No:_____

# SALE AGREEMENT

## BETWEEN

**STAR INFRASTRUCTURE DEVELOPMENT (T) LTD**

**(Seller)**

**AND**

**PREMIUM ACTIVE TANZANIA LTD**

**P. O. Box 1900**
**MOROGORO**

_____

**(Purchaser)**

In respect of Plot No 60 to 63 and 69 to 78 located in STAR CITY,
Tungi, Morogoro measuring 64,752 Sqm

**Drawn by:**
***ABD ATTORNEYS***
***9th Floor RITA Tower***
***P.O. BOX 7974***
***DAR ES SALAAM***

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**THIS SALE AGREEMENT** is made on this 05TH day of MARCH 2023

**BETWEEN**:

**STAR INFRASTRUCTURE DEVELOPMENT (T) LTD,** a limited liability company duly incorporated (having incorporation Number: 57255) and existing under the Companies Act Cap. 212 (R. E) 2002 of the Laws of Tanzania having its registered offices at PO Box No 2635, Morogoro, hereinafter referred to as the **"Seller",** (which expression shall include wherever applicable, its legal representatives, agents, successor in title and assigns) of the **ONE PART;**

**AND**

**PREMIUM ACTIVE TANZANIA LIMITED [Incorporation No. 65046]** P.O. Box 1900, Tumbaku House, Plot No 375, Block B Kihonda, MOROGORO (Herein after referred to as **"Purchaser"** which expression shall include wherever applicable, their heirs, legal successors in title and assigns) "of the other part".

**RECITALS**:

A. **WHEREAS** the Seller is located in Tungi, Morogoro and is willing to sell its Plots measuring to 64,752 Sqm

B. **WHEREAS** the Purchaser is desirous of purchasing the Plots at the price and on the terms set out herein below.

C. **WHEREAS** the Seller is willing and, capable to sell the same to the Purchaser in accordance with the terms and conditions set forth herein;

**WHEREFORE IT IS HEREBY AGREED BY BOTH PARTIES AS FOLLOWS:**

1. **INTERPRETATION**:

In this Agreement unless inconsistent with or otherwise indicated by the context the following words and expressions shall have the meanings assigned to them hereunder:

| | |
|---|---|
| "Agreement" | shall mean this Agreement and shall include any annexure, addenda, schedules or appendices hereto; |
| "Business Days" | mean weekdays other than Saturdays, Sundays and Public holidays. |
| "Land" | means an area known as STAR CITY comprising with total area 5,248.10 acres located in Tungi , Morogoro as delineated in Annexure 1 layout. |



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| | |
|---|---|
| "Occupation Date" | means the date of handover of the Plots by the Seller to the Purchaser. |
| "Plots" | means the part of the aforesaid Land, measuring 64,752 Sqm bearing plot no: 60 to 63 under Registered Plan No: 148658 and 69 to 78 under Registered Plan No: 148659 as delineated in Annexure 2 layout. |
| "EPZ" | means Export Processing Zones Authority. |



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**IN THIS AGREEMENT:**

1.1 Unless the context clearly indicates otherwise, words importing the singular shall include the plural, words importing the masculine, feminine or neuter shall include the others or such genders, and words importing persons shall include bodies corporate, and vice versa in each instance.

1.2 Expressions with reference to writing shall be construed as including reference to printing, lithography, photography and other modes of representing or reproducing words in visible form;

1.3 Where figures are referred to in words and in numerals, if there is any conflict between the two, the words shall prevail;

1.4 If any provision in a definition is a substantive provision conferring rights or imposing obligations on any person, then, notwithstanding that it is only in the interpretation Clause of this Agreement, effect shall be given to it as if it were a substantive provision in the body of this Agreement.

1.5 The Recitals and Annexes to this Agreement are deemed to be incorporated in and form part of this Agreement.

## 2. SALE AND PURCHASE:

2.1 Upon and subject to the terms and conditions of this Agreement, the Seller hereby sells to the Purchaser and the Purchaser shall purchase and acquire from the Seller, the Plots for the price of TSH 971,280,000/- (Tanzania Shillings Nine Hundred Seventy One Million Two Hundred Eighty Thousand net of taxes), however, parties understand the provisions of the VAT Act do not apply here, but in the event it is found to be applicable, the Purchaser agrees to bear the responsibility and hereinafter to be referred to as "the Purchase Price".

2.2 The Purchaser herein shall pay the Purchase Price for the Plots to the Seller in the following manner:

2.2.1 First installment Payment of 25% (Twenty five Percent) of the Purchase Price **TSH 242,820,000/- (Tanzania Shillings Two Hundred and Forty Two Million, Eight Hundred and Twenty Thousand Shillings only)** Shall be payable before signing this Agreement as initial commitment and demonstration of an interest to purchase the Plots and shall be refundable after deduction of 5% service charges, if the Purchaser declines their interest before the date of signing of this Agreement.

2.2.2 Within 10 days of receipt of First Installment, the Purchaser shall provide relevant documents and duly execute conveyances, transfers, assignments, and consents as are necessary to complete Plots to be allocated to the Purchaser.



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2.2.3 Seller shall notify to the Purchaser on the readiness of application for Transfer to be filed with Morogoro Municipal Council (MMC) and within 7 days of such notification, the Purchaser shall pay Second installment Payment of 75% (Seventy Five Percent) of the Purchase Price **TSH 728,460,000/- (Tanzania Shillings Seven Hundred and Twenty Eight Million, Four Hundred and Sixty Thousand Shillings Only)** to the Seller.

2.2.4 If Purchaser fails to pay the Second Installment within the stipulated time as per Clause 2.2.3, this Agreement shall become void and the First Installment sum paid by the Purchaser shall be forfeited by the Seller.

2.2.5 Upon realization of Second Installment, the Seller shall submit the transfer application with MMC to enable issuance of Letter of Offer under the name of the Purchaser for completion of preparation of title deed in respect to the Plots.

2.2.6 The Seller commits to hold the Plots until payment of statutory fees, levies, taxes and registration charges (here-in-after to be referred as "Transfer Costs") by the Purchaser in relation to transfer of Plots are paid to MMC and acknowledgement receipt in respect of the said payment is made available to the Seller.

2.2.7 The Purchaser shall pay the Transfer costs within seven (7) Business Days of notification the payment control numbers as provided by MMC.

2.2.8 For the purposes of payment, the Purchaser will remit all payments against the Purchase Price into the Seller's account (as outlined below) as per agreed installments aforementioned on clause 2.2.1 and 2.2.3 above. The Seller's account has the following particulars:

| | |
|---|---|
| Account Name | **STAR INFRASTRUCTURE DEVELOPMENT (T) LTD** |
| Account Number | 0251011001 |
| Bank Name | DIAMOND TRUST BANK TANZANIA LTD |
| Branch Name | Morocco Branch |
| SWIFT Code | DTKETZTZ |

2.2.9 Statutory payments shall be made by the Purchaser in accordance with the instructions of the MMC after release of the necessary control numbers issued to the Purchasers name in accordance with Clause 2.2.6. above.



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2.2.10 If Purchaser fails to pay the Transfer costs within the stipulated time as per Clause 2.2.6, this Agreement shall become void with due notification by Seller to MMC to cancel the issued Letter of Offer and the First Installments sum paid by the Purchaser shall be forfeited by the Seller including any other charges that were made in respect of the transaction involved and the balance amount remaining out of the Second Installment shall be refunded to the Purchaser.

2.2.11 The Plots are sold free from all registered encumbrances but is sold subject to all other rights and interests to which the Plots are subject in law.

## 3. OCCUPATION/POSSESSION

Upon the Purchaser remitting the final payment of the Purchased Price and all Transfer Costs to the Morogoro Municipal Council, the Seller shall:

a. Coordinate with MMC to issue the Title granted in favor of the Purchaser;

b. Upon receipt of the Title as per Clause 4.1 above, Deliver the Plots together with all necessary transfer related documents to the Purchaser;

c. Deliver vacant possession of the Plots

## 4. EPZA LICENSE

Upon Possession laid down under Clause 4 above, Purchaser wishing to conduct its business under SEZ shall apply for such license with Export Processing Zones Authority.

## 5. RISK

From the date the Letter of Offer has been issued to the Purchaser, all risks and benefits of the Plots as on transfer date shall pass from the Seller to the Purchaser.

## 6. REPRESENTATIONS AND WARRANTIES OF THE SELLER:

That the Seller represents and warrants the following to the Purchaser as of the date of signing of the Agreement;

6.1 The Seller acknowledges that the Purchaser is relying upon such representations and warranties in entering into the Agreement.

6.2 The Seller hereby assures the Purchaser that the Plots are not under any lease either has it been granted to any third party or any part thereof without the knowledge of the Purchaser;



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6.3 The Seller has a legal ownership of the Plots and save as otherwise disclosed, the Plots are not subject to any mortgage, charge, floating charge, debenture, pledge, lien, hire purchase or other encumbrance of any nature whatsoever;

6.4 With exercise of sufficient due diligence, all restrictions, conditions and covenants (including any imposed by or pursuant to any lease) affecting the Plots, to the best of their knowledge, have been observed and performed and no notice of breach of any of the same have been received or are, to the Seller's knowledge, likely to be received;

6.5 Save as disclosed, there are no restrictive covenants, statutory provisions, orders, charges, restrictions, agreements, conditions or other matters which preclude the use of the Plots for which purposes they are now being used;

6.6 The execution or performance of this Agreement will not result in any breach of any agreement to which the Seller is a party or of any court order; and

6.7 No any step has been taken or legal proceedings been started or threatened against the Seller for the appointment of a liquidator, receiver, administrator, or similar officer over any or all of its Plots which would prevent, inhibit or otherwise have a material adverse effect on the ability of the Seller to fulfill its obligations under the Agreement.

## 7. REPRESENTATIONS AND WARRANTIES OF THE PURCHASER:

The Purchaser represents and warrants the following to the Seller as of the date of signing of the Agreement and the Purchaser acknowledges that the Seller is relying upon such representations and warranties in entering into the Agreement:

7.1 The Purchaser is in good standing under the laws of Tanzania with full power and authority and the legal right to purchase the Plots and enter into this Agreement;

7.2 All necessary actions or other actions required to authorize the entering into the Agreement by the Purchaser and the performance of their obligations have been duly taken;

7.3 The execution of the Agreement or performance of its terms will not result in any breach of any agreement to which the Purchaser is a party or of any court order;

7.4 The Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and a binding obligation of the Purchaser in accordance with its terms.



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8. **APPROVAL AND REGISTRATION OF TRANSFER:**

8.1 As set out under Clause 2 of this Agreement, the parties hereto agree to execute, Transfer Deeds for the conveyance of the Plots by the Seller to the Purchaser;

8.2 The registration of Plots in favor of the Purchaser shall be effected and completed jointly by the Seller and Purchaser or through their transaction advocates instructed by the parties;

8.3 All Transfer Costs payable on the transfer and registration of the Plots shall be payable by the Purchaser;

8.4 The Purchaser shall accept transfer of the Plots subject to all conditions and servitudes benefiting or burdening the Plots and the Land;

9. **DOMICILIA AND NOTICES:**

9.1 The parties choose as their *domicilia citandi et executandi* ("domicilia") their respective addresses set out in this clause for all purposes of giving of any notice, the serving of any process, the payment of any monies and for any other purpose arising from this agreement, as follows: -

**SELLER;**

**STAR INFRASTRUCTURE DEVELOPMENT (T) LTD**
P. O. BOX 2635
Morogoro, TANZANIA
Tel: +255 783 278 787 / +255 712 278 787 / +255 783 124 688
Email : gm@starcity.co.tz / info@starcity.co.tz

**PURCHASER:**

**PREMIUM ACTIVE TANZANIA LTD**

P.O. Box No 1900

MOROGORO

Tel:+255 783 991 286 Email: hklonaridis@premiumactive.co.tz

9.2 Notice or demand hereunder may be duly given to either party by registered post or other speedier mode of communication or transmission whether manual or electronic including but not limited to E-mail properly addressed to the addresses herein above written and shall be effectual notwithstanding any change of address/addresses and notwithstanding the return of the notice or demand concerned and such notice or demand shall be effectual for all purposes fourteen (14) days after the posting or transmission or service thereof and in proving service it shall be sufficient to prove that the letter containing the notice or demand was properly stamped addressed and put into the post.



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## 10. SOLE CONTRACTUAL RELATIONSHIP:

10.1 The parties hereto acknowledge that this Agreement contains the entire Agreement between them including terms, conditions, stipulations, warranties and/or representations.

10.2 No variation of this Agreement shall affect the terms hereof unless such variation shall be reduced to writing under the hands of the Parties hereto.

10.3 Neither party may assign this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld. An assignment will not relieve either party of any contractual obligations

## 11. INDULGENCES:

No indulgence, extension of time, relaxation, latitude, failure or delay on the part of either party hereto to exercise any right or remedy under this Agreement shall be construed or operate as a waiver thereof nor shall any single or partial exercise of any right or remedy as the case may be. The rights and remedies provided in this Agreement are cumulative and are not exclusive of any rights or remedies provided by law.

## 12. INDEMNITY:

12.1 Each Party undertakes to indemnify the other Party on a full and unqualified indemnity basis against any action, claim, loss, cost, damage or expense either Party may suffer or incur as a result of any document delivered to it pursuant to this Agreement being unauthorized, invalid or for any reason ineffective for its purpose.

12.2 The liability of the Seller under this Agreement shall not exceed the Purchase Price.

## 13. BREACH:

Should either party fail to comply punctually with any provision of this Agreement, whether it be a material provision or not, it will be obligated to notify the other in writing of the failure and make demand to rectify the failure within Twenty One Calendar days from the date of the notice and should be the notified party fails to remedy the breach by the said date, the notifying party will then be entitled without prejudice to any other rights which it may have and without further notice or process.

## 14. DISPUTE RESOLUTION:

14.1 In the event of any dispute or difference arising between the parties in relation to or arising out of this Agreement, the parties shall forthwith, upon receipt of a notice in writing from the Party claiming such dispute or difference, attempt to resolve the dispute or difference through good faith negotiations. In the event, the parties fail to reach a settlement within a period of fourteen (14) business days either Party may refer the dispute or difference to a single arbitrator under the provisions of the Arbitration Act, Cap. 15 of the Laws of Tanzania



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14.2 The appointment of the Arbitrator shall be made in accordance to the provisions of the Arbitration Act, Cap. 15, and become final and binding on the Parties.

14.3 The arbitration shall take place in Dar es Salaam, Tanzania;

(i) The decision of the Arbitrator shall be final and binding on the parties; and

(ii) The decision may be made an order of a court of competent jurisdiction.

**15. SEVERABILITY:**

If any provision or term of this Agreement or any part thereof shall become or be declared illegal, inoperative, invalid or unenforceable for any reason whatsoever including but without limitation by reason of the provisions of any legislation or other provisions having the force of law or by reason of any decision of the Commissioner of Lands, Registrar of Titles, or any Court or other body or authority having jurisdiction over the parties or this Agreement, such terms or provisions shall be divisible from this Agreement and shall be deemed to be deleted from this Agreement in the jurisdiction in question provided always that, if any such deletion substantially affects or alters the commercial basis of this Agreement, the parties shall negotiate in good faith to amend and modify the provisions and terms of this Agreement as may be necessary or desirable in the circumstances.

**16. GOVERNING LAW:**

This Agreement shall be governed by the Laws of the United Republic of Tanzania.

**IN WITNESS WHEREOF** this Agreement has been duly executed by the parties hereto as of the day and year first hereinbefore written.

**WHEREOF**, the parties hereto have hereunto affixed their signatures on the day and year first before written.

**THE SELLER**

SEALED with the Common Seal of the said **STAR INFRASTRUCTURE DEVELOPMENT (T) LTD** And DELIVERED in our presence this _____ day of _____

Signature: _____

Full Name: SHAFFIN JALALUDIN JAMAL

Address: P.O.BOX 2635 MOROGORO

Designation: DIRECTOR



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Signature: _____

Full Name: JERU KATONDO KASIKA

Address: P.O.Box 2635 MOROGORO

Designation: PROJECT MANAGER

**THE PURCHASER**

SEALED with the Common Seal of the said
**PREMIUM ACTIVE TANZANIA LTD**
And DELIVERED in our presence
this 05TH day of MARCH 2023

Signature: _____

Full Name: RUDOLPH PRINSLOO

Address: P.O.BOX 1900 MOROGORO

Designation: FINANCE DIRECTOR.

Signature: _____

Full Name: ANNA MBENA

Address: P.O.BOX 1900 MOROGORO

Designation: FINANCE MANAGER

**ANNEXURE 1 – LAND**

**ANNEXURE 2 – PLOTS**



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