

THE LAND ACT NO. 4 OF 1999  
(as amended from time to time)

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2023

LEASE AGREEMENT

BETWEEN

DR. JAKAYA MRISHO KIKWETE

AND

TRACE INCORPORATION COMPANY LIMITED

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IN RESPECT OF HOUSE NO. 10 URSINO STREET, REGENT ESTATE,  
MIKOCHENI, KINONDONI, DAR ES SALAAM

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THIS LEASE AGREEMENT is made this \_\_\_ day of \_\_\_\_\_, 2023

**BETWEEN**

**DR.JAKAYA MRISHO KIKWETE**, a natural person living for gain of P.O. Box 1870, Dar es Salaam, (hereinafter referred to as the "**Lessor**" which expression shall include and extend to its permitted successors and assignees in title) of the **One Part**;

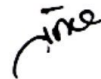
**AND**

**TRACE INCORPORATION COMPANY LIMITED** is a limited liability company incorporated and existing under the laws of Tanzania whose address for the purposes hereof is P.O. Box 15345, Dar es Salaam, (hereinafter called the "**Lessee**" which expression shall include and extend to its permitted successors and assignees in title) of the **Other Part**.

**PREAMBLE**

- A. **WHEREAS** the Lessor is the registered owner of the property located on House No. 10, Urusino Street, Regent Estate, Mikocheni, Dar-es-Salaam, which is comprised of 4 standalone buildings (hereinafter referred to as the "**Property**");
- B. **WHEREAS** the Lessor has agreed to lease the Property described above to the Lessee for use in the manner prescribed herein.
- C. **WHEREAS** the Lessor and the Lessee have agreed that the lease of the Premises shall be subject to the terms and conditions stipulated under this Agreement; and
- D. **WHEREAS** the Lessor has agreed to let the said Property referred hereinabove on the terms and conditions hereinafter contained.

**NOW THEREFORE**, in consideration of the mutual covenants, conditions, and agreements as hereinafter set forth, the parties agree as follows:



**ARTICLE 1**  
**DEFINITIONS AND INTERPRETATION**

1.1 In this Lease Agreement, unless the context otherwise requires, words and expressions shall have the following meanings.

**"Agreement"** means this Lease Agreement dated the 1<sup>st</sup> day of August 2023 between the Lessor and the Lessee entered into in respect of the Premises;

**"Lease"** means the period during which this Agreement shall be in full force and effect;

**"Lessor"** means Dr. Jakaya Mrisho Kikwete;

**"Lessee"** means Trace Incorporation Company Limited;

**"Party(ies)"** means the signatories to this Agreement;

**"Property"** means House No. 10, Ursino Street, Regent Estate, Mikocheni, Kinondoni, Dar es Salaam including all its movable and immovable assets;

**"Term of the Lease"** means the period of three (3) years commencing on the effective date and is subject to renewal upon a three (3) month prior written notice given to the Lessor by the Lessee; and

**"USD"** means United States Dollars.

1.2 The Schedules are deemed to be incorporated in this Agreement, and a reference to "this Agreement" includes a reference to any Schedules hereto where applicable.

1.3 Words importing the singular include the plural and vice versa and references to Articles or Clauses and Schedules are references to Articles or Clauses and Schedules to this Agreement.



- 1.4 Reference to any person includes the person's assignees or transferees or successors in title, whether direct or indirect and words importing persons include companies.
- 1.5 The headings in this Agreement are for ease of reference only and do not affect the construction of any of the terms and provisions hereof.
- 1.6 In case any one or more of the provisions of this Agreement shall, for any reason be held to be invalid, illegal, or not enforceable in any respect, such invalidity, illegality or non-enforceability shall not affect any other provision thereof and the invalid, illegal or unenforceable provision shall be deemed never to have been contained herein. In the event of such invalidity, illegality, or unenforceability, the Parties shall use their best efforts to achieve the purpose of the relevant provision by amending this Agreement and providing for a new legally valid and enforceable provision.

**ARTICLE 2**  
**TERM OF THE LEASE**

- 2.1 The period of this Lease shall be three (3) years starting from 1<sup>st</sup> of August, 2023 to 31<sup>st</sup> July, 2026. The period of three (3) years shall be further renewed upon the Lessee issuing to the Lessor prior written notification as set out in Article 2.2 below.
- 2.2 The Lessor shall give the Lessee option to renew this Lease on the following terms:
- 2.2.1 upon a prior written three (3) months' notice being issued by the Lessee to the Lessor before the expiration of the current lease tenure; and
- 2.2.2 on condition that the Lessee is not in breach of any of the terms of this Agreement.
- 2.3 The Lessee shall be given the right of first refusal in respect of any renewal of the Lease by the Lessor on the terms and conditions to be mutually agreed between them;
- 2.4 The terms of the new lease may be varied with justifiable reasons and upon agreement between the Parties.



- 2.5 The tenure of renewal of the lease may be granted by the Lessor to the Lessee for a maximum of another three (3) years.

**ARTICLE 3**  
**LEASE RENTALS**

- 3.1 The present Lease is granted and accepted at the costs and conditions set out in the present Agreement in consideration for a rent of **United States Dollars Twelve Thousand Only (USD 12,000)** per month.
- 3.2 The rent shall be payable yearly in advance within Seven (7) days from the beginning of every year of the Lease.
- 3.3 The Lessor will be responsible for the stamp-duty payments.
- 3.4 All payments made in terms of this Agreement shall be paid directly to the Lessor.

**ARTICLE 4**  
**THE LESSOR HEREBY COVENANTS TO THE LESSEE:**

- 4.1 To pay all existing and future land rents, taxes, and dues in respect of the said Premises.
- 4.2 That the Lessor will let the Lessee hold in peace and enjoy the Property without unlawful intervention by the Lessor or any other person provided that the Lessee has paid the rent and is observing several covenants and stipulations herein contained.
- 4.3 Throughout the Lease, the Lessor shall leave the Property free of use by the Lessee.
- 4.4 To pay all utility charges including but not limited to water, garbage collection, and other municipal charges in respect of the Property except for electricity charges payable during the tenure of the Lease and upon the expiration to provide documentary evidence for having settled all the above-referred charges.
- 4.5 That the Lessor will provide a generator for the Lessee to use. However, the Lessee shall be responsible for all the running costs of the said generator in case of any power cuts, blackouts, or electrical malfunctions in the Property. *True*



- 4.6 That the Lessor is the true owner of the Property and the property is free from any encumbrance.

**ARTICLE 5**  
**THE LESSEE HEREBY COVENANTS:**

- 5.1 To pay the reserved rent on the day and in the manner aforesaid under article 3 above and that the monthly rental shall be payable by the Lessee even if there is a dispute between the Parties unless either Party terminates the Agreement.
- 5.2 Not to make any alterations or additions to the said Property or to cut main or damage any walls, structures, or trees thereof without the prior written consent of the Lessor. If consent is granted by the Lessor, the alteration and/or additions will be made at the Lessor's costs, and the Lessee will be entitled to reimbursements by the Lessor on any expenses incurred on the Lessor's behalf.
- 5.3 To be responsible and to indemnify the Lessor against all damages occasioned to the Property or any part of the Property or to any person caused by any act default or negligence of the Lessee or agents, licensees, invitees of the Lessee.
- 5.4 Not to keep or permit to be kept on the Property any materials dangerous or explosive in nature or the keeping of which may contravene any statutes or local regulations or by-laws or to carry on or do anything that may constitute a nuisance of public or private nature or be a cause of disturbance or annoyance, or danger to neighbors, or public.
- 5.5 To permit the Lessor or its agents or servants by reasonable prior notice, and at all reasonable hours to enter and view the condition of the Property.
- 5.6 To use the Property for business purposes only **PROVIDED** that the Lessee shall be responsible for obtaining and maintaining valid licenses, permits, and/or authorizations allowing it to carry out such type of business within the Property.
- 5.7 To maintain the Property, including all additions thereto, fixtures, furniture, doors, windows, locks, sanitary, water apparatus, electric wiring, etc., in good condition and tenantable condition fair wear and tear excepted. For ease of reference, the list of furniture and equipment forming part of this lease is annexed hereto and marked as **Annexure A**.



*and true*

- 5.8 To pay the rent reserved herein without any deduction whatsoever and shall withhold 10% of the rent being withholding tax payable at the Tanzania Revenue Authority and shall submit to the Lessor evidence of payment of the said withholding tax within seven (7) working days of such payment.
- 5.9 Not to assign, sublet, or part with possession of the Property without the previous consent of the Lessor. Any misdemeanors or breaches of the occupants shall be automatically imputed upon the Lessee. Such breach includes those committed by the agents, employees, or invitees of the Lessee, whether by carelessness or negligence.
- 5.10 That it shall leave the Property free of use by the Lessor at the end of the Lease or termination of this Agreement.

**ARTICLE 6**  
**INSURANCE**

- 6.1 The Lessor shall insure the Property and shall keep it insured against loss or damage by fire, flood, liabilities to third parties, and other risks normally insured under a comprehensive insurance policy.

**ARTICLE 7**  
**TERMINATION OF THIS AGREEMENT**

- 7.1 This Agreement may be terminated by either of the Party if one of the Parties fails to comply with its undertakings and obligations hereunder.
- 7.2 The Lessor can with a prior written notice terminate the Lease under the following circumstances:
- 7.2.1 Failure by the Lessee to pay the rent at the due date;
- 7.2.2 Bankruptcy or inability of the Lessee to continue its contractual obligation and activities;
- 7.2.3 Where the Lessee ceases to operate through being wound up or deregistered before the end of the contractual period, in cases where it cannot invoke an event of force majeure;



*True*

- 7.2.4 Willful damage to any part or parts, of the Property by the Lessee and/or his agents, servants, or assignees; and
- 7.2.5 If the Lessee uses the Property of the Lessor to engage in any other activities which are considered by the Lessor to be detrimental to the primary objective of this Lease. Termination shall not occur unless the Lessor issues to the Lessee a written notice to stop the alleged breach and the Lessee shall be given a chance to respond to the allegation before termination.
- 7.3 Without prejudice to any damages owed to either Party in the event of termination:
- 7.3.1 The amount of the rent owed and expenses that are due at the termination date as a result of the termination of the Lease shall be paid by the Lessee.
- 7.4 In the event, any of the Parties fails to fulfill any of its obligations under this Agreement, and where this Lease specifically provides no other remedy for such failure, the aggrieved Party shall give the other Party notice in writing to remedy the breach within not less than one (1) month. If upon notice, the concerned Party fails to remedy the default, the aggrieved Party will be entitled to issue one (1) months' notice of termination of the Lease subject to any rights accrued to the Parties according to the terms of this Agreement.

**ARTICLE 8**  
**FORCE MAJEURE**

- 8.1 In the event of an unpredictable and unavoidable event causing the performance contractual obligation by either Party to be impossible, (referred to as an event of "**Force Majeure** ") failure by the Party affected by the event shall not constitute a breach and the time stipulated for performing its obligation shall be extended by the period during which the said event prevented it from performing the obligation.
- 8.2 The Party affected by an event of Force Majeure shall notify the other Party in writing as soon as possible of the occurrence of such event as well as estimation of their influence on the performance by the Parties of their obligations under the Lease.
- 8.3 The Party affected by events in Article 8.1 above shall notify the other Party as soon as possible when the circumstances constituting the event of Force Majeure have come to an end as well as when the performance of these obligations is to be resumed.

**ARTICLE 9**  
**FORMAL COMMUNICATION**

**9.1 Notice to Either Party**

9.1.1 Any notice under this Lease shall be in writing and shall be delivered to the address stated below:-

**For The Lessor:**

**Dr. Jakaya Mrisho Kikwete**

**P.O. Box 10641**

**DAR ES SALAAM.**

**TEL: +255 767 888 271**

**For The Lessee:**

**TRACE Incorporation Company Limited,**

**P. O. Box 15345,**

**DAR ES SALAAM.**

**TEL : +255 769222444**

**ATTN: Managing Director**

9.1.2 Any legal process to be served on either of the Parties may be served on it at the address specified above.

9.1.3 Any notice or other communication to be given to either of the Parties in terms of this Agreement shall be valid and effective only if it is given in writing, provided that any notice given by telefax or e-mail shall be regarded for this purpose as having been given in writing.

9.1.4 A notice to either Party which is:-

(a) sent by registered post in a correctly addressed envelope to the address specified and shall be deemed to have been received (unless the contrary is proved) **within 14 (fourteen) days** from the date it was posted;

(b) delivered to the Party by hand at that address shall be deemed to have been received on the day of delivery, provided it was delivered to a responsible person during ordinary business hours, failing which it shall be deemed to have been received on the business day immediately following the date of delivery;



(c) Notwithstanding anything to the contrary in this Article 16, a written notice or other communication received by either party (and for which written receipt has been obtained) shall be adequate written notice or communication to it notwithstanding that the notice was not sent to or delivered at its chosen address.

9.1.5 Either party may by written notice to the other party change its address for Article 9.1 to any other address (other than a post office box number) provided that the change shall become effective on the 7<sup>th</sup> day after the receipt of the notice.

## **ARTICLE 10**

### **TAKING POSSESSION**

10.1 The Parties shall take all measures which shall enable the Lessee to take possession of the Property after the Lessor has fulfilled his obligation under Article 1 and the Lessee has fulfilled his obligation under Article 3 and after payment of stamp duty by the Lessor. Until the date on which the Lessee takes possession of the Property, the Lessor shall remain responsible for maintaining the Property.

## **ARTICLE 11**

### **MISCELLANEOUS CLAUSES**

#### **11.1 Waiver**

No failure or delay to exercise or other relaxation or indulgence granted in relation to any power, right, or remedy under this Agreement of any Party shall operate as a waiver of it or impair or prejudice it nor shall any single or partial exercise or waiver of any power, right or remedy preclude its further exercise or the exercise of any other power, right or remedy.

#### **11.2 Severance**

If any provision or provisions of this Agreement is or are at any time considered or ruled unenforceable for any reason, the legality, validity, and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired.



### 11.3 Counterparts

This Agreement may be executed in any number of counterparts all of which taken together shall constitute the same agreement and any of the Parties hereto may execute this Agreement by signing such a counterpart.

### 11.4 Modification and Variation

Except as otherwise provided in this document, this Agreement may be amended, modified, superseded, varied, or voided only upon the written and signed agreement of the Parties. Further, the physical destruction or loss of this document shall not be construed as a modification or termination of the Agreement contained herein.

### 11.5 Warranties and Representation

Each of the Parties acknowledges that in entering into this Agreement it has not relied on any representation, warranty, agreement, or statement not set out in this Agreement and that (in the absence of fraud) it will not have any right or remedy arising out of such representation, warranty, agreement or statement.

### 11.6 Binding Effect of the Agreement

The Parties to this Agreement agree that the covenants, agreements, and obligations herein contained, except as herein otherwise specifically provided, shall extend to, bind, and inure to the benefit of the Parties hereto and their respective representatives, heirs, successors, and assignees.

11.6.1 Notwithstanding anything to the contrary in this Agreement, neither this Agreement nor any rights or obligations hereunder concerning the Lessee may be assigned without the prior written consent of the Lessor.

### 11.7 Indemnity

The Parties agree to indemnify each other against any and all claims, demands, damages, costs, and expenses, including reasonable attorneys' fees, arising from any breach or default, or nonperformance of any covenant or agreement according to the terms of this Lease, or from any act or negligence arising from



either Party's agents, contractors, servants, employees, concessionaires or licensees, in or about the Property.

#### 11.8 Lessor's Conflicts

11.8.1 The Lessor hereby covenants, warrants, and represents that by executing this Agreement, it is not violating, has not violated, and will not be violating any restrictive covenant or agreement contained in any other Agreement or contract affecting the Lessor or any affiliate, associate or any other person or entity with whom or with which the Lessor is related or connected financially or otherwise.

#### 11.9 Lessee's Conflicts

11.9.1 The Lessee hereby covenants, warrants, and represents that by executing this Lease and by occupation of the Agreement, it is not violating, has not violated, and will not be violating any restrictive covenant or agreement contained in any other Lease or contract affecting the Lessee or any affiliate, associate or any other person or entity with whom or with which the Lessee is related or connected financially or otherwise.

#### 11.10 Assignment

11.10.1 The Lessee may, with the prior written consent of the Lessor (which consent shall not be unreasonably withheld) assign the Lease to any other third party.

#### 11.11 Confidentiality and General Provisions

11.11.1 Each of the parties shall at all times during and after the termination of this Agreement keep strictly confidential, all information relating to or concerning the Property which could reasonably be considered to be confidential ("Confidential Information"); and each party shall procure that any Confidential Information coming into its possession or consultants or advisers or its or their employees (who shall for the avoidance of doubt be entitled to receive such Confidential Information) shall be maintained as confidential.



11.11.2 During the term of this Agreement and thereafter, each party shall not-

- (i) disclose any Confidential Information disclosed to it to any other person other than with the prior written consent of the disclosing party; and
- (ii) use the Confidential Information for any purpose other than the performance of its obligations under this Agreement and/or unless compelled by law.

## ARTICLE 12

### APPLICABLE LAW AND DISPUTE RESOLUTION

12.1 The validity, performance, and enforcement of this Agreement shall be governed by and construed in all respects, following the laws and regulations of mainland Tanzania where the Property is situated.

12.2 In the event of a dispute, the Parties hereto shall try to amicably resolve the dispute failure of which the dispute shall be referred to mediation subject to clauses 13.4 and 13.5 below in which one (1) mediator must be agreed upon between the Parties.

12.3 If the Parties do not reach an agreement on the measures to be taken or on a solution within sixty (60) days after the mediation resolution procedures fail to work, and except where it is agreed that this period must be extended, the most diligent Party shall refer the matter for arbitration following the laws of mainland Tanzania.

12.4 Each Party shall appoint one (1) arbitrator and the third arbitrator shall be appointed by the Tanzania Institute of Arbitrators upon request of either party. The award shall be definitive and enforceable following the law.

12.5 At the option of the Lessor, Parties may opt to refer their disputes at the court of the relevant jurisdiction, allowing parties to forego the arbitration recourse in resolving any dispute arising out of this Agreement.

12.6 Each of the Parties irrevocably submits to the exclusive jurisdiction of the courts of the United Republic of Tanzania.



IN WITNESS whereof the Parties hereto have duly executed this Agreement in the manner and on the day hereinabove appearing.

SIGNED by the said DR. JAKAYA MRISHO KIKWETE who is known to me personally and DELIVERED in my presence this .....<sup>11<sup>th</sup></sup> day of .....July....., 2023.

*Muhammad M. M. M. M. M.*

Signature

Name:

Dr. A. Ramadhani

Signature:

*[Signature]*

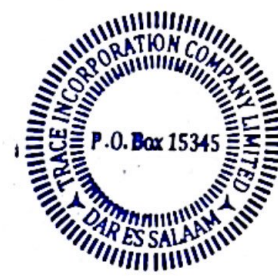
Postal Address:

7495



Designation:

COMMISSIONER FOR OATHS



SEALED with the COMMON SEAL of the said TRACE INCORPORATION COMPANY LIMITED as the LESSEE and DELIVERED in our presence this ..... day of ..... 2023.

SEAL

Full Name:

AMB. HASSAN SIMBA JATHYA

Signature:

*[Signature]*

Address:

P.O. Box 15345 - DSM  
TANZANIA.

Designation:

DIRECTOR

Full Name:

PAUL EMMANUEL RUTAHINDURWA

Signature:

*[Signature]*

Address:

P.O. Box 15345, DAR-ES-SALAAM  
TANZANIA

Designation:

DIRECTOR/COMPANY SECRETARY