

**AGREEMENT FOR SALE OF RIGHT OF OCCUPANCY**

**MADE BETWEEN**

**KAGERA AGRICULTURAL DEVELOPMENT ASSOCIATION  
LIMITED (KADA)  
(Vendor)**

**AND**

**VARI AGRO LIMITED  
(Purchaser)**

---

**FOR THE SALE OF A FARM KNOWN AS FARM No.162,  
REGISTERED UNDER C.T. No. 5411 SITUATED AT KITEME  
VILLAGE, KASHARUNGA WARD, MULEBA DISTRICT,  
KAGERA REGION.**

---

**DRAWN BY:**

GODWIN ATTORNEYS  
HOUSE No. 31, REGENT STREET,  
ADJACENT TO NEMC HQ  
P. O. BOX 31537, DAR ES SALAAM - TANZANIA.  
Tel: +255 738 282 453/ Mob: +255 713 456 497  
E-mail: [info@godwinattorneys.co.tz](mailto:info@godwinattorneys.co.tz)  
Web: [www.godwinattorneys.co.tz](http://www.godwinattorneys.co.tz)

**THIS AGREEMENT** is made on the 25<sup>th</sup> day of August, 2023.

**BETWEEN**

**KAGERA AGRICULTURAL DEVELOPMENT ASSOCIATION LIMITED (KADA)**, a limited liability company incorporated under the laws of the Republic of Tanzania, whose address for the purpose of this Agreement is Post Office Box 1061, Bukoba (hereinafter called the "**Vendor**" which expression shall where the context so admits include and extend to persons deriving title under the **Vendor**, their successors and assigns) of the one part;

**AND**

**VARI AGRO LIMITED**, a limited liability company incorporated under the laws of the Republic of Tanzania, whose address for the purpose of this Agreement is Post Office Box 31537, Dar es Salaam. (Hereinafter called the "**PURCHASER**" which expression shall where the context so admits include and extend to persons deriving title under the **PURCHASER**, its successors and assigns) of the other part;

**WHEREAS**

The Vendor is the registered owner of the Right of Occupancy over all the Farm known as Farm No. 162, located at Kiteme Village, Kasharunga Ward, Muleba District, Bukoba Region containing **TWO THOUSAND ACRES (2000 Acre)** by virtue of Certificate of Title number 5411, further particulars of which are as per the copy of the Certificate of Title annexed to this Agreement, together with all the exhausted or unexhausted improvements, developments and appurtenances therein contained herein after referred to as "**the Land**";

**WHEREAS**

That both parties agree that the purchaser will purchase only **ONE THOUSAND EIGHT HUNDRED ACRES (1800 acres)** Farm known as Farm No. 162, located at Kiteme Village, Kasharunga Ward, Muleba District, Bukoba Region from the Vendor and the **TWO HUNDRED ACRES (200 Acres)** to be left for the villagers who have trespassed the farm herein after referred as "**the Purchased Land**"

**WHEREAS**

The Vendor is desirous of selling the said property and the Purchaser is desirous and able to purchase the said property from the Vendor at a consideration of United State Dollar Ninety-Five per Acre which equals to **United State Dollar One Hundred**

**Seventy-One Thousand Only (171,000.00 USD)** for the aggregate One Thousand Eight Hundred Acres (hereinafter referred to as the "**Purchase Price**").

**NOW THIS AGREEMENT WITNESSETH as follows:**

**1.0 THE SALE**

- 1.1 That the Vendors hereby sells to the Purchaser and the Purchaser hereby buys from the Vendors the said Property known as **Farm No. 162** registered under **Title No. 5411** comprised of **TWO THOUSAND ACRES (2000 Acre)** situated at KITEME VILLAGE, KASHARUNGA WARD, MULEBA DISTRICT subject to the covenants herein contained and subject to the terms and conditions under which the said demised Property was held by the Vendors prior to this Agreement.
- 1.2 That both parties agree that the purchaser will purchase only **ONE THOUSAND EIGHT HUNDRED ACRES (1,800 acres)** from the Farm known as Farm No. 162 situated at Kiteme Village, Kasharunga, Muleba District as shall be specifically designated by the purchaser.
- 1.3 That the remaining **TWO HUNDRED ACRES (200 Acres)** which shall **not be part of the sale** will be left for allocation of the villagers who currently unlawfully reside or carry out farming activities on the farm at any time before the date of the signing of this agreement.

**2.0 CONSIDERATION AND MODE OF PAYMENT**

- 2.1 That the Vendor is desirous of selling the said property and the Purchaser is desirous and able to purchase the said property from the Vendor at a consideration of **United State Dollar Ninety-Five (95 USD)** per Acre which equals to **United State Dollar One Hundred Seventy-One Thousand Only (171,000.00 USD)** per One Thousand Eight Hundred Acres.
- 2.2 That in consideration of the Purchase Price of **United State Dollar One Hundred Seventy-One Thousand Only (171,000.00 USD)** the Vendor is hereby selling the Property to the Purchaser and the Purchaser is hereby purchasing the Property from the Vendor subject to the covenants herein

contained and the Purchase Price stipulated herein, shall be paid by the Purchaser to the Vendor in accordance with the following provisions: -

- 2.2.1 That **Tanzania Shillings Fifty-Two Million (Tshs. 52,000,000/=)** or **any of its equivalent as assessed**, shall be deducted from the said amount for payment of Taxes due against the company to the Tanzania Revenue Authority.
- 2.2.2 That **Tanzania Shillings Forty Million (Tshs. 40,000,000/=)** or **any of its equivalent as assessed** shall be deducted from the said amount to pay land rents due on the property to the office of the commissioner for Lands at Bukoba.
- 2.2.3 That **Tanzania Shillings Twenty Million (Tshs. 20,000,000/=)** or **any of its equivalent** as assessed shall be deducted from the said amount to pay for fees and penalties charged by the Business Registration and Licensing Authority (BRELA).
- 2.2.4 That an amount of United States Dollars SEVENTEEN THOUSAND ONE HUNDRED or any of its equivalent as assessed shall be deducted from the said amount to pay for Capital Gain Tax as assessed by the Tanzania Revenue Authority (TRA).
- 2.2.5 That the remaining amount of United States Dollars ONE HUNDRED FIFTY THREE THOUSAND NINE HUNDRED after deduction of the above stated amount shall be paid in **Two instalment equal** instalment to the Vendor's designated accounts in the following manner: -
- 2.2.5.1 That payment of first instalment of **50%** of the remaining amount after the above deduction shall be paid to the vendor's chosen accounts below immediately after signing of this agreement.

a) Beneficiary Name: ANNAMARY BARONGO  
Amount: 78,318,33.33/= TJS  
Bank Account Number: 32010009542  
Account Holders Name: ANNAMARY M. BARONGO  
Bank Name and Branch: NMB

b) Beneficiary Name: PROSPER BARONGO  
Amount Payable: ..... 78,318,333.33/= TZS  
Bank Account Number: 32010009542  
Account Holders Name: ANNAMARY M. BARONGO  
Bank Name and Branch: NMB

c) Beneficiary Name: EVELYNE BARONGO  
Amount Payable: ..... 78,318,333.33/= TZS  
Bank Account Number: 32010009542  
Account Holders Name: ANNAMARY M. BARONGO  
Bank Name and Branch: NMB

2.2.5.2 That payment of second instalment of **50%** shall be paid to the vendor upon transfer of Ownership of the Property in the names of the Purchaser through the Tanzania Investment Centre (TIC) which shall be approximately 120 days from the date of signing of this agreement.

a) This amount whatsoever shall only be paid after the purchase property has been left vacant for the purchaser to take possession and the Title is in the name of the Purchaser.

2.3 The Parties agree that all Government fees, Taxes and Bills including Stamp duty not specified herein but are relevant to the registration of this transfer shall be borne by the Purchaser.

### 3.0 TERMS OF PURCHASE

3.1 Subject to clause 3, the **Vendor** shall transfer by way of outright sale, and the **Purchaser** shall acquire and accept the transfer by way of outright purchase the Property, together with all exhausted and unexhausted improvements, developments and appurtenances therein contained.

3.2 The Property is sold and agreed to be transferred subject to the terms and conditions contained in the registered Survey and Town Planning Maps. The risk of damage to or destruction of the Property shall pass to the Purchaser immediately after the payment of the Final instalment and the handover of the property to the Purchaser.

#### **4.0 VENDORS CONVENANTS**

4.1 The Seller hereby warrants the following: -

4.1.1 He has the power to enter into and perform his obligations under this Agreement. Has full authority to sell, transfer and dispose of the land and has the powers of sale derived there from, and that they have a good and subsisting right, title and interest, and have full powers to sell, grant, convey, assign or otherwise dispose the said piece and parcel of land in the manner herein provided;

4.1.2 He is not entitled to receive any consent from any person, the Commissioner of Lands excepted, and if any such consent will be required, the Vendor shall use all their reasonable endeavours to seek and obtain the same and all other consents legally required to be obtained in respect of the disposition of the Property, land and/or properties and developments therein contained; The entry into and performance of this Agreement and the transactions contemplated hereby, do not conflict with any law or regulation or any official or judicial order to which the **Vendor** is subject;

#### **5.0 GENERAL COVENANTS**

5.1 This Agreement constitutes a legal, valid and binding obligation of the parties and is enforceable against each party in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganisation, moratorium and other similar laws affecting creditors' rights or remedies generally.

5.2 Nothing in this Agreement shall make the Purchaser liable in respect of anything done or omitted to be done in relation to the Property by the Vendors prior to the due transfer of the Property to the Purchaser and the Vendors shall indemnify the Purchaser in respect of any liability (which liability shall include, without limitation, all losses, costs, claims, expenses, damages, legal and other professional fees and expenses on a party and party basis) which it may incur as a result of anything so done or omitted to be done.

5.3 That parties shall do everything possible within the realms of the law to ensure the fulfilment of each and every provision of this contract.

**6.0 APPROVAL OF THE COMMISSIONER FOR LANDS**

6.1 The transfer of the Right of Occupancy envisaged under this Agreement and any other terms and conditions contained under this Agreement are subject to and conditional upon the grant of the Commissioner's approval for the disposition of land and consent being obtained.

6.2 The Vendors shall execute land forms 29 and 30 seeking the Commissioner's approval, and the **Purchaser**, through his lawyer, shall process and use all reasonable endeavours to obtain it.

6.3 The **Purchaser's** lawyers together with the **Vendor's** representative will give notice to the **Vendor** that they have obtained the Commissioner's approval as soon as practicable after obtaining it.

**7.0 FAILURE TO OBTAIN THE COMMISSIONER'S CONSENT**

7.1 If the Commissioner's approval and/or consent is not granted, either party may then rescind this Agreement effectively after the refusal has been communicated to the parties.

7.2 In case of rescission under the terms of this Clause neither the **Vendor** nor the **Purchaser** is to be treated as in breach of contract.

7.3 As a consequence of the Commissioner's refusal to give consent, the **Vendor** shall, within twenty-one (21) days after such a refusal has been realised, return all the payments paid as Purchase Price by the **Purchaser** in accordance with the provisions of this Agreement. All other payments made by each of the parties in respect of fees, duties and incidental costs will be at each parties' own costs.

**8.0 AGENTS FEES AND LAWYERS FEES**

8.1 The parties hereby agree that all fees payable to any agent work done to secure this purchase shall be borne by the vendor. It is further agreed that each party shall bear its own costs against any legal representation obtained in the process.

**9.0 DISPUTE RESOLUTION, GOVERNING LAW AND JURISDICTION**

9.1 The validity, construction and performance of this Agreement shall be governed by the Laws of the United Republic of Tanzania.

9.2 All disputes, claims or proceedings between the parties relating to the validity, construction or performance of this Agreement shall be subject to a court of competent jurisdiction in Tanzania. Prior to the institution of a suit to the Court as above provided, the Parties shall seek to resolve in the first instance any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity thereof, amicably.

**10.0 MICELANNEOUS PROVISIONS**

10.1 Anything not otherwise provided for in this agreement shall be construed as provided for in the laws of the United Republic of Tanzania.

10.2 This contract shall be executed in counterparts and the Swahili version shall form the original copy whereas the English version is only drafted for interpretation purposes only.

**IN WITNESS WHEREOF**, the Undersigned have executed this Agreement as of the day and year first written above.

**FOR THE VENDOR:**

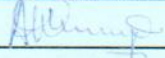
**SEALED with the COMMON SEAL of the said  
KAGERA AGRICULTURAL DEVELOPMENT ASSOCIATE**



**LIMITED(KADA) and DELIVERED at DAR ES SALAAM**

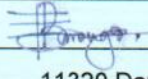
in the presence of us this 25<sup>th</sup> day of August 2023.

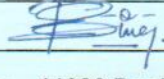
**VENDOR**

Name: Annamary Mukabemezi Barongo  
Signature:   
Postal Address: 11320 Dar Es Salaam  
Designation: Director

Name: Oscar Mbekenga  
Signature:   
Postal Address: 11320 Dar Es Salaam  
Designation: Director

**WITNESSED BY:**


Name: Erick Edward Barongo  
Signature:   
Postal Address: 11320 Dar Es Salaam  
Designation: Director


Name: Evelyne Barongo  
Signature:   
Postal Address: 11320 Dar Es Salaam  
Designation: Director

**FOR THE PURCHASER:**

**SEALED with the COMMON SEAL** of the said  
**VARI AGRO LIMITED** and  
**DELIVERED at DAR ES SALAAM** in the  
the presence of us this 25<sup>th</sup> day of August 2023.



Name: Vasundra Oswal  
Signature:   
Postal Address: 31537 Dar Es Salaam  
Designation: Executive Director

Name: Lucky Michael Mgimba  
Signature: 

Postal Address: 31537 Dar Es Salaam

Designation: Company Secretary