

**MEMORANDUM OF UNDERSTANDING**

**(MOU)**

**BETWEEN**

**SAB GOLD LIMITED**

**OF P.O.BOX 5710 DAR ES SALAAM**

**AND**

**KAHAMA MUNICIPAL COUNCIL**

**OF P.O.BOX 472 KAHAMA - SHINYANGA**

**Prepared by**

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**P.O.BOX 111**

**KAHAMA**

**SHINYANGA**

**(MOB NO; 0684 -700 272)**

# MEMORANDUM OF UNDERSTANDING (MOU)

Between

**SAB GOLD LIMITED**

&

**KAHAMA MUNICIPAL COUNCIL**

This document constitutes an agreement between **SAB GOLD LIMITED** a private company working in the United Republic of Tanzania, with the Head Office at **DAR ES SALAAM** and **KAHAMA MUNICIPAL COUNCIL** is located at **SHINYNAGA REGION**, within the United Republic of Tanzania.

## 1. Objective

The objective of this MOU is to express the willingness of both parties to engage in an effort to promote the competitiveness of **KAHAMA MUNICIPAL COUNCIL** as well as the activities to develop and expand construction offices at **SOKO LA DHAHABU - KAHAMA**.

Specific activities under this MOU will be identified through consultation between the two parties.

**SAB GOLD LIMITED** agrees to construct Riffner Building at **SOKO LA DHAHABU - KAHAMA MUNICIPAL COUNCIL** in order to improve or expand. As a preliminary activity, **SAB GOLD LIMITED** will conduct a strategic planning exercise with **KAHAMA MUNICIPAL COUNCIL** to review their outgrowing operations. The results of this exercise will assist **KMC** with the implementation of its operations and will help identify areas where **SAB GOLD LIMITED** can provide capacity building support. After finalizing the strategic planning session, technical and financial support agreements for specific activities will be developed through a participatory process. These agreements will be detailed in subsequent Addendums to this MOU.

**KAHAMA MUNICIPAL COUNCIL** agrees to work with and coordinate with **SAB GOLD LIMITED** in the development of the Rifner Building to improve and expand support to the **SOKO LA DHAHABU**. They also agree to allow **SAB GOLD LIMITED** to carry out monitoring and evaluation activities to assess the impact of these activities on participating producers.

## 2. General Terms of MOU

**2.1 Duration of MOU:** This MOU shall be operational upon signing and will have an initial duration of one year. All activities conducted before this date within the vision of the joint collaboration will be deemed to fall under this MOU.

- 2.2 Coordination:** In order to carry out and fulfill the aims of this agreement, each party will appoint an appropriate person(s) to represent its organization and to coordinate the implementation of activities. KAHAMA MUNICIPAL COUNCIL and *SAB GOLD LIMITED* staff will meet regularly (preferably with two days' notice) to discuss progress and plan activities.
- 2.3 Technical and Financial Support:** Addendums to this MOU will be developed for specific technical and financial support activities. These Addendums will provide a detailed description of the role, responsibility, and financial contribution of each party. Work plans and reporting requirements will be clearly outlined in the Addendums.
- 2.4 Confidentiality:** Each party agrees that it shall not, at any time, after executing the activities of this MOU, disclose any information in relation to these activities or the affairs of business or method of carrying on the business of the other without consent of both parties.
- 2.5 Termination of MOU:** The partnership covered by this MOU shall terminate upon completion of the agreed upon period. The agreement may also be terminated with a written one month notice from either side. In the event of non-compliance or breach by one of the parties of the obligations binding upon it, the other party may terminate the agreement with immediate effect.
- 2.6 Extension of Agreement:** The MOU may be extended provided the parties agree upon, and can provide the necessary resources.
- 2.7 Communications:** All notice, demands and other communication under this agreement in connection herewith shall be written in English language and shall be sent to the last known address, email, or fax of the concerned party. Any notice shall be effective from the date on which it reaches the other party.
- 2.8 Addendum:** Any Addendum to this MOU shall be in writing and signed by both parties.
- 2.9 Insurance:** It is the responsibility of *SAB GOLD LIMITED* to insure themselves against any casualties. *KAHAMA MUNICIPAL COUNCIL* will not bear any responsibility for costs of sickness, accidents or any other liability.

### **3. Other Provisions**

- 3.1 *SAB GOLD LIMITED* retains the right to withhold cost share payments for failure to comply with terms and conditions stipulated in this MOU and subsequent Addendums.
- 3.2 *KAHAMA MUNICIPAL COUNCIL* shall immediately inform *SAB GOLD LIMITED* of any event, which could have a negative influence on or endanger the successful accomplishment of the tasks described in the agreement.
- 3.3 *SAB GOLD LIMITED* shall not use the name of *KAHAMA MUNICIPAL COUNCIL* in any promotional literature or information without the prior written approval of *KAHAMA MUNICIPAL COUNCIL*.
- 3.4 *SAB GOLD LIMITED* shall pay the costs of its staff and any fees associated to the construction of the Building.
- 3.5 Beside the agreed upon technical support and cost share payment(s) to be stipulated in the Addendums to this MOU, *SAB GOLD LIMITED* has no other legal and financial obligations.
- 3.6 Income tax and VAT, if any arises due to cost share payments to *SAB GOLD LIMITED*, shall be deducted at source at the applicable rates by *KAHAMA MUNICIPAL COUNCIL* and will be deposited to the exchequer.
- 3.7 Both parties assume that this agreement does not go against the rules and regulations of the Government of *United Republic of Tanzania*.
- 3.8 *SAB GOLD LIMITED* is reminded that adhere on the principles of the law that are fully enforced in the United Republic of Tanzania, and the provision of resources and support to, individuals and organizations associated with terrorism/money laundering. It is the legal responsibility of *SAB GOLD LIMITED* to ensure compliance with these Orders and Laws.
- 3.9 This agreement will be administered in accordance with the laws of the United Republic of Tanzania and any other enabling laws.

The terms and provisions in this MOU also apply to any subsequent Addendum to this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this MOU on the .....12<sup>nd</sup>..... day of .....September....., year .....2023.....

NAME

SAB GOLD LIMITED Country

Director

Signature and date: 12<sup>nd</sup> September, 2023



NAME

Managing Director

KAHAMA MUNICIPAL

COUNCIL

Signature and date: 12<sup>nd</sup> September, 2023

MUNICIPAL DIRECTOR  
KAHAMA MUNICIPAL COUNCIL  
P.O. Box 472  
KAHAMA