transfer process of the said title deed whenever needed to the finality.
- 5.6 That during execution of this Agreement, the Seller shall provide the following documents and/or information to the Purchaser;

- i. Certifies Copies of the Certificate of Incentives
- ii. Business Proposal upon which Incentives was obtained from TIC
- iii. Project progress report on TIC Investment
- iv. Business License
- v. Tax Clearance
- vi. Certified copy of the Memorandum and Articles of Association
- vii. Certified Copy of the Certificate of Incorporation
- viii. Company Board Resolution to Sale the Property and
- ix. Any other relevant documents with regards the property

6.0 THE SELLER WARRANTIES

The Seller hereby warrants to the Buyer as follows:

- 6.1 The Seller has good marketable title to the Property and that the Property is not subject to any mortgage, charge, lien, lease or other encumbrance of any nature whatsoever;
- 6.2 All restrictions, conditions and covenants including any imposed by or pursuant to any lease affecting the Property have been observed and performed and no notice of any breach of any of the same have been received or is to the Seller's knowledge likely to be received;
- 6.3 The execution or completion of this Agreement or performance of its terms will not result in any breach of any agreement to which the Seller is a party or of any Court order apart from the lease agreement existing with both parties which granted a purchase option currently exercised by the Buyer;
- 6.4 The Seller, as to his best knowledge, is not aware of any encroachment by the Property onto any neighboring property.
- 6.5 The Seller is not aware of any intended expropriation of the property or any portion of it; and

- 6.6 That the Seller shall settle all the outstanding bills, levies and taxes associated with the Property prior to the handing over of the Property to the Buyer.

7.0 THE SELLER'S AND BUYER'S COVENANTS

The Seller and the Buyer hereby expressly agree that the completion of this Agreement will take place on the happening of the following events:

- 7.1 Approval is received from/ granted by the Commissioner of Lands or his appointee in the form of a Certificate of Approval of Disposition and for the transfer of Right of Occupancy comprised under Certificate of Title No. 13811 together with the improvements thereon from the Seller to the Buyer.
- 7.2 Both parties are not allowed to withdraw from this agreement.
- 7.3 Issuance by the Seller of proof of payment of all taxes and government levies for the transfer of the Right of Occupancy to Buyer's name i.e. latest land rent receipt and Capital Gains Tax Clearance Certificate.
- 7.4 This Agreement of Sale constitutes the entire contract between the parties with regard to the matters dealt with in this Agreement and no representation; terms or warranties not contained herein shall be binding on the parties.
- 7.5 No agreement varying, adding to, deleting from or canceling this Agreement shall be effective unless reduced in writing and signed by the parties.
- 7.6 The Seller has confirmed receipt of the full purchase price.

8.0 DISBURSEMENTS

- 8.1 It is specifically agreed that the Seller shall be responsible for payment of Capital Gains Tax.

- 8.2 The Buyer shall be responsible for payment of Value Added Tax, Stamp Duty, Application and Disposition fee and registration fee.
- 8.3 The Seller and the Buyer shall each pay the legal fees payable to his/her advocate for services proffered in connection with this transaction.

9.0 NOTICE

- 9.1 Any notice or demand hereunder may be duly given to either party by prepaid post letter or hand delivery by dispatch or duly acknowledged.
- 9.2 For the purpose of notice by one party to the other party in this Agreement, herein below are the parties' addresses;

FOR THE SELLER:

MARINE PARK LODGE LIMITED

Post Box No. 2,
Utende,
Mafia

c/o **Karimjee Attorneys**
1st floor, Viva Towers,
Ali Hassan Mwinyi Road,
P O Box 76421,
Dar es Salaam.

FOR THE BUYER:

BASECAMP MAFIA ISLAND PROPERTIES LIMITED

Plot No. 1826/76, House No. 6,
Bandari Road, Off Kahama Road,
Masaki,
Post Box No. 79395,
Dar es Salaam, Tanzania

c/o

Lyson Law Group,
House No.6, Plot No. 1826/76,
Off Kahama Road, Masaki,
P.O Box 79395,
Dar es Salaam
Telephone: +255 742 850 702
Email: info@lysonlaw.co.tz

10.0 MISCELLANEOUS PROVISIONS

10.1 **Jurisdiction.** This Agreement shall be construed and governed in all respects by the laws of the United Republic of Tanzania.

10.2 **Enforceability.** This Agreement shall be enforceable notwithstanding the existence of any claim or cause of action one Party may have against the other Party.

10.3 **Severability.** Should any term or provision of this Agreement be held to any extent unenforceable, invalid, or prohibited under law, then such provision shall be deemed restated to reflect the original intention of the Parties as nearly as possible in accordance with applicable law and the remainder of this Agreement.

10.4 **Entire Agreement.**

That by signing this agreement all previous oral or written agreements or engagements are terminated and vitiated to the effect that this agreement will be the only valid contract for execution. This Agreement and any other additional agreements or variations executed by the Parties to facilitate this transaction, constitute the complete and exclusive statement of the agreement between the Parties with respect to the subject matter of this Agreement. The Agreement may be amended only by mutual agreement expressed in writing and signed by both Parties.

11.0 TERMINATION AND DISPUTE RESOLUTION

11.1 **Termination.** The Parties herein agree that this Agreement shall not be terminated by either Party unless there is a fundamental breach of any term of the Agreement and such breach is not remedied within a period of 30 days from the date of its occurrence.

11.2 **Force Majeure.** A Party shall notify the force majeure event within 48 hours of such event occurring, and make all reasonable

attempts to complete the transaction. The Parties shall also take reasonable steps to mitigate the damage caused by the force majeure event. In the event that the Parties are unable to complete the transaction, the transaction will stand terminated.

11.3 Dispute Resolution. Disputes arising from this Agreement shall be resolved through mediation. Such mediation shall be concluded within 30 days from the date of the notification of the dispute. In the event that the Parties fail to resolve any disputes through mediation, such dispute shall be referred to a Court with the competent jurisdiction in the United Republic of Tanzania.

11.4 Number of Copies

This Agreement shall be in English Language and in Four **(4)** originals each being authentic.

IN WITNESS HEREOF, the Parties hereto have executed this Sale Agreement on the date and year first herein above written in the following manner:

SELLER

SEALED with the Common Seal of
MARINE PARK LODGE LIMITED
and **DELIVERED** in the presence of us
this 17th day of 04, 2023.



Authorized signatories one

Full Name: MARCO VIGIANO CARACCIOLO
Signature: [Handwritten Signature]
Address: VIA DELLA STORZESCA 1-00185 ROMA
Designation:

Authorized signatories Two

Full Name: CECILIA LA ROSA
Signature: [Handwritten Signature]
Address: VIA FOGLIANO 3-00199 ROMA
Designation: DIRECTOR / COMPANY SECRETARY

BUYER

SEALED with the Common Seal of
BASECAMP MAFIA ISLAND
PROPERTIES LIMITED and
DELIVERED in the presence of us
this 17th day of 04, 2023.



Authorized signatories one

Full Name: LAWRENCE REGO MASHA
Signature: [Handwritten Signature]
Address: 79395 DAR ES SALAAM
Designation: DIRECTOR

Authorized signatories two

Full Name: JEREMY METSELAAR
Signature: [Handwritten Signature]
Address: 79395 DAR ES SALAM
Designation: DIRECTOR