

LEASE AGREEMENT

**FOR LEASE OF WAREHOUSE #1 - #4 BLOCK B,
IN PLOT NO. 99, MBAGALA AREA
RANGI TATU,
DAR ES SALAAM, TANZANIA.**

Between

**U STORE IT
P.O. Box 22391
DAR ES SALAAM, TANZANIA**

And

**WALKAROO TANZANIA LIMITED
P.O. BOX 40961,
DAR ES SALAAM, TANZANIA**

LEASE AGREEMENT

This Lease Agreement is made this 1st day of April, 2023

BETWEEN

U STORE IT, a partnership firm registered under the laws of Tanzania of P. O. Box 22391, Dar es Salaam, Tanzania, represented by _____ (hereinafter referred to as "the Lessor" which expression shall include his assigns and successors in title) of the one part;

AND

WALKAROO TANZANIA LIMITED, a limited liability company incorporated in Tanzania (hereinafter referred to as "the Lessee" which expression shall include its assigns and successors in title) of the other part.

1. DESCRIPTION OF PREMISES

1.1 The Lessor hereby agrees to lease to the Lessee, Warehouse 1 – 4 (including office), BLOCK B measuring approximately 3,180 Square meters, herein called Demised Premises, together with all the appurtenances, located on, Plot No. 99 at Mbagala Industrial Area (Rangi Tatu), Dar es Salaam. **The Demised Premises shall be used solely for the business of manufacturing, distribution and supply.**

2. LEASE TERM

2.1 The term of this Lease shall be for two (2) years, beginning on 1st April 2023 and ending on 30th April 2025 both dates inclusive.

2.2 At the end of the term of this lease, the Lessee shall have an option to renew the lease for a further period upon terms to be mutually agreed.

3 RENT

3.1 Lessee agrees to pay, for both years (1st & 2nd) years(s) of the Term, a Basic Rent of, USD Fifteen Thousand only (\$15,000.00) per month based on a rental rate of approximately. \$4.716 per square meter for the warehouse and office (3,180 sq meters) and shall be paid four (3) months in advance exclusive of VAT.

3.2 The rent shall be payable four (3) calendar months in advance. The first 3 months' rent shall be payable by 1st April, 2023.

3.3 A delay in the payment of rent shall result in a strict penalty of USD 500 exclusive of VAT for every month that the rent is delayed.

4 SECURITY DEPOSIT

4.1 Upon the execution of this Lease, Lessee shall pay a security deposit amounting to equivalent of One (1) month rent, to secure the performance by Lessee of its obligations under this Lease, including without limitation Lessee's obligations

- (i) to pay Basic Monthly Rent,
- (ii) to repair damages to the demised Premises and / or the building caused by Lessee's agents, employees, contractors, licensees, and invitees (collectively, "Lessee's invitees"),
- (iii) to surrender the Premises in the condition required by Paragraph 6, below, and
- (iv) to remedy any other defaults by Lessee in the performance of any of its obligations under this Lease.

4.2 If Lessee commits any default under this Lease, Lessor may, at its election, use the Security Deposit to cure such default, and to compensate Lessor for all damages actually suffered by Lessor which are directly attributable to such default, including, without limitation, reasonable attorneys' fees and costs incurred by Lessor. The Lessor shall submit the details of such costs incurred to the Lessee. Upon demand by Lessor, Lessee shall after revaluating the cost incurred by the Lessor, pay to Lessor a sum equal to any portion of the Security Deposit so used by Lessor, in order to maintain the Security Deposit in the amount set forth in the Principal Lease Provision above.

4.3 This Security Deposit shall be returned to the Lessee in full at the end of the lease term assuming the Lessee have met all their obligations.

5 WARRANTIES

5.1 The Lessor is authorized and able to enter into the Leased premises and perform its obligations without any interruption or disturbance from the Lessee.

5.2 The Lessor also confirms that the signatories of this lease agreement are the true company signatories and have full authority to perform this transaction.

5.3 The Lessor further confirms that it is not in the process of liquidation or having a pending litigation in court which in any way will affect any of the clauses of this lease.

6 **LESSOR RIGHTS AND RESPONSIBILITIES**

- 6.1 Entry and Inspection. Lessee shall permit Lessor or Lessor's agents to enter upon the demised premises at reasonable times and upon reasonable notice, for the purposes of inspecting the same, and will permit Lessor at any time within sixty (60) days prior to the expiration of this lease, to place upon the premises any usual "To Let" or "For Lease" signs, and permit persons desiring to lease the same to inspect the premises thereafter.
- 6.2 The LESSOR shall be responsible for payment of real estate property taxes and all rates and other charges which may hereafter be assessed or imposed on the demised Premises by the Government or any local authority.

7 **RIGHTS AND RESPONSIBILITIES OF THE LESSEE**

- 7.1 The LESSEE shall, unless hereinafter specified to the contrary, maintain the Demised Premises, including all additions thereto, fixture, doors, windows, locks, sanitary, water apparatus, electric wirings, etc. in good repair and usable condition during the term of this Lease, except for reasonable and ordinary deterioration. Any damage arising from the intentional acts or negligence of the LESSEE, its agents or employees are to be repaired and / or replaced at the LESSEE's expense.
- 7.2 The Lessee shall be responsible for the repair of any structural defects caused by the lessee or its employees, such as walls, roof, drainage system, sewer system, ceilings and all other interior and exterior parts of the demised premises and shall be kept in good repair throughout the tenure of the lease.
- 7.3 The LESSEE agrees not to make any alterations, changes or additions to the Demised Premises, or to cut, maim or erect any walls, trees, structures or timbers without the prior written consent of the LESSOR. This restriction also applies to electrical work, retiling or re-fitting or existing built in furniture, fixtures, shelving, signage and others.
- 7.4 The LESSEE shall not keep or permit to be kept on the demised premises any materials of dangerous or explosive nature or the keeping of which may contravene any law or local regulations or bylaws or carry any activity which is likely to cause disturbance or annoyance, or danger to neighbors, or public.
- 7.5 The LESSEE shall not keep or permit to be kept on the demise premises any kinds of alcohol or carry on any immoral purposes.
- 7.6 Unless otherwise agreed to in writing, the LESSEE shall restore the Demised Premises to the same condition as that existing at the time of occupying upon the same under this Lease, expect normal wear and tear.

7.7 The LESSEE can remove the fixtures and fittings brought along with them, after consulting the LESSOR and having a written agreement. However, the Lessee shall repair any damage to the Demised Premises.

7.8 The lessee can use the current 200kva transformer at the site, provided the lessee will participate in transformer maintenance.

8 UTILITIES AND SERVICES

8.1 The Lessee shall pay all charges for water, electricity, telephones, sanitation, refuse and garbage removal, security, cleaning or upkeep of the demised premises during the tenure of the lease period. Lessee shall also pay all charges for services connected to the daily running of demised premises that are incurred and payable during the lease period. The LESSOR shall not be responsible for interruption of any utilities such as power phones, water, electricity etc. All our standings prior to the commencement of the lease shall be for the account of the Lessor.

9 INCOME TAX AND STAMP DUTY

9.1 The Lessee shall remit to the Commissioner 10% withholding tax payable in respect of the rent paid in respect of the said premises and provide the Lessor with a copy or proof of payment of withholding tax.

9.2 The Lessee shall pay stamp duty on the lease agreement to TRA, certify the lease agreement with TRA and provide Lessor with a stamped copy.

10 SIGNS

10.1 The Lessee shall have the right to place and replace any signs at any part of the Premises at his / her own expense, provided that the Lessee removes all such signs upon the termination of this Lease and repairs all damages resulting from the removal of signs.

11 ASSIGNMENT AND SUBLEASE

11.1 The LESSEE shall NOT at any time assign its interest in the Demised Premises or any portion thereof or sublet the Demised Premises or any portion thereof to any party without the prior written consent of the LESSOR. If the LESSEE assigns its right and responsibilities under the Lease to a third party, the LESSOR may, within 30 days of becoming aware of the identity of the third party, terminate Lease.

For avoidance of doubt it is expressly provided that the restrictions do not apply when there is merely a change of name of the Lessee or change of shareholders provided that 30 days' prior notice is given to the Lessor.

11.2 If the LESSOR sells the Premises, or defaults under the mortgage, trust deed or trust indenture related to the Premises, and if a purchaser or mortgagee duly

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enters into possession of the Premises, the LESSOR shall give to the LESSEE written notice of the identity of such third party 90 days prior to the sale. If in any way transferred, the new LESSOR, may, at its own discretion, honor this Lease or terminate it with a 180 days' notice. Likewise, if the purchaser or mortgagee is unacceptable to the LESSEE, the LESSEE may, within 90 days of the receipt of the LESSORS notice, terminate this lease by giving at least 60 days' prior written notice of termination. In the event of early termination of this lease, any unutilized advance rent paid by the Lessee shall be refunded back to the LESSEE. The provision of this clause shall not affect the Lessee's right under clause 15 herein. The Lessor shall ensure that any purchaser of the demised premises shall respect this agreement and the interest of the Lessee shall be cleared first, including rent paid and compensation for any development made upon being submitted by the lessee.

12. INSURANCE, LOSS OR DAMAGE

- 12.1 The Lessee shall insure and keep insured its belongings in respect of all risks.
- 12.2 The LESSEE shall be responsible for any damages to the Demised Premises caused by its own fault or negligence, or that of its agents and / or employees. The LESSEE shall be responsible for the security and insurance of its valuables and personal possessions.
- 12.3 The LESSOR shall be responsible for warehouse insurance.

13. INDEMNIFICATION OF LESSOR

- 13.1 Lessor shall not be liable for any damage or injury to lessee, or any other person, or to any property, occurring on the demised premises or any part thereof, and Lessee agrees to hold Lessor harmless from any claim for damages, no matter how caused.

14. LESSOR'S REMEDIES ON LESSEE'S DEFAULT

- 14.1 If LESSEE defaults in the payment of rent, or any additional rent, or defaults in the performance of any of the other covenants or conditions hereof, LESSOR may give LESSEE notice of such default (hereinafter referred as "Default Notice") and if LESSEE does not cure any such default within thirty (30) days, after the giving of such notice or if such other default is of such nature that it cannot be completely cured within such period, if LESSEE does not commence such curing within such thirty (30) days and thereafter proceed with reasonable diligence and in good faith to cure such default, then LESSOR may terminate this lease after expiry of ninety (90) days from the date the Default Notice was issued to LESSEE.
- 14.2 On expiry of the said ninety (90) days the terms of this lease shall terminate, and LESSEE shall then quit and surrender the premises to LESSOR and LESSOR may

at any time thereafter resume possession of the premises by any lawful means and remove LESSEE or other occupants and their effects. If the termination of this lease is caused by the LESSEE'S defaults referred under clause 14.1 or any other cause, other than LESSOR'S termination under Clause 15.3, the LESSOR shall forfeit any advance rent paid by LESSEE.

14.3 The Lessee hereby gives irrevocable power and authority without any recourse to the Lessor to enter the Demised Paid premises with or without permission of the Lessee on the expiry of the termination notice period referred to above and or the lease period and remove all the possession of the Lessee with a view to security vacant possession of the Demised Premises. The Lessor shall act as agent of the Lessee and shall not be liable for any loss or damage suffered by the Lessee howsoever caused as a result of the Lessor exercising the power and authority given herein.

15. TERMINATION

- 15.1 The Lessee may terminate this lease on expiry of the lease agreement. In case of any intention to renew the lease agreement a notice of 30 days shall be given to the lessor before termination. However, on agreement by both parties, the contract may be renewed even after the period has expired.
- 15.2 The LESSEE further agrees that there shall be no refund of any rent payment made for periods beyond the date the LESSEE surrenders the demised premises in pursuance of the LESSEE'S termination rights as contained in this Lease.
- 15.3 The LESSOR may, for breach of any of the Lessee's covenants terminate this Lease, in whole or in part, at any time, by giving written notice to the LESSEE ninety (90) days in advance of the termination.
- 15.4 The LESSOR further agrees to make a pro rata refund of any rent payment made for periods beyond the date the LESSEE surrenders the premises in pursuance of any of the LESSOR'S termination rights as contained in this Lease.
- 15.5 On the date the LESSEE surrenders the premises, whether on expiry of this lease or on a notified termination date, the LESSEE shall return to the LESSOR, keys to all areas of the premises. Failure to do so will result in a charge to the LESSEE for the cost of procurement and installation of new locks and keys for the areas not surrendered to the LESSOR by the LESSEE. This may be deducted from any deposit or security deposit held by the LESSOR or billed separately to the LESSEE.
- 15.6 On the date the LESSEE surrenders the premises, whether on expiry of this lease or on a notified termination date, the LESSEE shall handover to the LESSOR, Lessor's fixtures and fittings in good working order. Failure to do so will result in a charge to the LESSEE for the cost of procurement and installation of any furniture, appliances, and fixtures and fittings not handed over in good working

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condition to the LESSOR by the LESSEE. This may be deducted from any deposit held by the LESSOR or billed separately to the LESSEE.

16. CHOICE OF LAW

16.1 The term of the Lease shall be construed in accordance with the Tanzanian laws as applicable from time to time.

17. AMMENDMENTS TO THE LEASE

17.1 Any amendments to this lease shall be done by an addendum to this lease and shall be signed by both parties.

18. DISPUTES RESOLUTION

18.1 Any disputes arising between the parties under this lease which cannot be resolved in negotiation between the parties shall be settled in accordance with the law of arbitration, chapter 15 of Revised Laws of Tanzania and the Subsidiary Legislation thereto.

19. NOTICES

19.1 All notices under this Lease agreement, other than legal service of process, shall be delivered to the persons at the addresses set forth below:

For the LESSOR

U STORE IT
P.O.BOX 22391
DSM, Tanzania
TIN NO. 117 – 423 – 948
VRN NO. 400 – 12363 – R

Bank Details


EXIM BANK (TANZANIA) LIMITED
U STORE IT
ACC No. 0140012153 TZS
0140012154 USD
SWIFT: EXTNTZTZ

For the LESSEE

Walkaroo Tanzania Limited,
P.O. BOX 40961,
Dar es Salaam, Tanzania
TIN NO.
VRN NO.

20. OFFICIAL LANGUAGE

20.1 For the convenience of the parties, this Lease has been prepared in English, which language shall therefore be used in all official transactions pertaining to this Lease.

U STORE IT ... 

IN WITNESS WHEREOF the parties hereto have executed these presents on the day and year in the manner herein appearing.

SIGNED and DELIVERED at DAR ES SALAAM

by the said **MOHAMED KERMALI**

for **U STORE IT**

who is known to me personally/identified

to me by

.....

the latter being known to me personally in my presence this 28th day of 03 2023


LESSOR
U STORE IT
Storage - Service - Solutions
P.O. BOX 21391
DAR ES SALAAM

BEFORE ME:

Name: JOSEPH N. MWALKUGILE

Signature: 

Postal Address: 105069 DSM

Qualification: ADVOCATE



SIGNED and DELIVERED at DAR ES SALAAM

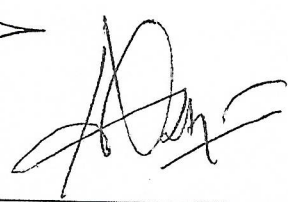
by the said ADITHYA SATISH KUMAR

for **WALKAROO TANZANIA LIMITED**

of Passport No. _____

who is known to me personally/identified

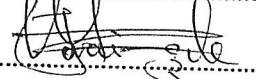
to me by


LESSEE

the latter being known to me personally in my presence this 28 day of 03 2023


BEFORE ME:

Name: JOSEPH N. MWALKUGILE

Signature: 

Postal Address: 105069 DSM



U STORE IT Initials 
Walkaroo Tanzania Limited