

**THE REGISTRATION OF DOCUMENTS ACT
[CAP 117 R.E 2002]**

LEASE AGREEMENT

BETWEEN

**L&N STANDARD PACKAGING SOLUTIONS
(LESSOR)**

AND

**KADERES PEASANTS DEVELOPMENT PLC
(LESSEE)**

Lease of a landed property with Title No. 4911, Plot No. 620, Block "A" Kabwera in Misenyi District,
Kagera Region.

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LEASE AGREEMENT

THIS LEASE AGREEMENT is made Dar es Salaam on this day of..... 2013.

BETWEEN

L&N STANDARD PACKAGING SOLUTIONS, a limited liability Company incorporated in Tanzania under the Companies Act of 2002 with its registered office at, P. O. Box.....,, Tanzania (hereinafter called "the Lessor") which expression shall, where the context so admits, include its successors and assignees of the one part,

AND

KADERES PEASANTS DEVELOPMENT PLC, a limited liability Company incorporated in Tanzania under the Companies Act of 2002 with its registered office atwhose address for the purposes hereof is P. O. Box, Dar es Salaam (hereinafter call "the Lessee" which expression shall, where the context so admits, include its successors and assignees) of the other part.

WHEREAS the Lessor is the TRUE owner of a landed property with Title No. 4911, Plot No. 620, Block "A" Kabwera in Misenyi District, Kagera Region and has exclusive right to ownership and control of the properties erected thereupon free from any adverse claims, court process or otherwise.

AND WHEREAS the Lessor has agreed to lease the landed property with Title No. 4911, Plot No. 620, Block "A" Kabwera in Misenyi District, Kagera Region for business purposes (hereafter called the demised premises) to the Lessee for ten (10) years on the terms and conditions appearing hereinafter.

NOW THIS LEASE WITNESSETH as follows: -

1.0 LEASE PERIOD, RENT AND SERVICE CHARGE

1.1 IN CONSIDERATION of the rent and the mutual covenants hereinafter reserved and contained the Lessor hereby demises unto the Lessee all that area measuring 10,010 square meters, (hereinafter called "the demised premises") of the property with Title No. 4911, Plot No. 620, Block "A" Kabwera in Misenyi District, Kagera Region. TO HOLD the demised premises for a period of ten (10) years commencing 1st April 2023 and expiring in 31st May 2033 (Hereinafter called "the Term") with an option to renew for a further term to be mutually agreed subject nevertheless to the provisions for renewal hereinafter contained, yielding, and paying therefore during the term hereby reserved:

- a) An annually rent of TZS 1,280,000 inclusive of VAT and Withholding Tax), subject to a review to accommodate annual increase or decrease in terms of inflation rate and economy situation, payable TZS 5,000,000 in advance without any deductions except such deductions as may be so deductible as prescribed by this lease or the statutes from time to time. the first such rent payment becoming payable before

commencement of the lease. If there is an increase of rent there shall be a three (3) months' notice to that effect.

2.0 LESSEE'S COVENANTS

The Lessee hereby covenants with the Lessor -

2.1 Rent and other payments

2.2 To pay the rent on the days and in the manner set out in this Lease and not to exercise or seek to exercise any right or claim to withhold rent or any right or claim to legal or equitable set-off except to the extent to which the Lessor has substantially defaulted on any of his obligations stated under this Lease.

2.3 Charges for Utilities

To pay to the suppliers thereof and to indemnify the Lessor against all charges for other services consumed or used at or in relation to the demised premises if any. The charges will be the actual bill raised from the authorities.

2.4 Repair, Cleanliness, Replacement of fixtures and Security

a) To keep the demised premises in good and substantial repair and to maintain them in good tenable condition rectifying any damage to the demised premises and when necessary, rebuilding the demised premises except in so far as such damage is caused by the action of the Lessor or its agents acting negligently.

b) To clean the demised premises and keep them in a clean condition.

c) To replace the Lessor's fixtures and fittings, if any, in the demised premises which may be or become beyond repair at any time during or at the expiration of the term because of any act, omission or negligence on the part of the Lessee, fair wear and tear exempted.

d) To provide own security and other security measures for the Lessee's assets and belongings on the demised premises.

2.5 Waste and Alterations

Whenever there are raised a need to do any alteration or rectification on the premises the Lessee shall seek permission from the Lessor, the permission should not be unreasonably withheld.

2.6 User Clauses

I. Abandoning premises

Not to cease carrying on business in the demised premises or leave the demised premises continuously unoccupied for more than one month without -

(a) Notifying the Lessor, and: -

(b) Providing such caretaking or security arrangements as the Lessor shall reasonably require, and the insurers shall require in order to protecting the demised premises from vandalism, theft, damage or unlawful occupation.

II. Pollution

Not to discharge into the pipes serving the demised premises any oil or grease or any objectionable poisonous or explosive matter or substance and to take all measures to ensure that any effluent so discharged into the pipes will not be corrosive or otherwise harmful to the pipes or cause obstruction or deposit in them.

2.7 Lessor's Right of Entry

- (a) To permit the Lessor:
 - (i) To enter upon the demised premises at reasonable times to be agreed upon in advance with the Lessee for the purpose of ascertaining that the covenants and conditions of this Lease have been observed and performed.
 - (ii) To enter upon the demised premises at reasonable times to be agreed upon in advance with the Lessee to view the state of repair and condition of the demised premises.
 - (iii) To give to the Lessee (or leave upon the demised premises) a notice specify any repairs, cleaning maintenance and painting that the Lessee has failed to execute in breach of the terms of this Lease and to request the Lessee to execute the same as soon as reasonably practicable.
- (b) If within two months of the service of such a notice the Lessee shall does not have commenced and be proceeding diligently with the execution of the work referred to In the notice or shall fail to complete the work within four months or if in the Lessor's reasonable opinion the Lessee is unlikely to have completed the work within such period to permit the Lessor to enter the demised premises to execute such work as may be necessary to comply with the notice and to pay to the Lessor the cost of so doing and all expenses properly incurred by the Lessor in connection therewith (including legal costs and surveyor's fees) within fourteen days of a written demand.

2.8 Alienation

- (a) Not to hold on trust for another or (save pursuant to a transaction permitted by and effected in accordance with the provisions of this Lease) part with the possession of the whole or any part of the demised premises.
- (b) Not without the consent of the Lessor which shall not be unreasonably withheld or delayed assigning, underlet or charge part only of the demised premises.
- (c) Not to assign underlet or charge the o hole of the demised premises without the prior written consent of the Lessor such consent not to be unreasonably withheld or delayed to a Lessee of acceptable standing and financial strength to the Lessor.
- (d) Prior to any permitted assignment to procure that the assignee enters into direct covenants with the Lessor to perform and observe all the Lessee's covenants and all other provisions of this Lease during the residue of the Term.
- (e) That each and every permitted under lease shall be granted for the residue of the Term then remaining (less a nominal reversion) without any fine or premium at a rent not less than the prevailing rent of the demised premises, such rent being payable in advance on the days on which rent is payable under this Lease and shall contain such provisions approved by the Lessor as shall be deemed necessary to make such under lease subject to all the terms and conditions of this Lease, mutatis mutandis.
- (f) To pay the Lessor's reasonable charges in connection with the granting and registration of any such under leases or assignments.

2.9 Viewings

To permit upon reasonable notice and at times to be agreed upon in advance with the Lessee prospective purchasers of or agents instructed in connection o"1th the sale of the Lessor's reversion or of any other interest superior to the Term to view the demised premises without interruption provided they are authorized in writing by the Lessee or its agents.

2.10 Notices

- (a) Upon becoming aware of the same to give notice to the Lessor of any defect in the demised premises which might give rise to an obligation on the Lessor to do or refrain from doing any act or thing in order to comply with the provisions of this Lease or the duty of care imposed on the Lessor pursuant to any law.
- (b) To give full particulars to the Lessor of any notice, directions, order or proposal for the demised premises made, given or issued to the Lessee by any public authority within fourteen days of receipt and if so required by the Lessor to produce it to the Lessor and without delay to take all necessary steps to comply with the notice or direction or order and at the request of the Lessor to the Lessee to make or join with the Lessor in making such objection or representation against or in respect of any notice, direction, order or proposal as the Lessor shall reasonably deem expedient.

3.0 THE LESSOR'S COVENANTS

The Lessor covenants with the Lessee: -

- 3.1 To permit the Lessee to install air conditioners and a light duty power generator as standby, costs of which to be met by the Lessee.
- 3.2 To permit the Lessee peacefully and quickly to hold and enjoy the demised premises without any interruption or disturbance from or by the Lessor or any person claiming under Or in trust for the Lessor.
- 3.3 To keep the demised premises and other parts of the building insured and to promptly supply to the demised premises the services for which the Lessee is charged.
- 3.4 To pay promptly all existing and future land rents and other rates, taxes, assessments, impositions and outgoing, which are now payable by the Lessor, or which may thereafter be imposed or charged on the Lessor in respect of the demised premises or building and to undertake responsibility for any penalty or fine levied in respect of late payment which is due solely to the fault of the Lessor.
- 3.5 At the Lessor's own expense to execute all works and provide and maintain all arrangements upon or in respect of the demised premises or the use to which the demised premises are being put that are required in order to comply with the requirements of any statute (already or in the future to be passed) or directive of any government department, local authority or other public or competent authority or court of competent jurisdiction regardless or whether such requirements are imposed on the Lessor, the Lessee or any other occupier and provided that the Lessor shall not be responsible for matters which are the express liability of the Lessee under these presents.

4.0 THE LESSOR AND LESSEE FURTHER MUTUALLY AGREE AND DECLARE AS FOLLOWS:-

4.1 Re-entry Clauses

If and whenever during the Term: -

- a) The rent (or any other monies or part of them) under this Lease are outstanding thirty (30) days after becoming due, and if such rents remain outstanding thereafter more than seven days after the Lessee receives written notice that such amounts are outstanding, or

- b) There is a breach by the Lessee of any covenant or other term of this Lease; or
- c) The Lessee:
 - i) Enters into liquidation whether compulsory or voluntary (but not if the liquidation is for amalgamation or reconstruction of a solvent company) or
 - ii) Has a receiver appointed.

The Lessor may re-enter the demised premises (or any part of them in the name of the whole) at any time (and even if any previous rights of re-entry has been waived) and then the Term will absolutely cease but without prejudice to any rights or remedies which may have then accrued to the Lessor against the Lessee in respect of any breach of covenant or other term of this Lease (including the breach in respect of which the re-entry is made).

4.2 Disputes with Occupiers of Adjoining Premises

If any dispute arises between the Lessee and the Lessees or occupiers of the adjoining buildings as to any other part of the building or as to the boundary structures separating the demised premises from an⁷ other property 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.

4.3 Arbitration Clause

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 referred to the arbitration of an arbitrator, to be appointed by agreement between the parties or their successors under Tanzania Law.

5.0 OTHER COMMON COVENANTS

5.1 Each of the Lessee's covenants shall remain in full force both at law and in equity notwithstanding that the Lessor shall have waived or released temporarily any such covenant or waived or released temporarily any such covenant or waived or released temporarily or permanently, revocably, or irrevocably a similar covenant affecting the leases with other Lessees of premises in the building.

5.2 Save where accident; injury) or damage result from defective structural construction of the building constituting the demises premises, the Lessor shall not be responsible to the Lessee or to anyone at the demised premises expressly or by implication with the Lessee's authority for any other types of accident happening or injury suffered or for any damage to or loss of any chattel sustained in the demised premises.

5.3 This Lease embodies the entire understanding of the parties relating to the demised premises and to all the matters dealt with by any of the provisions of this Lease.

5.4 If after the Lessee has vacated the demised premises on the expiry of the Term any property of the Lessee remains in or on the demised premises and the Lessee fails to remove it within thirty day (30) after being requested in writing by the Lessor to do so or if after using its reasonable endeavors the Lessor is unable to make such a request to the Lessee within twenty eight days from the first attempt so made by the Lessor:

- (a) The Lessor may as the agent of the Lessee sell such proper/and the Lessee will indemnify the Lessor against any liability incurred by it to any third part whose

property shall have been sold by the Lessor in the mistaken belief held in good faith (which shall be presumed unless the contrary be proved) that such property belonged to the Lessee.

- (b) If the Lessor having made reasonable efforts is unable to locate the Lessee, the Lessor shall be entitled to retain such proceeds of sale absolutely unless the Lessee shall claim them within six months of the date upon which the Lessee vacated the demised premises.
- (c) The Lessee shall indemnify the Lessor against any damage occasioned to the demised premises and any actions, claims, proceedings, costs, expenses and demands made against the Lessor caused by or related to the presence of the property in or on the demised premises.

5.5 The Lessee and all persons expressly or by implication authorized by it shall have the right in common with the Lessor and all other persons having a like right, to use the building's common parts for the purposes of access to and egress from the building and for all purposes in connection with the use and enjoyment of the demised premises including the right: -

- (a) To have access to and egress from the car park spaces for the interest of good estate management.
- (b) To use such toilets in the building reasonably proximate to the demised premises as shall be designated by the Lessor from time to time.
- (c) To the free passage and running of water sewage, gas, electricity, telephone and other services or supplies (subject to temporary interruption for repair alteration or replacement) to and from the demised premises in and through the pipes that now or during the lease term serve the demised premises presently laid in or over or under other parts of the building or the estate.

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

7.0 Stamp duty, registration charges and other expenses in connection with or incidental to the preparation of this Lease shall be shared equally.

8.0 Any notice to be given under this Lease may be given by sending the same by post, by the quickest mail available or by telex, telefax addressed to the party concerned at its address as given herein above.

9.0 RENEWAL/TERMINATION CLAUSE

9.1 Renewal

If the Lessee shall be desirous of taking a new lease of the demised premises after the expiration of the term hereby created, and if the Lessee shall have delivered to the Lessor notice in writing not less than three (3) calendar months before the expiry of the current lease the Lessor at his discretion, may renew the lease subject renewal terms and conditions being agreed upon between the Lessor and Lessee.

9.2 Termination

If the Lessee shall desire to determine the term hereby created he shall give to the Lessor three months notice in writing of the Lessee's intention to terminate the Agreement and on the expiry of the notice the Agreement shall determine forthwith but notice by the Lessee shall be valid only if accompanied by payment of the rent and the service charge for up to the end of the notice period.

V. M.

9.3 "Force Majeure" Termination

Whenever the demised premises or any essential part thereof shall be destroyed or rendered unfit or unavailable for further tenancy through fire, vandalism, earthquake, flood, storm, war, civil disturbance, government action or other similar casualty or event this Lease shall, at the option of the Lessee, immediately terminate. In the case of partial destruction, damage, unfitness or incapacity, this Lease may be terminated in whole or in part at Lessor option. Should the Lessee exercise this option, he shall provide written notice to the Lessor and no rent shall accrue to the Lessor after such termination, which shall be effective as of the date of such destruction or damage.

If this Lease is terminated the Lessor shall within forty-five (45) business days of termination refund all advance rental payments in excess of rental liability accrued as calculated by multiplying the rental rate per daytime the number of days of Lessee's occupancy under the Lease from the beginning of the current quarter, or the commencement of the Term whichever date is later, to the date of termination.

Should the Lessee elect to remain in the demised premises rendered partially untenable, the Lessor shall be obligated to proceed with all reasonable diligence and expedition to restore or repair the demised premises to the condition in which they were immediately prior to such destruction or damage. It is agreed that if the said repairs are made, the materials used shall be at least equal to those that existed at the time of the said damage. In this event, the Lessee shall be entitled to a proportionate reduction of rent from the day of such partial destruction until the said restoration is completed.

In addition, the term of the Lease shall be automatically extended for such period of time as maybe necessary to offset any period for which the rent has been suspended under the foregoing provisions.

IN WITNESS WHEREOF the parties hereto have executed these presents in the manner and on the days hereinafter appearing.

SEALED with the COMMON SEAL of the Said L&N STANDARD PACKAGING SOLUTIONS and DELIVERED at Dar es Salaam in our presence this This.....day of.....2023

Victor

Signature:.....

Name: *VICTOR VERANCE*

Postal Address: *P.O Box 84 KARAGWE*

Qualification/Designation: *DIRECTOR*



LESSOR'S STAMP/SEAL

Signature:.....

LEONARD KACHEBUNYAU

Postal Address: P.O. Box 80 KARAGWE

Qualification/Designation: DIRECTOR

SEALED with the COMMON SEAL of the
Said KADERES PEASANTS DEVELOPMENT PLC
and DELIVERED at Dar es Salaam in our presence this
This..... day of..... 2023

Signature: [Signature]

Name: LEONARD KAUTEBONAH

Postal Address:

Qualification/Designation: .

[Signature]

Signature:.....

Name: BATRETH RWIGUZA

Postal Address: P.O. Box 84 KARAGWE

Qualification/Designation: DIRECTOR



LESSEE'S
STAMP/SEAL