

## THE REGISTRATION OF DOCUMENTS ORDINANCE

### LEASE

This LEASE made this 1<sup>st</sup> of August, 2008

Between

Michael Bernard Gordon Mussa of P.O. Box 1768, Dar es Salaam (**hereinafter referred to as "the Lessor"**) which expression and when the context so admits shall include his legal representatives, agents, assigns and successors) of the one part

And

**Oysterbay Renovations** a limited liability company incorporated under the laws of Tanzania with Incorporation No. 55740 whose registered office is situate at Plot 259 Winding Avenue, Dar es Salaam (**hereinafter referred to as the "Lessee"**) of the other part.

#### WHEREAS:

1. The Lessor is in possession of and sufficiently entitled to all the piece or parcels of land with Plot Numbers 84A and 84C, Msasani Beach, Dar es Salaam ("the Premises") and is desirous of leasing the same to the Lessee
2. The Lessee is desirous of establishing a membership based club with recreational facilities and building houses and/or apartments for the purpose of sub-letting ("The Proposed Business Project").
3. The Lessor has agreed to grant the Lessee a Lease in respect of the Premises for a period of seventeen years commencing the 1<sup>st</sup> day of January 2009 without any interference, subject to the terms and conditions laid down in this agreement.
4. The lessee agrees to rent the said Premises for the said period and upon the set conditions and in the manner herein stipulated.

#### **NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:**

1. In pursuance of this Lease and in consideration of the rent hereby granted and the lessee's covenants herein mentioned, the Lessor hereby demises unto the Lessee the Premises to hold the same without any interference whatsoever for a period of seventeen (17) years commencing from the 1<sup>st</sup> day of January 2009 at a monthly rent of United States Dollars three thousand seven hundred and fifty dollars (USD 3,750) per month payable twelve (12) months in advance for the first year and six (6) months in advance thereafter.
2. In consideration of the building works to be undertaken by the Lessee, the Lessor will grant the Lessee a grace period of six (6) months from January 1<sup>st</sup> 2009 to June 30<sup>th</sup> 2009 during which time no rent will be payable nor accrue to the Lessor by the Lessee.

**3. THE LESSEE HEREBY COVENANTS WITH THE LESSOR AS FOLLOWS:**

- a. To pay the reserved rent on the day and in the manner aforesaid, and if such rent shall remain unpaid for any period of time exceeding thirty (30) days from the date on which the rent is due for payment by the lessee to the lessor, without reasonable cause of the which the lessor has notice, or information of, it shall be lawful for the lessor to impose a penalty of 11.0% per annum on the outstanding rent, or any part thereof.
- b. To use the Premises for residential/commercial purposes only and not to use, permit or suffer the Premises or any part thereof to be used for any offensive or illegal or immoral purpose.
- c. To pay and discharge water, electricity, sewerage, telephone, security services charges payable in respect of the Premises.
- d. To construct on the Premises residential houses and/or apartments and recreational facilities and associated works as per architectural drawings prepared by the Lessee and approved by the Lessor.
- e. To construct on the Premises for the Lessor and his family one three bedroom house as per architectural drawings prepared by the Lessee and approved by the Lessor.
- f. In the event that the Lessor decides to not occupy the house referred to in clause 3(e), and instead to lease the house to someone else, the Lessee will take the responsibility to lease the house on behalf of the Lessor and pay to the Lessor the rent received minus any maintenance, real estate commission or other relevant costs.
- g. Not to do anything that would invalidate the insurance policy or cause an increase of risk and premium and pay for such damages unless the Lessor is eligible for insurance compensation.
- h. Unless the lease is renewed within the last three months prior to the expiration of the contractual period, to peacefully yield up to the Lessor the Premises in tenantable condition.
- i. If by end of the lease any utility bills, i.e. bills for electricity, water, and other consumable, charges for damages on the Premises, and other outstanding charges remain unpaid, the Lessee shall pay such bills/charges upon presentation.
- j. To reimburse to the Lessor half of the cost of property tax for the Premises.

**4. THE LESSOR HEREBY COVENANTS WITH THE LESSEE AS FOLLOWS:**

- a. The Lessee, having occupied the said Premises and observing and performing the several covenants, shall peacefully hold and enjoy the Premises without interruption by the Lessor or his agents.
- b. To pay land rent and all other statutory payments related to the Premises.
- c. To allow the Lessee to sub-let the residential houses/apartments and to operate the club provided that the sub-leases shall not violate the covenants/conditions in the superior

lease agreement. For the avoidance of doubts, the lessee does not need to seek the approval of the Lessor for any sub-lease agreements during the lease term.

- d. To assist the Lessee to obtain from the relevant authorities in a timely manner any electricity, water or telephone connections as required by the Lessee. The connection fees for these utilities will be paid for by the Lessee.
- e. To obtain from the relevant authorities any change of land use and building or other permits required to undertake the Proposed Business Project. Should such approvals not be obtained prior to the commencement date of the Lease, the commencement date of the Lease will automatically move forward to the date when the Lessee is provided with a copy of the approvals.
- f. To register the Lease with the Lands Registry Office in the Ministry of Lands and Human Settlements Development and to provide a copy of the registration to the Lessee.

#### **5. PROVIDED ALWAYS AND IT IS HEREBY AGREED THAT:**

If the lessee shall at the expiration of the term hereby granted be desirous of obtaining a further lease of the Premises, and shall signify such before the expiration of the term hereby granted, and if the lessee shall at all times during the term hereby granted have duly performed and observed all the covenants, conditions, restrictions and stipulations herein contained, or implied then the Lessor shall at or before the expiration of the term hereby granted grant to the lessee a lease of the Premises for a further term and rent to be mutually agreed upon by both parties.

#### **6. TERMINATION OF THE LEASE**

- a. This lease shall terminate automatically upon expiration of the term if not renewed as herein above contained.
- b. This Lease shall terminate automatically should any of the approvals and permits required for undertaking the proposed building works not be approved by the relevant government authorities.
- c. In the event that the Lessor shall seek to terminate this agreement prior to expiration of the term, the Lessor shall give the lessee thirty-six (36) months written notice and shall refund to the Lessee the full cost incurred by the Lessee for the building and other developments undertaken at the Premises. The Lessee shall be entitled to remain in occupancy of the Premises until such time as the payment has been fully effected.
- d. In the event the Lessee shall seek to terminate this agreement prior to expiration of the term, the Lessee shall give the Lessor three (3) month's written notice, and shall not be entitled to any refund of the rent paid for the remaining period.


**7. DISPUTE RESOLUTION**

Any dispute arising in the performance or interpretation of any of the clauses in this agreement shall be referred to arbitration in accordance with the Arbitration Law in force in Tanzania at the time when the dispute arises.


**IN WITNESS WHEREOF** the parties have put their hands the day and year first herein written.

**SIGNED and DELIVERED by Mr MICHAEL GORDON**

who is known to me personally/identified  
to me by \_\_\_\_\_  
the latter being known to me personally, in my  
presence, this 1<sup>st</sup> day of AUGUST 2008.



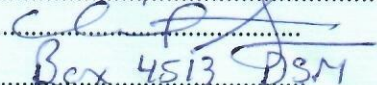
Witness:

Name: Innam H. DAFFA  
Signature:   
Postal Address: \_\_\_\_\_  
Qualification: Advocate

**INNAM H. DAFFA**  
**ADVOCATE NOTARY PUBLIC &**  
**COMMISSIONER FOR OATHS**  
O. Box 76722 D'SALAAM

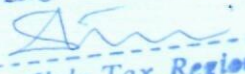
**SEALED with the Common Seal**  
**of the said OYSTERBAY RENOVATIONS**  
**and delivered in the presence of us this**  
1<sup>st</sup> day of August 2008



Full Name: Christopher Staversen  
Signature:   
Postal Address: Box 4513 DSM  
Qualification: Director

Full Name: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Postal Address: \_\_\_\_\_  
Qualification: \_\_\_\_\_



**STAMP DUTY**  
Shs 535,000/- Collected  
Receipt No 589106 Date 15/08/08  
  
Regional Manager-Ilala Tax Region

## NOVATION AGREEMENT

THIS NOVATION AGREEMENT is made this 10th day of December, 2009

BETWEEN

**Michael Bernard Gordon Mussa** of P.O. Box 1768, Dar es Salaam (hereinafter referred to as "**the Lessor**") which expression and when the context so admits shall include his legal representatives, agents, assigns and successors of the one part;

AND

**Oysterbay Renovations Limited** of P.O. Box 4513 Dar es Salaam (hereinafter referred to as "**the Lessee**") which expression and when the context so admits shall include its legal representatives, agents, assigns and successors) of the second part;

AND

**Azura Beach Club Limited** of P.O. Box 4513 a limited liability company incorporated under the laws of Tanzania with Incorporation No. 73782 whose registered office is situate at Plots 84 A and 84C Msasani Beach, Dar es Salaam of the third part.

### WHEREAS

- (a) The Lessor and the Lessee duly entered into a Lease dated 1st August 2008 (hereinafter referred to as "**the Lease**") and Addendum to the lease dated 28 August 2009 (hereinafter referred to as "**the Addendum**") in relation to the premises known plots 84 A and 84C Msasani Beach (title number 17163), copies of which are annexed hereto as Schedules A and B;
- (b) The Lessee is desirous of transferring all of his rights, interests, claims and obligations under the Lease and Addendum to Azura Beach Club Limited and Azura Beach Club Limited has agreed to accept such transfer;
- (c) The Lessor has agreed to the arrangement described at recital (b) above.

### NOW IT IS AGREED AS FOLLOWS:

1. The Lessor hereby releases and discharges the Lessee from all of his rights, interests, claims and obligations under the Lease and Addendum.
2. The Lessee hereby irrevocably waives all of his rights, interests, claims and obligations under the Lease and Addendum.

- 3. Azura Beach Club Limited hereby undertakes to perform the obligations of the Lessee under the Lease and Addendum and to be bound by the terms of the Lease and Addendum in every way as if Azura Beach Club Limited were and had been party to the Lease and Addendum as the Lessee.
- 4. For the avoidance of doubt, it is hereby stated that the Lessor shall retain all of his rights and obligations under the Lease and Addendum as per the terms of the Lease and the Addendum.
- 5. For the avoidance of doubt, it is further stated that all of the terms (including but not limited to covenants, rights, obligations and undertakings) of the Lease and Addendum including but not limited to the terms relating to the duration and commencement of the Lease shall remain in effect except that from hereinafter the date of this Novation Agreement the parties shall be the Lessor and Azura Beach Club Limited.

IN WITNESS WHEREOF the parties have put their hands the day and year first herein written.

SIGNED and DELIVERED by **MICHAEL BERNARD GORDON MUSSA** who is known to me personally/identified to me by \_\_\_\_\_ the latter being known to me personally, in my presence, this 10 day of December 2009.



Witness:

Name: .....

Signature: .....

Postal Address: .....

Qualification: .....

**BROOKE LEE MONTGOMERY**  
 Advocate, Notary Public &  
 Commissioner for Oaths  
 P. O. Box 80496  
 DAR ES SALAAM

**SEALED with the Common Seal  
of the said OYSTER BAY RENOVATIONS  
and delivered in the presence of us this**

10<sup>th</sup> day of Dec 2009



Full Name: ..... Christopher Stevenson  
Signature: ..... [Handwritten Signature]  
Postal Address: ..... P.O. Box 4513, DSM  
Qualification: ..... Director

Full Name: .....  
Signature: .....  
Postal Address: .....  
Qualification: .....

**SEALED with the Common Seal  
of the said AZURA BEACH CLUB LIMITED  
and delivered in the presence of us this**

10 day of Dec 2009



Full Name: ..... Hossein Sebel  
Signature: ..... [Handwritten Signature]  
Postal Address: ..... P.O. Box 4513  
Qualification: ..... Engineer

Full Name: ..... Christopher Stevenson  
Signature: ..... [Handwritten Signature]  
Postal Address: ..... P.O. Box 4513, DSM  
Qualification: ..... Director

FILED DOCUMENT 125520  
REC'D TANGANYIKA GISTRY 22.12.09  
AT 9:30 A  
Sector Assk. Registrar of Titles  
TANGANYIKA  
J. M. Mwanuzi

TANGANYIKA STAMP DUTY ACT.  
Stamp Duty Shs. 351200/- Paid  
Receipt No. 39955126  
of 12.12.09  
Stamp Duty Officer  
J. M. Mwanuzi

TANGANYIKA STAMP DUTY ACT.  
Stamp Duty Shs. 100/- Paid  
on original Receipt No. 39955126  
of 12.12.09  
Stamp Duty Officer  
J. M. Mwanuzi