

THE UNITED REPUBLIC OF TANZANIA

**THE LAND ACT
(NO. 4 OF 1999)**

AND

THE LAND REGISTRATION ACT CAP 334 R.E 2019.

LEASE AGREEMENT

ON

**PLOT 50 A MIKOCHE NI LIGHT INDUSTRIAL AREA
DAR ES SALAAM**

KAYS HYGIENE PRODUCTS LIMITED

AND

**SANKU-PROJECT HEALTHY CHILDREN TANZANIA
LIMITED**

 **SANKU**
PROJECT HEALTHY CHILDREN

THIS LEASE AGREEMENT is made this 6th day of July 2023

BETWEEN

KAYS HYGIENE PRODUCTS LIMITED, a Limited liability Company incorporated in the United Republic of Tanzania Under the Companies Act CAP 212 R.E 2002 whose address for purposes hereof is P. O. Box 22712 **Dar es Salaam** (hereinafter called "**the LESSOR**") which expression shall where the context so admits, include its successors in title of the one part;;

AND

SANKU-PROJECT HEALTHY CHILDREN LIMITED, a Limited liability Company incorporated in the United Republic of Tanzania Under the Companies Act CAP 212 R.E 2002 whose address for purposes hereof is P. O. Box 23038 **Dar es Salaam** (hereinafter called "**the LESSEE**") which expression shall where the context so admits, include its successors in title of the one part;

WHEREAS The Lessor is the registered beneficial owner of a building and other subsidiary structure situated at **Plot 50 A Mikocheni Light Industrial Area Dar Es Salaam**

WHEREAS the Lessee has requested the Lessor to lease the Lessor's property for business purposes (hereinafter referred to as the '**demised Premise**')

AND WHEREAS the Lessor is willing and ready to lease the Demised premise to the Lessee on the following terms and conditions;

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. CONSENSUS CLAUSE

In consideration of the rent and the performance of Lessee's covenants hereinafter reserved and contained the Lessor **DOES HEREBY DEMISES** unto the Lessee the said property on **Plot 50 A Mikocheni Light Industrial Area Dar Es Salaam** Region subject to terms and conditions set out in this agreement

2. LEASE TENURE

The lease created herein shall be for a period of three years commencing on 1st June 2023 to 2nd June 2026 with rent payable as described in the table below in item 3. The lease shall be subject to renewal on its expiry and the lessee shall

give notice of intention to renew this agreement to the Lessor in a period of not less than two month before expiry of this agreement.

3. RENT, TAX AND OTHER CHARGES

N0	PROPERTY	Square meters		Rate (USD)	RENT PAYABLE PERIOD
1	Warehouse I	400		3.5	3 MONTHS
2	Warehouse II	400		3.5	3 MONTHS
3	Warehouse III	500		5	3 MONTHS
4	Sanku Mikocheni office	165		3.85	3 MONTHS
5	Coldroom- Premix Storage	195		3.5	3 MONTHS

- 3.1 The monthly rent shall be **per square meter** VAT exclusive for a total of square meter payable in advance as described in the chart above.
- 3.2 Rental installments including 18% Value Added Tax (VAT) shall be Three months' rent plus VAT.
- 3.3 Initial installment of three month rent shall be paid in advance just after signing of contract and receipt of a valid invoice from the Lessor. Subsequent installment of three (3) month rent shall be paid within seven days before expiring of former installment period.
- 3.4 The rent shall be paid in the LESSOR bank account number **9120000881005, Stanbic Bank (TANZANIA) Limited, SWIFT CODE SBICTZTX119.**
- 3.5 That the lessee shall, on the date of signing this agreement withhold 10% of the rental fee as withholding Tax and remit the same to Tanzania Revenue Authority.
- 3.6 The rental rates of this contract shall not change within the period of three years from the date of commencement of this agreement




4 THE LESSEE HEREINAFTER CONVENANTS WITH THE LESSOR AS FOLLOWS:-

- 4.1 To pay during the term of the lease the said rent herein before reserved punctually on the days and in the manner aforesaid without any deductions whatsoever except as AGREED in this agreement.
- 4.2 To inform Lessor immediately within 36 hours in case there is major breakdown of machine.
- 4.3 To keep the interior and exterior parts of the Demised premise in a habitable condition;
- 4.4 To ensure that Lessee's goods stored therein are fully insured to a commercially reasonable standard.
- 4.5 To observe reasonable gate security measures as required by the Lessor security staff at the gate ensuring that the Lessee's staff are provided with identity cards.
- 4.6 The property shall not be used as car park for staff vehicles overnight.
- 4.7 Pay monthly fee for garbage collection as per Local Government directives.
- 4.8 To permit the Lessor or his agent or any other duly authorized officers with or without workmen at all reasonable times of the day upon not less than 48 hours notice addressed to the Lessee (or immediately in case of a need) to enter for purpose of carrying out any inspection on the demised premise as the Lessor may consider to be desirable or necessary.
- 4.9 May make whatever changes he wishes inside the leased property at his own cost prior to lessor's consent. The anticipated changes include assembling of all necessary fixtures and fittings and setting up telephone and internet connections and any other amenities deemed necessary. The Lessor agrees that the Lessee shall retain ownership of all such fittings and fixtures
- 4.10 The Lessee agrees to undertake four (4) periodical services per annum for Air conditioners and at least two (2) for a Generator at his cost. To ensure safety of the equipment lessee shall submit to the lessor the name and particulars of the company they wish to engage for servicing equipment for competency scrutiny.

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- 4.11 Any alternations which may affect the structure shall be made with consent in writing from the lessor however the costs will be shared by both parties depending on the nature of alternations.
- 4.12 Not to assign underlet or charge the whole 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
- 4.13 To use the demised premise for storage, processing, point of sale and partly for offices of the lessee employees.
- 4.14 Tenant shall not allow any activities or actions on the premises that may cause nuisance or annoyance to the neighboring properties or disrupt their quiet enjoyment. However, acceptable noises from production machines and power backup sources are permitted within reasonable limits.
- 4.15 To maintain the standards of the demised premise.
- 4.16 Not to use or suffer to be used the demised premise for any illegal or immoral purposes
- 4.17 Shall at the expiration of the said term and where no renewal of the contract yield up the demised premise to the lessor with the fixtures and all the fittings thereto in such good and tenable repair and conditions.
- 4.18 Shall ensure that all costs in form of Electricity bills, water bills and telephone charges are dully paid when they fall due.

5 THE LESSOR HEREBY COVENANTS WITH THE LESSEE AS FOLLOWS:-

- 5.1 To maintain in good working order and repair all sewers drains channels, sanitary pipes, and wires and cables and supply lines;
 - 5.2 To keep all the buildings on the premise insured against loss or damage by fire or such risks as the lessor may deem desirable or expedient in the full insurable value however the lessee must insure all the contents in the building as the lessor insurance covers only the building.
 - 5.3 To pay and discharge all rates, taxes and rent assessments falling due on or charged upon the building on which the demised premise is situate;
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- 5.4 To ensure that the structural parts of the Property are maintained to a safe standard throughout of the Term, and to comply with all relevant health and safety regulations.
- 5.5 To ensure that the Property is guarded 24 hours daily (including all weekends and public holidays)
- 5.6 That Lessee may employ its own security staff as its own discretion to guard the Property.
- 5.7 That the Lessee paying and reserved and observing and performing the several covenants and stipulations herein on the part of the Lessee contained herein shall peacefully hold and enjoy the demised premise throughout the said term without any interruption by the Lessor or any person rightfully claiming under or in trust for the Lessor.

6 REPRESENTATIONS AND WARRANTIES

- 6.1 The Lessor represents that he is the rightful registered owner of the property with full power and authority to demise to the Lessee the Demised Premises in the manner herein provided;
- 6.2 That each party agrees to execute, complete, deliver, make and do all documents, instruments, notices, acts and things necessary or required to implement and give full effect to the provisions and purpose of this agreement
- 6.3 Each party represents and warrants to the other that:-
 - 6.3.1 It has full power and authority to execute delivery and perform its obligations under this agreement and no limitation on its powers will be exceeded as a result of its entering into this agreement;
 - 6.3.2 This agreement is a legal, valid and binding obligation, and is enforceable against each party in accordance with its terms and conditions;
 - 6.3.3 This agreement may only be varied by written instrument signed by each party.



7 TERMINATION

Neither party may terminate this agreement in the first three years of the lease tenure EXCEPT by breach provided that the breach complained goes to the root of the lease agreement and PROVIDED FURTHER that the aggrieved party gives the other party three months notice of termination.

8 COMMUNICATION AND NOTICES

Any notice, request or other communication required or permitted to be given or made under this agreement to any party must be in writing. Such notice, request or other communication may be delivered by hand to an authorized representative of the parties or shall be sent by email, postal address or any other means communicable to each party mentioned herein.

9 FORCE MAJEURE

In this clause, Force Majeure means an Act of God, war declared or undeclared, blockade, revolution, riot, insurrection, civil commotion, sabotage, lightening, fire, earthquake, storm, flood, plague and explosion, government agency restraint, expropriation, intervention, or any cause whatsoever beyond the reasonable control of the person affected.

If any party to this Agreement is unable, wholly or in part, by reason of force majeure to carry out any obligation required of it under this contract, that obligation is suspended so far as it is affected during the continuance of force majeure.

As soon as possible after being affected by force majeure, the party so affected must furnish to the other party full particulars of the force majeure and the manner in which its performance is prevented or delayed. The party whose obligations under this agreement have been suspended must promptly and diligently pursue appropriate action to enable it to perform such obligations.

10. WAIVER

The waiver by either party of its rights or remedies or of any breaches by either party under this agreement shall not be considered as a waiver of the same or different rights, remedies or breaches in subsequent instances.

11. SEVERABILITY

In event that any of the provision of this Agreement or the application of any such provision to the parties hereto with respect to their obligations hereunder shall be held by a court or other tribunal of competent jurisdiction to be unenforceable, the remaining provisions hereof shall remain in full force and effect to the extent they are not inconsistent with the original provisions and the intentions of the parties expressed herein.

12. SUCCESSION AND ASSIGNS

12.1 Except as otherwise provided herein, the rights and obligations created hereunder shall incur to the benefit of and be binding upon the heirs, successors and authorized assigns of the parties hereto;

12.2 Notwithstanding any provision hereof, the Lessee shall have no right to assign or transfer any of his rights herein, and no such assignment or transfer shall have any validity unless prior thereto;-

12.2.1 the other party consents in writing to such assignment, transfer or succession;

12.2.2 all amounts outstanding have been fully paid;

12.2.3 the proposed transferee or assignee has agreed in writing to the other to be bound by all the provisions hereof.

13. DISPUTES RESOLUTION

13.1 The parties herein will make every effort to resolve amicably by informal negotiations any disagreement or dispute arising between them under or in connection with this agreement;

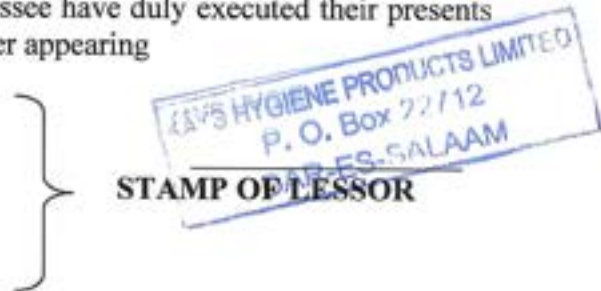
13.2 If the parties have been unable to reach to an amicable resolution, any party may seek redress before a competent court or law within the United Republic of Tanzania.

14. GOVERNING LAW

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

IN WITNESS WHEREOF the Lessor and the Lessee have duly executed their presents in the manner and on the respective dates hereinafter appearing

STAMPED with the **COMMON STAMP** of **KAYS HYGIENE PRODUCTS LTD** and **DELIVERED** at Dar es Salaam in our presence this ..18.... day of JULY.... 2023



Witnessed by,

Signature : [Handwritten Signature]

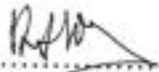
Name : Khadia I. Sumbar



Address : ...P.O.: Box 22712, DSA

Designation : **DIRECTOR**

BEFORE ME.

Signature : 
Name : RUSSELL HUSSIANI NCHUMU
Address : P.O. Box 22712, DSA
Designation: FINANCIAL MANAGER



STAMPED with the **COMMON STAMP** of **SANKU-PROJECT HEALTHY CHILDREN LIMITED** and **DELIVERED** at Dar es Salaam in our presence this day of JULY 2023

STAMP OF LESSEE

Witnessed by,

Signature : 
Name : WILSON CHUNJO
Address : P.O. Box 23028, DAR
Designation : **DIRECTOR**

BEFORE ME

Signature : 
Name : David Mganga Chillo
Address : P.O. Box 7748, DSA
Designation : **Commissioner for Oaths**

