

**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF WORKS AND TRANSPORT
TANZANIA AIRPORTS AUTHORITY**



LEASE AGREEMENT IN RESPECT OF HANGAR PREMISES

BETWEEN

TANZANIA AIRPORTS AUTHORITY (TAA)

AND

LEO MINOR TANZANIA LIMITED

FOR THE YEAR 2023 TO 2026

AGREEMENT NO.AE-027/2021-2022/MORO/NC/32/01

Drawn by:

*Tanzania Airports Authority, Head Office,
Terminal I, Julius Nyerere International Airport,
P. O. Box 18000
DAR ES SALAAM, TANZANIA*

CONTENTS

1. Scope of the Agreement	2
2. Lease Period.....	2
3. Grant of Lettable Space and Measurement	2
4. Rent and Airport Charges	4
5. Payment to the Lessor	4
ANNEX I: TERMS AND CONDITIONS FOR THE LEASE	7
1. Definitions and Interpretations.....	7
2. Lessee's Covenants	9
3. The Lessor's Covenants	13
4. Representation and Warranties	14
5. Interruptions to Airport Services	17
6. Indemnification, Liability, and Risks.....	18
6.2 Liability	19
6.3 Risks	19
7. Confidentiality.....	19
8. Staffing and Staff Conduct.....	19
9. Surrender of Office Spaces and Holding Over	20
10. Disputes with Occupiers of Building.....	22
11. Dispute Resolution	22
12. Contracts Documents.....	22
13. Submission of Accounts	23
14. Grounds for Review.....	23
15. Other General Clauses	23

16. Easements and Other Rights of the Lessee	25
17. The Lessor's Right to Alter the Property.....	26
18. Taking Inventories	27
19. Governing Law.....	27
20. Notices	27
21. Renewal/Termination of the Lease Agreement.....	28
ANNEX II: SUMMARY SHEET	31
ANNEX III: BANK DETAILS FOR EFFECTING PAYMENT.....	32
ANNEX IV: DESCRIPTION OF THE LETTABLE SPACE	33



LEASE AGREEMENT

THIS LEASE Agreement is made this ^{14th}..... day of DECEMBER 2022

BETWEEN

TANZANIA AIRPORTS AUTHORITY, a Government Executive Agency established Vide the Executive Agencies (Tanzania Airports Authority) (Establishment) order No. 404 of 1999 made under section 3 of the Executive Agencies Act, 1997 and having its office at Julius Nyerere International Airport, Terminal 1, of P.O. Box 18000, Dar es Salaam, Tanzania (hereinafter is referred to as the "**LESSOR**", which expression shall, where the context so admits, include its permitted successors in title and permitted assigns), of the one part;

AND

LEO MINOR TANZANIA LIMITED a Private Limited liability company incorporated under the Companies Act, 2002 and having its registered office in Dar es Salaam, of P.O. Box 32945, Dar es Salaam, Tanzania (hereinafter referred to as the "**LESSEE**" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns), of the other part.

WHEREAS:

1. The Lessor is empowered under the Aerodrome (Licensing and Control) Act, Cap. 92 [R. E. 2002] and the Government Notice No. 404 of 1999 to:
 - a) Manage and operate Government-owned airports in Mainland Tanzania including Morogoro Airport (herein "the Airport");
 - b) Provide facilities for passengers and other persons making use of the services or the facilities at the Airports; and
 - c) Enter into Agreements with any person or agency for inter alia the performance or provision by that person or agency for any of the services including aviation or such other facilities that may be performed by the Authority at the Airports.
2. The Lessor is the registered proprietor of the property at Morogoro Airport; the said property together with all buildings is hereinafter referred to as "**the Property**".
3. The Lessee is desirous of leasing a hangar measuring a total of **551m²** and **50m²** of land (herein "**the lettable space**") for the purpose of conducting its business- **Aircraft Assembling and Hangarage** activities and parking area.



4. The Lessor agrees to lease the lettable space for the term, at the rent and upon the covenants, conditions and provisions herein provided and as provided under **Annex II** of this Lease Agreement ("**the Lease**").
5. The Lessee represented and assured the Lessor that, he has the required professional skills, personnel, technical and financial resources.

NOW IN CONSIDERATION of Terms and Conditions provided under **Annex I** of this Agreement, **THIS LEASE WITNESSETH** as follows: -

1. SCOPE OF THE AGREEMENT

- 1.1 This Agreement grants the Lessee rights and privileges to conduct Aircraft Assembling, Aircraft Serving, Pilot Training Centre, Mechanic Training and Hangarage related business activities on the leased hangar and piece of land at the Airport. In consideration of these benefits, the Lessee agrees to abide by all the terms and conditions herein including the obligation to pay to the Lessor rent for the lettable spaces as established in this Agreement.
- 1.2 The Lessee shall have the rights to use the lettable space and certain other common areas and facilities at the Airport to conduct its business.
- 1.3 The Lessee undertakes to confine its business operations within the purview of this Agreement only and that any action on its part or on the part of any of its employees, or agents which in the opinion of the Lessor, attempts to circumvent the above limitations, shall constitute cause for Lessor to terminate this Agreement.

2. LEASE PERIOD

- 2.1 Subject to and in accordance with the terms and conditions set forth in this Agreement, the Lessee shall have the rights, and privileges set forth in this Agreement for a period of **Thirty-Six (36) MONTHS** effective from **01st January 2023** and ending on **31st December 2026**.
- 2.2 The Lease period granted above may be renewed on similar terms and conditions as may be agreed upon by the parties to this Agreement.

3. GRANT OF LETTABLE SPACE AND MEASUREMENT

- 3.1 The Lessee shall have the right to occupy a total of **601 square meters** (i.e., 551M² of hangar and 50M² piece of land) at the Morogoro Airport.



- 3.2 The Lessee shall use all of the lettable space only for the purposes intended and shall likewise confine its activities to only its services and activities of the Lessee and its associated entities. The Lessee shall not vacate any part of the lettable space, in whole or in part, temporarily or permanently, during the period of this lease, without the specific written approval of the Lessor.
- 3.3 The lettable space is placed at the disposal of the Lessee as designated and in its condition as on the date of allocation and the Lessee is always deemed to have seen and visited the spaces, to have perfect knowledge of the spaces, their advantages and disadvantages.
- 3.4 The Lessee shall continue with occupancy of the lettable space on signing this Agreement, or on such a later date as the Parties may agree to in writing.
- 3.5 During the contract tenure, the lessee shall improve the Airport infrastructures and facilities as stipulated in Annex V of this lease agreement.
- 3.6 After taking possession, the Lessee shall not claim any reduction in rental charges or any compensation whatsoever, on the pretext of the existence of error in the area, omissions, incorrect designation, hidden defects, defective conditions of the ground and basement levels, incompatibility with the intended use, any expected or unexpected, ordinary or extraordinary case.
- 3.7 The Lessor grants the Lessee, the right of ingress to and egress from the said leased area by the Lessee's employees, contractors, suppliers, servicemen, licensees, guests, patrons, and invitees; PROVIDED that such right shall at all times be exercised in compliance with any and all regulations promulgated by lawful authority for the care, operation, maintenance, and protection of the Airport and applicable to all users of the Lessor; and PROVIDED FURTHER that such right shall not be construed to prohibit the Lessor from establishing and assessing a fee or charge for the privilege of entry upon the Lessor, when such fee or charge is levied upon all users of the Lessor, nor to prohibit the Lessor from assessing a fee or charge on the contractor or its employees for parking their personal vehicles in the employee parking areas and on persons conducting a business on the Lessor.
- 3.8 The Lessee shall have the right to carry out modifications, finishes and improvements in the lettable space subject to the provisions of this Agreement.
- 3.9 So long as the Lessee pays the rent and observes and performs the covenants and conditions contained or implied in this lease on his



part to be observed and performed, the Lessee shall peaceably enjoy the spaces leased during the term of the lease without any lawful interruption from the Lessor.

4. RENT, CONCESSION AND AIRPORT CHARGES

- 4.1 The rent payable shall be as per details provided on **Annex IV** for the leased space, concession fees and other charges shall not include service charges and expenses which the Lessor may from time to time incur in connection with or in procuring the remedying of any breach by the Lessee of any of the covenants on the part of the Lessee contained in this Lease. The monthly service charge in respect of the use of the common areas of the lettable space shall include but not limited to general cleanness of the Property, access passes, security, bills for water, electricity and discharge of waste water.
- 4.2 The Lessee shall pay the Landing and parking fees for technical and aircraft testing at the Airport as guided in the Airport Information Publication (AIP).

5. PAYMENT TO THE LESSOR

5.1 The Lessee shall pay the following charges to the Lessor;

5.1.1 The sum of **US\$21,137**(or equivalent in Tanzania Shillings) being annual lease rent.

Calculated as follows:-

- i. Total floor area occupied is **551m²**ofhangar facility and **50m²**ofthe piece of land.
- ii. Charging rate per square meter per annum = **US\$ 37**for hangar and **US\$ 15** for piece of land.
- iii. Annual lease rent: $(551m^2 \times USD 37) + (50m^2 \times USD 15) =$
US\$21,137

5.1.2 It is hereby agreed that the Lessor waives the concession fee/charges. Hence concession fee/charges shall neither be applicable in this agreement nor off set or claimed upon lapse or termination of this agreement.



- 5.1.3 These fee rates may be subject to review after expiration of the contract.
- 5.1.4 Rent shall be reviewed on the first week of the thirty sixth month. In reviewing such charges, the Lessor shall consider the prevailing economic situation in Tanzania at that time.
- 5.1.5 **Rent** payable by the Lessee to the Lessor in terms of this Agreement shall be **paid in semi annually in advance** with or without demand, free of exchange and without any deductions or set off whatsoever.
- 5.1.6 Payment for utilities (water, electricity, telephone, etc.) shall be payable monthly as per meter reading or at a rate, which will be agreed upon with the **Airport Manager** from time to time.
- 5.1.7 Cheque drawn for the payment of rent shall be crossed and payable to "**The Director General, Tanzania Airports Authority**" and delivered in person or by registered mail to the **Airport Supervisor, Morogoro Airport, P.O. Box 220, Morogoro, Tanzania** For bank details see **Annex III** herewith.
- 5.1.8 Payment for utilities shall be made payable to the **Airport Manager**. For bank details see **Annex III** herewith.
- 5.1.9 The rental and concession charges are exclusive of taxes (VAT and Withholding Tax). The Lessee shall be liable in paying all taxes relating to this Agreement.
- 5.1.10 If any of the above payments are not paid in full on the date prescribed, the Lessor shall direct the Lessee to pay the due amount together with twenty percent (20%) interest on the unpaid amounts at the prevailing Bank of Tanzania rate plus four percent (4%) administrative costs per month from the date the amount was due until payment in full.
- 5.1.11 In the event payment is made by cheque and the drawn cheque is dishonoured by the bank, the Lessee shall pay to the Lessor two percent (2%) of the value of the cheque that has been dishonoured. This penalty and the principal amount must be paid within seven days from the date the Lessee is informed of the dishonoured cheque. If the Lessee fails to comply the Lessor shall have reason to terminate this Agreement.

[SIGNATURE PAGE FOLLOWS]



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

THE LESSOR

SIGNED and **DELIVERED** by duly authorized officers of **TANZANIA AIRPORTS AUTHORITY**

Signature: 

Officer's Name: MUSA MBURU

Address: 15000, DAR ES SALAM

Designation: DIRECTOR GENERAL

Date: 14th December 2022

WITNESS

Signature: 

Officer's Name: P. D. JUGURTHA

Address: 18000 DAR

Designation: LEGAL SECRETARY

THE LESSEE

SIGNED and **DELIVERED** by duly authorized officers of **LEO MINOR TANZANIA LIMITED**

Signature: 

Officer's Name: DAVID Geaf

Address: DAR ES SALAM

Designation: DAVID Geaf

Date: 14th DECEMBER 2022

WITNESS

Signature: 

Officer's Name: ERIC FRANK RINGO

Address: DAR ES SALAM

Designation: COMPANY SECRETARY

ANNEX I

ANNEX I: TERMS AND CONDITIONS FOR THE LEASE

1. DEFINITIONS AND INTERPRETATIONS

1.1. Definitions

In this Agreement, the following definitions and interpretations shall, in addition to those given elsewhere, apply:

Agreement means this Provisional Agreement (and the schedules and the appendix to it), as modified from time to time.

Airport means the Morogoro Airport.

Applicable Laws means all laws, promulgated or brought into force and effect by Government of Tanzania including regulations and rules made there under, and judgments, decrees, injunctions, writs and orders of any court, as may be in force and effect during the subsistence of this Agreement.

Applicable Permits means all clearances, permits, authorizations, consents, and approvals required to be obtained or maintained under Applicable Laws in connection with this Agreement.

GoT means the Government of Tanzania.

Good Industry Practice means those practices, methods, techniques, standards, skills, diligence, and prudence which are generally and reasonably expected of and accepted internationally from a reasonably skilled and experienced operator engaged in the same type of undertaking as envisaged under this Agreement and which would be expected to result in the performance of its obligations in accordance with this Agreement.

Lettable space means the floor area of the existing hangar and earmarked piece of land located at the airport leased to the Lessee by the Lessor.

TAA means Tanzania Airports Authority.

TCAA means Tanzania Civil Aviation Authority.



TAA Representative	means such person or persons as may be authorized in writing by TAA to act on its behalf under this Agreement and shall include any person or persons having authority to exercise any rights or perform and fulfill any obligations of TAA under this Agreement.
Parties	means the parties to this Agreement collectively and "Party" shall mean any of the Parties to this Agreement individually.
US\$	means the lawful currency of the United States of America.

1.2 Interpretations

In this Agreement words importing: -

- 1.2.1 Persons shall include firms, associations, partnerships, trusts, corporations, and other legal entities, including public bodies, as well as natural persons;
- 1.2.2 The male gender shall include the female gender and vice versa;
- 1.2.3 The singular shall include the plural and vice versa, unless the context clearly indicates otherwise;
- 1.2.4 In this Agreement, headings of clauses are for the purpose of convenience and reference only and shall not be used in the interpretation of or the modification or amplification of the terms and conditions of this lease or any of its clauses;
- 1.2.5 The clauses and sub-clauses in this Agreement are divisible and if any clause or sub-clause is found to be void or for any reason unenforceable, then such clause or sub-clause shall be severed from this Agreement, but such severance shall not affect the remaining provisions of this Agreement, which shall remain in full force and effect and binding upon the parties hereto;
- 1.2.6 Any reference to a statutory provision shall include such provision as is from time to time modified or re-enacted or consolidated so far as such modification or re-enactment or consolidation applies or is capable of applying to any transactions entered into hereunder; and
- 1.2.7 References to Tanzanian law shall include the laws, acts, ordinances, rules, regulations, or bye laws which have the force of law in the United Republic of Tanzania; the Schedules to this Agreement form an integral part of this Agreement and will be in



full force and effect as though they were expressly set out in the body of this Agreement.

2 LESSEE'S COVENANTS

The Lessee hereby covenants with the Lessor on the following:

- 2.1 To pay the rent and other applicable charges on the days and in the manner set out in this Lease and not to exercise or seek to exercise any right to withhold rent whether by way of legal or equitable set-off.
- 2.2 To pay and to indemnify the Lessor against all rates, taxes, assessments, duties, charges, impositions and any other costs of a similar nature which are now, or shall, during the term, be charged, assessed or imposed upon the lettable space or upon the owner or occupier of them, PROVIDED that this covenant shall not oblige the Lessee to pay any taxes which are by statute payable by the Lessor.
- 2.3 To comply with reasonable safety and security directions as notified from time to time and necessary for the day to day operations of the Airport.
- 2.4 To adhere to any legally binding directions, rules and regulations on safety and security as issued by TCAA, TAA, the Lessor or any other law enforcement authority.
- 2.5 To pay to the suppliers thereof and to indemnify the Lessor against all charges for water, telephone, electricity, diesel and oil for standby generator, sewerage, gas and other services consumed or used at or in relation to the leased spaces.
- 2.6 At all times during the time to repair and keep the interior of the leased spaces in good and substantial repair and condition (fair wear and tear exempted).
- 2.7 To replace the Lessor's fixtures and fittings, if any, in the leased spaces which may be or become beyond repair at any time during or at the expiration of the Term as a result of any act, omission or negligence on the part of the Lessee, fair wear and tear excepted.
- 2.8 To maintain the Building Common Parts in clean sanitary condition and to bear, pay and discharge all sewerage and cesspit emptying charges attributed to the Lettable space.
- 2.9 The Lessee is entitled to ownership of all movable items which included inter-alia, equipment, vehicles and those items which bear

the company's trademark of their company. All permanent and immovable Fixed Assets such as a building and any other immovable asset shall in good condition be transferred to TAA at no cost at the end of the Lease Agreement period.

- 2.10 To remove any additions, alterations and or improvements made to the leased spaces at the expiration of the Term if so, required by the Lessor within 30 days to the reasonable satisfaction of the Lessor or its surveyor and to repair any parts of the leased area which may be damaged by such removal.
- 2.11 To be responsible for and to keep the Lessor fully indemnified against all damages, losses, costs, expenses, actions, proceedings, claims and liabilities made against or suffered or incurred by the Lessor arising directly or indirectly any act, omission or negligence of the Lessee or any persons at the Lettable space; or any breach or non-observance by the Lessee of the covenants, conditions or other provisions of this Lease or any of the matters to which this Lettable space is subject.
- 2.12 To permit the Lessor upon service of reasonable notice at any time during the last three (3) months of the Term and at any time thereafter (or sooner should any of the events of this Lease occur) to permit persons with the written authority of the Lessor or its agent at reasonable times of the day to be agreed upon in advance with the Lessee to view the Lettable space.
- 2.13 To yield up the leased spaces in good and substantial repair in accordance with the terms of this Lease. Provided that the Lessee shall pay a sum equivalent to any loss of rent incurred by the Lessor (which shall be calculated at the level paid by the Lessee under this Lease) during such period as is reasonably required for the carrying out of works at the expiration of the Term by reason of any breach of repairing and decorating covenants.
- 2.14 To surrender the leased spaces to the Lessor at the end of the Lease Agreement.
- 2.15 To remove all signs erected by the Lessee in, upon or near the leased area and immediately to make good any damage caused by such removal.
- 2.16 To get the approval of the Lessor for the design of the buildings to be constructed on the part of the Property which approval shall not be unreasonably withheld.

- 2.17 To permit the Lessor and its agents and all persons authorized by them, in the company of a Lessee's representative and subject to the Lessee's security procedures.
- 2.18 To enter upon the leased land at reasonable times and upon reasonable prior notice except in the case of an emergency for the purpose of ascertaining that the covenants, schedules, and conditions of this Lease Agreement have been observed and performed.
- 2.19 To provide access to the Lessor and his authorized agents at reasonable times and upon reasonable prior notice, for the purposes of undertaking any work to the leased area of the Lessee, which may be required to be undertaken by the Lessor.
- 2.20 Not to commit any waste in the leased spaces.
- 2.21 Not to make any structural and non-structural alterations or additions to the leased spaces without obtaining and complying with all necessary consents of any competent authority and paying all charges of any such authority in respect of such consents, making an application to the Lessor supported by drawings and where appropriate a specification in duplicate, prepared by an architect or member of some other appropriate profession or professional organization (who shall supervise the work throughout to completion, paying the reasonable fees of the Lessor and the Lessor's professional advisers in connection with the approval of such alterations and entering into such covenants as the Lessor may reasonably require as to the execution and reinstatement of the alterations. Obtaining the consent of the Lessor, such consent not to be unreasonably withheld or delayed PROVIDED that this shall not apply to the erection by the Lessee of internal demountable partitioning of a design and of materials and layout which are approved in writing by the Lessor subject to the Lessee removing the same at the determination of the Term and making good all damage caused by its installation and subsequent removal.
- 2.22 Not to cease carrying on business in the Lettable space without notifying the Lessor and providing such caretaking or security arrangements as the Lessor shall reasonably require and the insurers shall require in order to protect the leased area from vandalism, theft, damage or unlawful occupation.
- 2.23 Not to transfer, sell, assign, or part with the Lessee's business howsoever along with the lettable spaces. In such incidents, the lettable space shall be surrendered to the Lessor for reallocation.



- 2.24 Not to discharge into the pipes serving the lettable space and the building common parts any oil or any objectionable dangerous, poisonous, or explosive matter or substance and to take all reasonable measures to ensure that any effluent so discharged into the pipes will not be corrosive or otherwise harmful to the pipes or cause obstruction or deposit in them.
- 2.25 Not to bring or permit to remain on the leased spaces articles, equipment tools which may damage the leased area or any part thereof.
- 2.26 Not to install or use in or upon the leased spaces any machinery or apparatus which will cause noise or vibration which can be heard or felt in nearby spaces or outside the leased area or which may cause structural damage.
- 2.27 Not to do anything which interferes with the heating, cooling, or ventilation of the building or which imposes an additional load on any heating cooling or ventilation plant and equipment in the leased spaces or the building.
- 2.28 Not to operate the ventilation equipment in the leased area otherwise than in accordance with the regulations for such purpose made by the Lessor from time to time.
- 2.29 Not to erect any pole, mast, dish, or wire (whether in connection with telegraphic, telephonic, radio or television communication or otherwise) on the leased area without the prior written consent of the Lessor and such consent shall not be unreasonably withheld or delayed.
- 2.30 Not without prior written consent of the Lessor to fix or install any signage on the exterior of the building and such consent shall not be unreasonably withheld or delayed. Provided that the Lessee shall have the right to display its company logo and normal advertising material within the leased office spaces. The Lessor acknowledges that signs displayed by the Lessee must conform to the corporate identity of the Lessee and that the Lessee shall retain control of the manufacturing of its signs and advertisements.
- 2.31 Not to make connection with the pipes that serve the leased spaces without the Lessor's prior written consent which shall not be unreasonably withheld other than in accordance with plans and specifications approved by the Lessor and subject to consent to make such connection having been previously obtained from the competent statutory authority.



- 2.32 Not to do in or allow to be near the leased spaces any act or thing by reason of which the Lessor may under any statute incur, have imposed upon it or become liable to pay any penalty, damages, compensation, costs, charges or expenses.
- 2.33 Not to do nor allow to remain upon the leased area anything which may be or become or cause a nuisance, annoyance, disturbance, injury or damage to the Lessor or its other Lessees or to the Lessor.
- 2.34 Not to use the leased area for a sale by auction or for any dangerous, noxious, noisy, or offensive trade business manufacture or occupation not for any illegal or immoral act or purpose.
- 2.35 Not to use the lettable spaces other than for purposes of carrying out the Lessee's licensed and authorized business, as at the date of commencement of the Lease.
- 2.36 Not to mortgage or create any charge on the leased area for the duration of the lease period, unless agreed in writing with the Lessor.
- 2.37 Not to hold on trust for another or (save pursuant to a transaction permitted by and effected in accordance with the provisions of this Lease) part with the possession of whole or any part of the leased spaces or permit another person to occupy the whole or any part of the leased spaces.
- 2.38 Not to assign, underlet or charge any part of or the whole of the leased spaces.
- 2.39 Without prejudice to the generality of the above to comply in all respects with the provisions of any statutes and any other obligations imposed by law or by any by-laws applicable to the leased spaces or in regard to carrying on in the trade or business for the time being carried in the Airport.

3 THE LESSOR'S COVENANTS

- 3.1 Subject to the Lessee paying the Lessor the rent, and all other charges payable under this Lease and complying with the covenants and other terms of this Lease the Lessor covenants with the Lessee to use all reasonable endeavours.
- 3.2 To enable the Lessee access to the leased spaces free from encumbrances in accordance with this Agreement.



- 3.3 Upon written request from the Lessee, the Lessor shall provide outlets as they presently exist, or assist the Lessee in obtaining access to all necessary infrastructure facilities and utilities, including water, electricity, and telecommunication which the Lessor may approve in writing to be installed at the cost and expense of the Lessee, for use in the leased spaces.
- 3.4 To make or vary rules and regulations that govern the relationship between tenants and in general the use of common areas and the terminal building from time to time.
- 3.5 To keep and maintain the common areas in clean, tidy, and sanitary condition.
- 3.6 To permit the Lessee peacefully and quietly to hold and enjoy leased spaces without any interruption or disturbance from or by the Lessor or any person claiming under or in trust for the Lessor.
- 3.7 To apply from the relevant authorities, within a reasonable time for approvals, permits and consent for the purpose of registering the Lease. The registration fee and stamp shall be payable by the Lessee.
- 3.8 To submit to the relevant authorities, whenever required the Certificate of Title of the Right of Occupancy in respect of the Property to facilitate registration of the Lease.
- 3.9 At the Lessor's own expense to execute all works and provide and maintain all arrangements upon or in respect of the Leased spaces or the use to which the leased spaces are being put that are required in order to comply with the requirements of any statute (already or in the future to be passed) or directive of any government department, local authority or other public or competent authority or court of competent jurisdiction regardless of whether such requirement are imposed on the Lessor, the Lessee or any other occupier and provided that the Lessor shall not be responsible for matters which are the express liability of the Lessee or any other tenant in the building under these presents.
- 3.10 Not to terminate this Lease as long as the Lessee complies with the terms and conditions provided under this Lease.

4 REPRESENTATION AND WARRANTIES

4.1 Representation and warranties of the Lessee

The Lessee represents and warrants to the Lessor that:



- 4.1.1 It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation.
- 4.1.2 It has full power and authority to execute, deliver and perform its obligations under this Agreement and carry out the transactions contemplated hereby.
- 4.1.3 It has taken all necessary corporate and other action under Applicable Laws and its constitutional documents to authorize the execution, delivery, and performance of this Agreement.
- 4.1.4 It has the financial standing and capacity to conduct business at the Airport.
- 4.1.5 This Agreement constitutes its legal, valid, and binding obligation enforceable against it in accordance with the terms hereof.
- 4.1.6 It is subject to civil and commercial laws of the United Republic of Tanzania with respect to this Agreement and it hereby expressly and irrevocably waives any immunity in any jurisdiction in respect thereof.
- 4.1.7 There are no actions, suits, proceedings, or investigations pending or, to the Lessee's knowledge, threatened against it at law or in equity before any court or before any other judicial or other authority, the outcome of which may result in the breach of or constitute a default of the Lessee under this Agreement or which individually or in aggregate may result in any Material Adverse Effect on its business, properties or assets or its condition, financial or otherwise, or in any impairment of its ability to perform its obligations and duties under this Agreement.
- 4.1.8 It has no knowledge of any violation or default with respect to any order, writ, injunction or any decree of any court or any legally binding order of any Governmental Agency which may result in any Material Adverse Effect or impairment of the Lessee's ability to perform its obligations and duties under this Agreement.
- 4.1.9 It has complied with all Applicable Laws and has not been subject to any fines, penalties, injunctive relief or any other civil or criminal liabilities which in the aggregate have or may have Material Adverse Effect on its financial condition or its ability to perform its obligations and duties under this Agreement.



4.1.10 No representation or warranty by the Lessee contained herein or in any other document furnished by it to TAA, or to any Government Agency in relation to Applicable Permits contains or will contain any untrue statement of material fact or omits or will omit to state a material fact necessary to make such representation or warranty not misleading.

4.1.11 It warrants that no sums, in cash or kind, have been paid or will be paid by or on behalf of the Lessee, to any person by way of fees, commission, or otherwise for securing the Lease or entering into this Agreement.

4.2 Representations and Warranties of the Lessor

The Lessor represents and warrants to the Lessee that:

4.2.1 The Lessor is duly organized and validly exists under the laws of the United Republic of Tanzania.

4.2.2 The Lessor has full power and authority to execute, deliver and perform its obligations under this Agreement and to carry out the transactions contemplated hereby.

4.2.3 There are no legal proceedings pending against the Lessor in respect of the Project.

4.2.4 The Lessor has taken all necessary action to authorize the execution, delivery, and performance of this Agreement.

4.2.5 This Agreement constitutes its legal, valid, and binding obligation enforceable against it in accordance with the terms hereof.

4.2.6 The Lessor has not knowingly omitted to disclose any material information in its possession or under its control relating to this Agreement.

4.2.7 The Lessor shall ensure that, while the Lessee is complying with the terms and conditions of this Agreement, is not disturbed by TAA or its Agents during the period of this Agreement.

4.2.8 Subject to the Aerodromes Control and Regulations Act 1981 or any re-enactment or amendment thereof for the time being in force or any other Regulations, circulars, directives or instructions that may be issued from time to time, by the Lessor or other competent Authority, in connection with the operation of the Airport, the Lessor shall grant to Lessee, its employees, contractors or agents, full and free access to and from the leased



spaces to Lessee for the conducting its business **PROVIDED** that such right of ingress and egress shall at all times be exercised in compliance with any and all regulations promulgated by lawful authority for the care, operation, maintenance, and protection of the Airport and applicable to all users of the Airport; and **PROVIDED FURTHER** that, such right of ingress and egress shall not be construed to prohibit the Lessor from establishing and assessing a fee or charge for the privilege of entry upon the Airport, when such fee or charge is levied upon all users of the Airport, nor to prohibit the Lessor from assessing a fee or charge on the contractor, agent or its employees for parking their personal vehicles in the parking areas of the Airport.

- 4.2.9 The right of access granted in clause 4.2.8 above shall be instantly withdrawn by Lessor in respect of any employee, servant or contractor of the Lessee on grounds of misconduct, insobriety, conduct prejudicial to security, safety or the good image of the Airport and any other just cause and the Lessee shall effect and ensure the removal from the Airport spaces and prevent the presence there at or entry thereto of any employee, servant, contractor or agent in respect of whom the right access has been withdrawn.

5 INTERRUPTIONS TO AIRPORT SERVICES

5.1 Unplanned Interruptions and shutdowns

5.1.1 The Lessor may close the Airport or part of the Airport or interrupt or shutdown a service or facility at any time if required by law or if in the sole opinion of the Lessor, it is believed it is necessary to deal with an emergency or an airport security incident. The Lessor will use every reasonable Endeavour's to: -

- (i) give the Lessee reasonable notice of a closure or interruption in those circumstances, but the Lessee recognizes that in some circumstances it may not be possible.
- (ii) minimize the way the Lessee is affected by an unplanned closure or interruption.

5.2 Planned interruptions and shutdowns

5.2.1 The Lessor may, subject to prior 90days written notice to the Lessee, close the Airport or part of the Airport or interrupt or shutdown a service or facility at any time if in the sole opinion of the Lessor, it is believed it is necessary for repair, maintenance



of facilities or because of some spaces or construction work occurring on the Lessor. In such cases the Lessor shall: -

- (i) consult and agree a project plan with the Lessee
- (ii) comply with the agreed project plan
- (iii) give reasonable prior notice to the Lessee of such a closure or interruption
- (iv) do all reasonable things to minimize the way the Lessee is affected by such closure or interruption.

5.3 Liability for planned or unplanned interruptions and shutdowns

5.3.1 The Lessor shall not be liable for any loss or damage that the Lessee may suffer, including losses or damage to delays in aircraft movement and claims against the Lessee by third parties, directly or indirectly caused by the planned or unplanned closure of the Airport or any part of the Airport or the planned or unplanned interruption or shutdown of a service or facility unless caused or contributed to by the Lessor's negligent act or omission or default or the negligent act or omission or default of the Lessor's officers, employees, agent or contractors and then to the only extent of such cause or contribution.

6 INDEMNIFICATION, LIABILITY, AND RISKS

6.1 Indemnification

6.1.1 The Lessee shall keep the Lessor, both during and after the term of this Agreement fully and effectively indemnified against direct proven losses, damages, injuries, deaths, expenses, proceedings, costs, and claims including but not limited to reasonable legal fees and expense, suffered by the Lessor or any other third party where such loss, damage, injury, or deaths is the result of wrongful action, negligence or breach of this Agreement by the Lessee or his employees, agents and/or any other person acting under instructions of or contracted by the Lessee.

6.1.2 The Lessor shall keep the Lessee both during and after the term of this Agreement fully and effectively indemnified against direct proven losses, damages, injuries, deaths, expenses, proceedings, costs, and claims including but not limited to reasonable legal fees and expenses, suffered by the Lessee or any other third party where such loss, damage, injury, or deaths is the result of wrongful action, negligence or breach of this Agreement by the Lessee or his employees, agents and/or any other person acting under instructions of or contracted by the Lessor.



6.2 Liability

6.2.1 The Lessee shall be responsible for third party liability relating to its business and must maintain in respect hereof an insurance cover to meet third-party claims for injury or death.

6.3 Risks

6.3.1 All staff and property of the Lessee brought or built at any time at the Airport, shall be entirely at the risk of the Lessee. The Lessor shall not be liable for injury or death to any person or for loss or damage to property caused on the leased office spaces or any part of the Airport through fire, floods, accident, or any other cause over which the Lessor, his agents, employees or invitees have no control.

7 CONFIDENTIALITY

7.1 The two parties with their sub-contractors, agents or employees shall not, either during the term or within two (2) years after expiration of this Agreement, disclose any proprietary or confidential information relating to the services, this Agreement, business, or operations without the prior written consent of the other party.

7.2 In this Agreement where the consent of the Lessor is required, it shall be his/her sole discretion to consent or to refuse or to give conditions for consent and will not be bound to assign any reasons.

7.3 Upon termination of this Agreement all rights and obligations of the parties towards each other shall cease except: -

- (i) Those rights and obligations as may have occurred on the date of termination or expiration
- (ii) The obligations of confidentiality set forth in this Agreement.
- (iii) Any right which party may have under the applicable laws of the United Republic of Tanzania

7.4 Upon termination of this contract by notice of either party in accordance with the Agreement, the Lessor shall immediately upon dispatch or receipt of such notice take all necessary steps to bring its business to a close in a prompt and orderly manner.

8 STAFFING AND STAFF CONDUCT

8.1 The Lessee shall provide suitable, trained, and qualified staff with customer focus for the purpose set out herein. The Lessee shall ensure that such staff are properly uniformed and shall remain clean, civil, and sober at all times while on duty at the Airport.



- 8.2 The Lessee undertakes to allow access to the leased office spaces only to employees, servicemen, suppliers, agents, contractors, licensees, or visitors strictly necessary for the operations of the Lessee's business as provided in this Agreement. The Lessee undertakes to ensure that its employees, servicemen, suppliers, agents, contractors, licensees, or visitors to the leased office spaces wear identification cards, temporary passes, or visitors' passes issued by and in accordance with the Lessor's security regulations. Such identification cards and passes must be worn in a conspicuous manner for easy identification. The Lessee shall ensure that its employees, servicemen, agents, and contractors, working at the Lessee's leased office spaces undergo police/security background checks before being issued with a Lessor Pass or ID.
- 8.3 The Lessee shall, at the request of the Lessor, remove or cause to be removed from the leased office spaces or any part of the Airport, either temporarily or permanently as the case may be, any member of his staff, agent, or visitor, whose conduct, in the opinion of the Lessor, is unbecoming or detrimental to the interests of the Airport and/or its other users.
- 8.4 Non-discrimination: The Lessor for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby agree that it shall not discriminate against or cause to be discriminated, against, any person or Lessee in the use of the Leased office spaces or in the furnishing of services/goods or denied the benefits of, on grounds of nationality, origin, race, religion, sex or business associations.

9 SURRENDER OF LEASED SPACES AND HOLDING OVER

9.1 Surrender and Delivery

- 9.1.1 Immediately upon termination or the expiration of this Agreement, or upon deletion of any portion of the leased spaces hereunder, the Lessee shall peaceably surrender and deliver to the Lessor the spaces that are the subject of said expiration or termination. The leased spaces shall be surrendered in good condition, with the exception of ordinary wear from use of the spaces for the purpose for which they were leased. After surrender, the Lessee agrees to pay to the Lessor the costs, if any, incurred by the Lessor to bring the office spaces up to tenantable condition thereafter

9.2 Removal of Property



9.2.1 Except as provided in clause 9.2.2, nothing herein shall be construed to preclude the Lessee removing from the Lessor or otherwise disposing of its personal property, including trade fixtures, tools, and equipment title to which is to remain with the Lessee. All Lessor's property damaged by or as a result of the removal of Lessee property shall be promptly restored by the Lessee to the condition existing before such damage, at the Lessee's sole cost and expense. Such trade fixtures, tools, equipment, and other personal property shall be removed upon the expiration of this Agreement or from any portion of the leased spaces upon the deletion from this Agreement of that portion from the spaces leased hereunder.

9.2.2 Any removal of property by the Lessee pursuant to clause 9.2.1 shall be subject to any valid lien which the Lessor may have thereon, and such property shall not be removed from the Airport without the written consent of the Lessor.

9.2.3 At the expiration or termination of this Agreement, any personal property of the Lessee not removed in accordance with clause 9.2.2 above, at the option of the Lessor, may be removed and placed in storage by the Lessor at the sole cost of the Lessee. If such property is not removed from storage by the Lessee within one month after placement therein, the Lessor may elect, after notice to the Lessee, to take ownership of the property or dispose of the property by either public or private sale and retain the proceeds. Any costs of removal and disposition not covered by such proceeds shall be borne by the Lessee.

9.3 Holding Over

9.3.1 In the event the Lessee holds over, refuses, or fails to give up the possession of the Spaces at the expiration or termination of this Agreement, or the relevant portion of office spaces in the event of expiration or termination of the Agreement for said portion, without the written consent of the Lessor, the Lessee shall have only the status of a tenant at sufferance and no periodic tenancy will be deemed to have been created. The Lessee shall pay reasonable rentals, rates, and charges as then prescribed by the Lessor and such rentals, rates, and charges shall be different from those prescribed during the period of the Agreement.

9.3.2 Rent shall be paid on a pro-rata basis for the period of time that the Lessee is in a holdover status. Further, in the event that the Lessee holds over, and if the Lessor shall desire to regain possession of the leased spaces, then the Lessor may re-enter



and take possession of the leased spaces. Furthermore, if the Lessor so elects, it may accept rent and concurrently commence legal proceedings to regain possession of the office spaces.

10 DISPUTES WITH OCCUPIERS OF THE BUILDING

10.1 If any dispute arises between the Lessee and other Lessees or occupiers of the building as to any easement, right or privilege in connection with the use of the Lettable space and any other part of the building or as to the boundary structures separating the Lettable space from any other property the dispute shall be decided by the Lessor or in such manner as the Lessor shall reasonably direct or at the Lessor's option by the surveyor acting as an expert and not as an arbitrator.

11 DISPUTE RESOLUTION

11.1 Amicable Settlement by Mediation: The parties shall use their best efforts to amicably settle by mediation any dispute arising out of or in connection with this Agreement within 30 days from the date upon which the other party notifies the other of the existence of the dispute.

11.2 Arbitration: If such dispute cannot be amicably settled within thirty (30) days after receipt by one party of the other party's request for a such amicable settlement, any party shall refer the dispute to be finally resolved by arbitration. The Arbitration proceedings including the appointment of arbitrators shall be governed by the Tanzania Institute of Arbitrators (TI Arb) Rules enforceable at the time of the dispute. The seat of the arbitration shall be Dar es Salaam, Tanzania. The language of the arbitration shall be the English Language. The number of Arbitrators shall be one.

12 CONTRACTS DOCUMENTS

12.1 The Lessee shall submit to the Lessor certified copies of documents relating to the business of the Lessee conducted at the Airport including but not limited to current trading license, certificate of incorporation or certificate of registration of business names, TIN, and VAT certificates as appropriate.



13 SUBMISSION OF ACCOUNTS

13.1 In the event the audited report establishes that additional payments are due to TAA then the Lessee shall make such additional payments to TAA within seven **(7) days** of receiving written notice from TAA. In the event that the audited report establishes that the Lessee overpaid TAA, then such overpayment shall be credited by the issuance of a **credit note** to the Lessee. However, in no event shall TAA be liable for interest if there has been an overpayment by the Lessee. In the event that TAA has not raised any objection, query, or comment on the data submitted by the Lessee before the expiry of 3 months after the end of the TAA financial year to which the data relates, such data may be deemed to have been accepted by TAA.

14 GROUNDS FOR REVIEW

14.1 Subject to clause 5.1.4 (Payment to the Lessor) of the Lease Agreement, the Lessor shall have the right to review the rent on the first week of the thirty-sixth month when a reasonable need arises thereto. The said reasonable need shall include, but not limited to, the following:

14.1.1 Where the Lessor will renovate the Lettable space so as to make it more habitable and, modern.

14.1.2 Where the Market Value of that particular place has changed so as to attract the increase of rent

14.1.3 Where that particular place has been changed in status in accordance with Government or Municipal order/ decision.

15 OTHER GENERAL CLAUSES

15.1 Severability

15.1.1 The effectiveness, invalidity or unenforceability of any provision or part thereof of this Lease shall not affect any other provisions or the remainder thereof, all of which shall remain in full force and effect.

15.2 Waiver

15.2.1 Each of the Lessee's covenants shall remain in full force both at law and in equity notwithstanding that the Lessor shall have a waiver or be re-lettable temporarily or permanently, revocable or irrevocably by a similar covenant or similar covenants affecting the leases with other Lessees of spaces in the building.



15.2.2 The Lessor shall not be responsible to the Lessee or to anyone at the Lettable space expressly or by implication with the Lessee's authority for any accident happening or injury suffered or for any damage to or loss of any chattel sustained in the Lettable space, except to the extent that such an accident, happening, injury, damage or loss is due to the act or neglect of the Lessor or any person authorized by the Lessor.

15.3 Compliance with the laws and regulations

15.3.1 The Lessee and the Lessor shall each comply, with all applicable laws, regulations, rules, and orders now or hereafter in force and as promulgated by TCAA or any other law enforcement authority from time to time. Such laws and regulations include Safety and Fire Regulations, Security Regulations, Safety Regulations, and Environmental Management Regulations, among others.

15.4 Modifications

15.4.1 Modification of the terms and conditions of this Agreement, including any modification of the scope of the services, may only be made by written Agreement between the parties. Each party shall give due consideration to any proposal for modification made by the other party.

15.5 Entire Agreement

15.5.1 This Lease constitutes the entire agreement and understanding between the Parties relating to the subject matter. Except as may be expressly stated in this Lease, it supersedes and cancels all prior agreements, statements, representations, understandings, negotiations, and discussions, whether oral or written, between the parties. Each of the parties acknowledges and agrees that in entering into this Lease it does not rely on any statement, representation, warranty or understanding is incorporated into this Lease. Each of the parties acknowledges and agrees that in entering into this Lease it has not relied on (nor has been induced to enter into this Lease Agreement by) any statement, representation, warranty or understanding made prior to this Lease Agreement.

15.5.2 If after the Lessee has vacated the Lettable space on the expiry of the Term any property of the Lessee remains in or on the Lettable space and the Lessee fails to remove it within fourteen (14) days after being requested in writing by the Lessor to do so or if after using its reasonable endeavours the Lessor is unable to make such a request to the Lessee within twenty-eight (28) days from the first attempt so made by the Lessor:



- (i) The Lessor may remove such property and keep it in a warehouse for a period of thirty (30) days. The Lessee shall be responsible for the storage charges and any changes in relation to the removal of such property from the Lettable space to the warehouse.
- (ii) On the expiration of thirty (30) days stipulated above and on the failure of the Lessee to turn up and collect its property together with making payment of all charges there unto, the Lessor shall have the right to take necessary legal actions and/or procedure in relation to such property.

15.5.3 If the Lessor, having made reasonable efforts, is unable to locate the Lessee the Lessor shall be entitled to retain such proceeds of sale absolutely unless the Lessee shall claim them within six (6) months of the date upon which the Lessee vacated the Demises Spaces. The Lessee shall indemnify the Lessor against any damage occasioned to the Lettable space and any actions, claims, proceedings, costs, expenses, and demands made against the Lessor caused by or related to the presence of the property in or on the lettable space or warehouse.

16 EASEMENTS AND OTHER RIGHTS OF THE LESSEE

16.1 The Lessee and all persons expressly or by implication authorized by the Lessor shall have the right in common with the Lessor and all other persons having a like right, to use the building's common parts for the purpose of access to and egress from the building and for all purpose in connection with the use and enjoyment of the leased spaces including the right: -

16.1.1 To have access to and egress from the car park area on specifically allocated by the Lessor for private motorcars **PROVIDED** that the Lessor by a written notice may reposition or reallocate the car parking spaces for the interest of good estate management.

16.1.2 To use such lavatories in the building reasonably proximate to the Lettable space as shall be designated by the Lessor from time to time (except those included within another Lessee's demise).

16.1.3 To the free passage and running of electricity, telephone, and other services or supplies (subject to temporary interruption for repair alteration, or replacement) to and from the Lettable space in and through the pipes that now or during the Lease Term serve



the Lettable space presently laid in or over or under other parts of the building or the estate.

- 16.1.4 To display in the reception area of the building a nameplate or sign in positions and of size to be specified by the Lessor showing the Lessee's name and any other details approved by the Lessor such approval not to be unreasonably withheld or delayed.

17 THE LESSOR'S RIGHT TO ALTER THE PROPERTY

17.1 The Lessor shall be entitled at all and any times during the Term of this Lease to completing, altering, repairing, improving, reconstructing, rebuilding, redeveloping, and/or adding to the building and the site (other than the leased spaces) and for such purpose to erect scaffolding, hoardings, and building equipment in, at, near or in front of the lettable spaces, as well as such devices as may be required by law or which the architect may certify to be necessary for the purposes of any work aforesaid. The Lessor shall further be entitled by itself or through its workmen or its agent to all such rights of access to any portion of the lettable spaces as may reasonably be necessary for the purpose aforesaid. In exercising its rights above the Lessor shall use its best endeavours to minimize interference with the Lessee's occupation of the Lettable space and in particular shall not enter the Lettable space without reasonable prior notice to the Lessee, save in the event of an emergency when immediate entry upon the Lettable space shall be permissible.

17.2 Notwithstanding anything herein contained the Lessor shall not be liable to the Lessee nor shall the Lessee have any claim against the Lessor in respect of;

17.2.1 any interruption by reason of necessary repair or maintenance of any installations or apparatus or damage thereto or destruction thereof by fire water act of God or other cause beyond the Lessor's control or by reason of mechanical or other defect or breakdown or other inclement conditions or unavoidable shortage of fuel materials water or labour; or

17.2.2 any act of omission or negligence by any porter attendant or other servant of the Lessor in or about the performance or purported performance of any duty relating to the provision of the said services or any of them.

18 TAKING INVENTORIES



18.1 Inventory When Taking Possession

18.1.1 If the leased spaces include movable and immovable equipment, fixtures, and fittings inventories of such movable and immovable equipment, fixtures, and fittings, shall be drawn up by both the Lessee and the Lessor.

18.2 Airport Certification

18.2.1 The Lessee shall not operate at the Airport in a manner that prevents or impairs the Lessor's ability to meet and maintain compliance with requirements for obtaining and maintaining an Airport Operating Certificate from the Regulator.

18.3 Inventory when vacating

18.3.1 The same operations shall be carried out at the time of vacating the spaces for any reason whatsoever. A report of the comparison of the two inventories shall be used to determine any work of restoration that may be necessary or to decide the amount of compensation to be paid to either party.

18.4 Changes in the records

18.4.1 In the event of any changes in the composition of fixtures, fittings, movable and immovable equipment in the leased office spaces as a result of removal, replacement, or additions by the Lessee or the Lessor another inventory shall be drawn as appropriate to update the existing one.

19 GOVERNING LAW

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

20 NOTICES

20.1 Any notice to be given under this Lease may be given by sending the same by post, by the quickest mail available or by telex, e-mail, telephone address to the party concerned at its address as given herein below: -

The Lessor: -

Director General,
Tanzania Airports Authority,
P. O. Box 18000,
Dar Es Salaam, Tanzania.



To the Lessee: -
Chief Executive Officer,
LEO Minor Tanzania Limited
P.O Box 32945,
Dar Es Salaam, Tanzania.

Or to such other respective addresses as the parties may designate to each other in writing from time to time.

Notice by certified or registered mail shall be deemed given within three (3) days after the date that such notice is deposited at the Post Office.

21 RENEWAL/TERMINATION OF THE LEASE AGREEMENT

21.1 Break Clause

- (i) The Lease shall be terminated by either party following the revelation that any of the warrants granted by the other party to this Lease are false or have seized to be true.
- (ii) Either Party may terminate this Agreement, with immediate effect by a written notice of twelve (12) months to the other party on or at any time:
 - a) by mutual agreement of the Parties,
 - b) if either Party knowingly commits any material breach of this Agreement and fails to remedy that breach within 30 days of the service of a notice from the other Party requesting that breach to be remedied,
 - c) the other Party becomes insolvent or threatens to suspend or cease, carrying on all or a substantial part of its business, or
 - d) the other Party repeatedly breaches any of the terms of this Agreement in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of this Agreement
- (iii) For the purposes of the Agreement material breach means a breach (including an anticipatory breach) that is serious in the widest sense of having a serious effect on the benefit that the



terminating party would otherwise derive from a substantial portion of this agreement over the term of this agreement.

21.2 Termination

21.2.1 This Lease Agreement shall terminate on the expiry of the lease term herein reserved. Provided that the Lessee gives twelve (12) months written notice prior to the lease expiry of his intention to renew, and the Lessor is willing to renew the lease to the Lessee, the Lease Agreement will be renewed for further period subject to agreement of terms and conditions between the parties.

21.3 "Force Majeure" Termination

21.3.1 Whenever the Lettable space or any essential part thereof shall be destroyed or be rendered unfit or unavailable for a further tenancy through fire, vandalism, earthquake, flood, storm, war, civil disturbance, government action, or other similar casualty or event beyond the Lessor's control this Lease Agreement shall, at the option of the Lessee, be immediately terminated. In the case of partial destruction, damage, unfitness, or incapacity, this Lease Agreement may be terminated in whole or in part at the Lessee's option. Should the Lessee exercise this option, he shall provide a written notice to the Lessor and no rent shall accrue to the Lessor after such termination, which shall be effective as of the date of the spaces being rendered unusable

[SIGNATURE PAGE FOLLOWS]



THE LESSOR

SIGNED and DELIVERED by duly authorized officers of **TANZANIA AIRPORTS AUTHORITY**

Signature: 

Officer's Name: MUSIA MBURU

Address: 15000 DAR ES SALAAM

Designation: DIRECTOR GENERAL

Date: 14th December 2022

WITNESS

Signature: 

Officer's Name: PATRICK D. MWAKIPATA

Address: 18000 DAR ES SALAAM

Designation: LEGAL SECRETARY

THE LESSEE

SIGNED and DELIVERED by duly authorized officers of **LEO MINOR TANZANIA LIMITED**

Signature: 

Officer's Name: DAVID GWAJ

Address: DAR ES SALAAM

Designation: DIRECTOR

Date: 14th DECEMBER 2022

WITNESS

Signature: 

Officer's Name: ERIC FRANK RINGO

Address: DAR ES SALAAM

Designation: COMPANY SECRETARY

ANNEX II

ANNEX II: SUMMARY SHEET

General Information:

LEASE AGREEMENT IN RESPECT OF HANGAR AND PIECE OF LAND BETWEEN TANZANIA AIRPORTS AUTHORITY (TAA) AND LEO MINOR TANZANIA LIMITED	
OFFICER EXECUTING THIS AGREEMENT:	
AGREEMENT NUMBER: AE-027/2021-2022/MORO/NC/32/01	
Date of Issue:	Date of Signature:

Addresses:

Physical Address:	Billing Address:
193 Rose Garden Road	
14112 Mikocheni Area	
P.O. Box 32945	
Dar es Salaam, Tanzania	

Contact Persons

Details	1st person	2nd person
Name:	Ing. David Grolig, Ph.D	
Title:	Managing Director	
Phone: Office:		
Mobile		
Email:	david.grolig@leominorgroup.cz	

Contract Period:

This Lease Agreement is valid for 36 Months and may mutually be renewed thereafter.	
Date of Commencement: 01 st January 2023	Date of Termination: 31 st December 2026

Allocated Spaces and Payment to the Lessor

Allocated Spaces	Payment to the Lessor
The total floor area occupied 601m² at the Morogoro Airport Hangar	The LESSEE shall pay; The sum of USD 21,137 being the annual lease rent



ANNEX III

BANK DETAILS FOR EFFECTING PAYMENT



**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF WORKS AND TRANSPORT
TANZANIA AIRPORTS AUTHORITY**



In Reply please quote: Date:

Ref. No:

RE: BANK DETAILS FOR EFFECTING PAYMENT

Below are banking details for disbursements to TAA:

PAYEE NAME: Tanzania Airports Authority
BANK NAME: CRDB Bank PLC
BRANCH NAME: CRDB PPF Tower
ACCOUNT NO: 01J1042983501 for TZS and 02J1042983500 for USD
ACCOUNT TYPE: Revenue Collection Accounts
SWIFT CODE: CORUTZTZ

OR

PAYEE NAME: Tanzania Airports Authority
BANK NAME: NMB
BRANCH NAME: NMB Bank House
ACCOUNT NO: 20101100047 for TSHS and 20110036205 for USD
ACCOUNT TYPE: Revenue Collection Accounts
SWIFT CODE: NMBTZZ

In all cases, our Invoices or Control number will indicate the respective account to be credited

All Correspondences should be addressed to the DIRECTOR INIA

*P.O. Box 18032, 1206 Kipawa Airport Street, Dar es Salaam, Tanzania. Telephone: +255 22 2844324/8,
Facsimile: +255 22 284 4373, Website: www.taa.go.tz, Email: dar@airports.go.tz*

ANNEX IV

ANNEX IV: DESCRIPTION OF THE LETTABLE SPACE

Description of the Lettable Space:						
S/N	LOCATION	SIZE/MEASUREMENT			RATE PER M ² per Annum (USD)	TOTAL AMOUNT (USD)
		LENGTH	WIDTH	TOTAL M ²		
01.	Hangar	19	29	551	37	20,387
02.	Piece of land	5	10	50	15	750
	TOTAL (USD)			601		21,137



LEO MINOR TANZANIA LIMITED



LEASE AGREEMENT IN RESPECT OF HANGAR PREMISES BETWEEN

TANZANIA AIRPORTS AUTHORITY (TAA) AND LEO MINOR TANZANIA LIMITED

FOR THE YEAR 2023 TO 2026

AGREEMENT NO. AE-027/2021-2022/MORO/NC/32/01

**INFORMATION ON PRODUCTION PREPARATIONS AND
WORKS ON MOROGORO AIRPORT HANGAR**

INFORMATION ON PRODUCTION PREPARATIONS AND WORKS ON MOROGORO AIRPORT HANGAR

WORK PLAN AND EXPECTED IMPROVEMENTS

PHASE 1 2023 – 2025

Team leaders:

Ing. Igor Strafil, AIRPLANES AFRICA Limited, director,

Ing. David Grolig, Ph.D., LEO MINOR TANZANIA, director

Involved companies:

Leo Minor Tanzania Limited, Airplanes Africa Limited

Project phase:

Phase I. – Initiation and production start up

Time frame

January 2023 – December 2025

Characteristics

- new production will be installed in an existing hangar
- the whole hangar will be leased and will be used for
- production of airplanes, maintenance, and pilot training
- during this phase the feasibility of project in Morogoro
- will be tested and evaluated

description of needs:

- lease of existing hangar (app. 550 m²)
- hangar shape app. 19 m x 29 m
- use of airstrip for production, testing and marketing in
- price of hangar lease
- two parking spaces leased
- standard electricity 380/400 V

- water supply for employees

General improvement

Expected

- lease company will arrange basic repairs of existing (leased) hangar
- lease company will arrange for the improvement and installation of new showers and toilettes
- lease company will arrange larger repairs of existing office and supply of suitable furniture
- Supply of Security Surveillance system in form of CCTV and branding will also be done
- The installation of the Simulator for training of the expected pilots

Outside adaptation and improvement of the outside parts of the Hanger:

- new toilettes for airport visitors and passengers will be installed
- toilettes will be located outside the hangar - placing will be agreed with TAA during 1.Q 2023
- production sign and logo will be placed outside hangar area and at entry to airport
- different other hangar tasks will be re-checked and fixed (after agreement with TAA)

Security and Surveillance System Outside the Hanger

security and surveillance system will be installed inside the hangar to monitor security of the place (note: for production and simulator monitoring)

Inside adaptation and improvement of the inside parts of the Hanger:

- space in hangar will be divided into sectors (fuselage assembly, final assembly, wings construction area, showroom place, warehouse, simulator, office) (note: showroom, simulator and office will be separated to other with moveable fence)

- assembly jigs will be placed and will not be fixed to floor
 - special room for simulator will be installed (5m high drywall construction – needed to arrange suitable environment)
 - office space will be upgraded with installation of second floor (drywall construction) (note: if agreed by TAA; office space will contain lecture room; if upgrade not approved by TAA – lectures will be held in open space)
 - two new air condition units will be installed, and new energy aggregate will be installed
 - different other hangar tasks will be re-checked and fixed (after agreement with TAA)
- security and surveillance system will be installed inside the hanger to monitor security of the place (note: for production and simulator monitoring)

Security and Surveillance System

• There will be other expected improvements and layout of the following

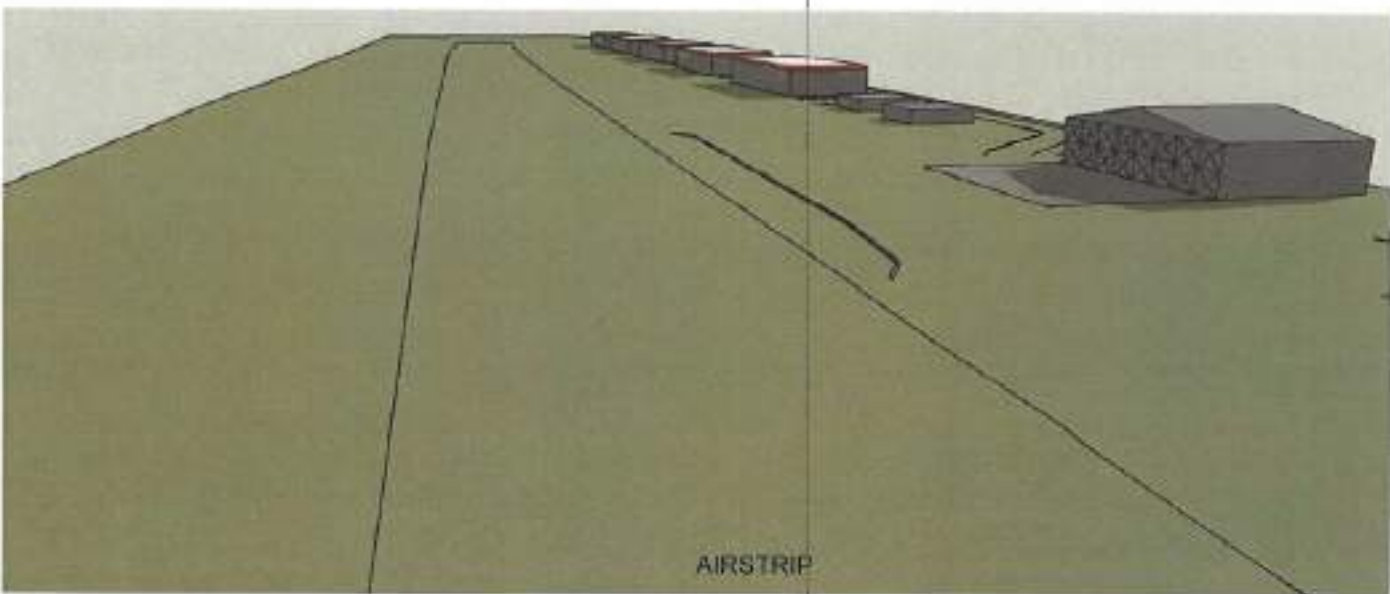
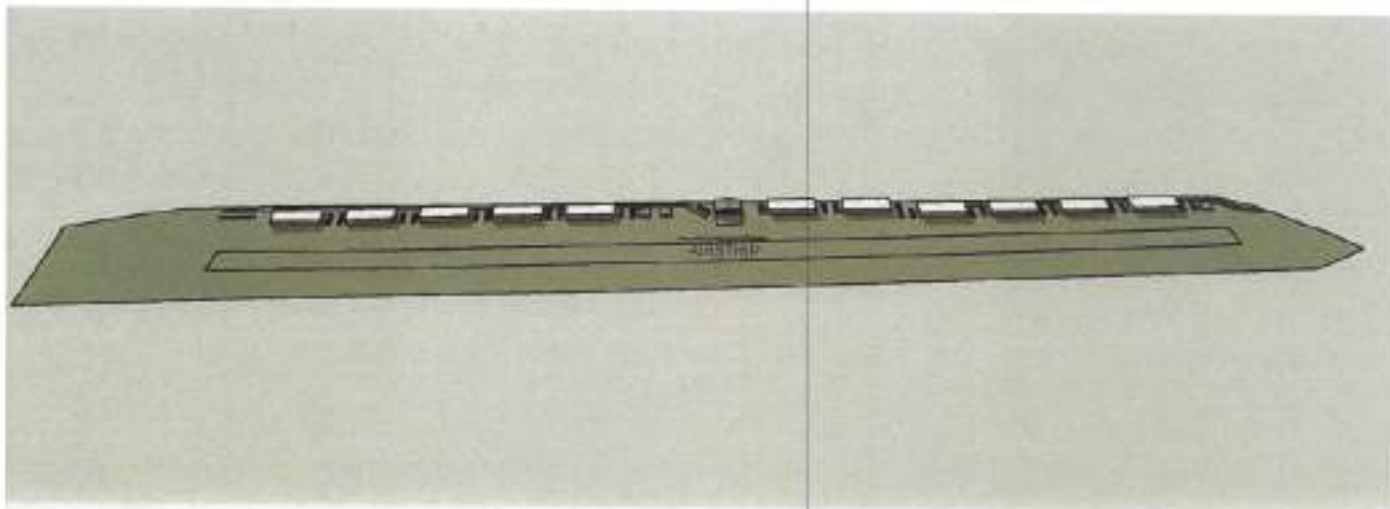
- General Electricity layout to suit the production
- Water and sanitation of the working place to allow and accommodate the working team
- General Leakages, if any at the Hanger

Other expected improvements

The Office within the Hanger will be improved to suit the needs and operations of the activities

- Supply of suitable furniture conveniently and appropriate executive furniture
- Supply of Air conditioning to the Office
- Generally, layout and painting of the office to suitable standards
- Improvement of the Fire System within the Hanger

Office Improvement and modelling



MOROGORO AIRPORT DEVELOPMENT
3D VISUALIZATIONS

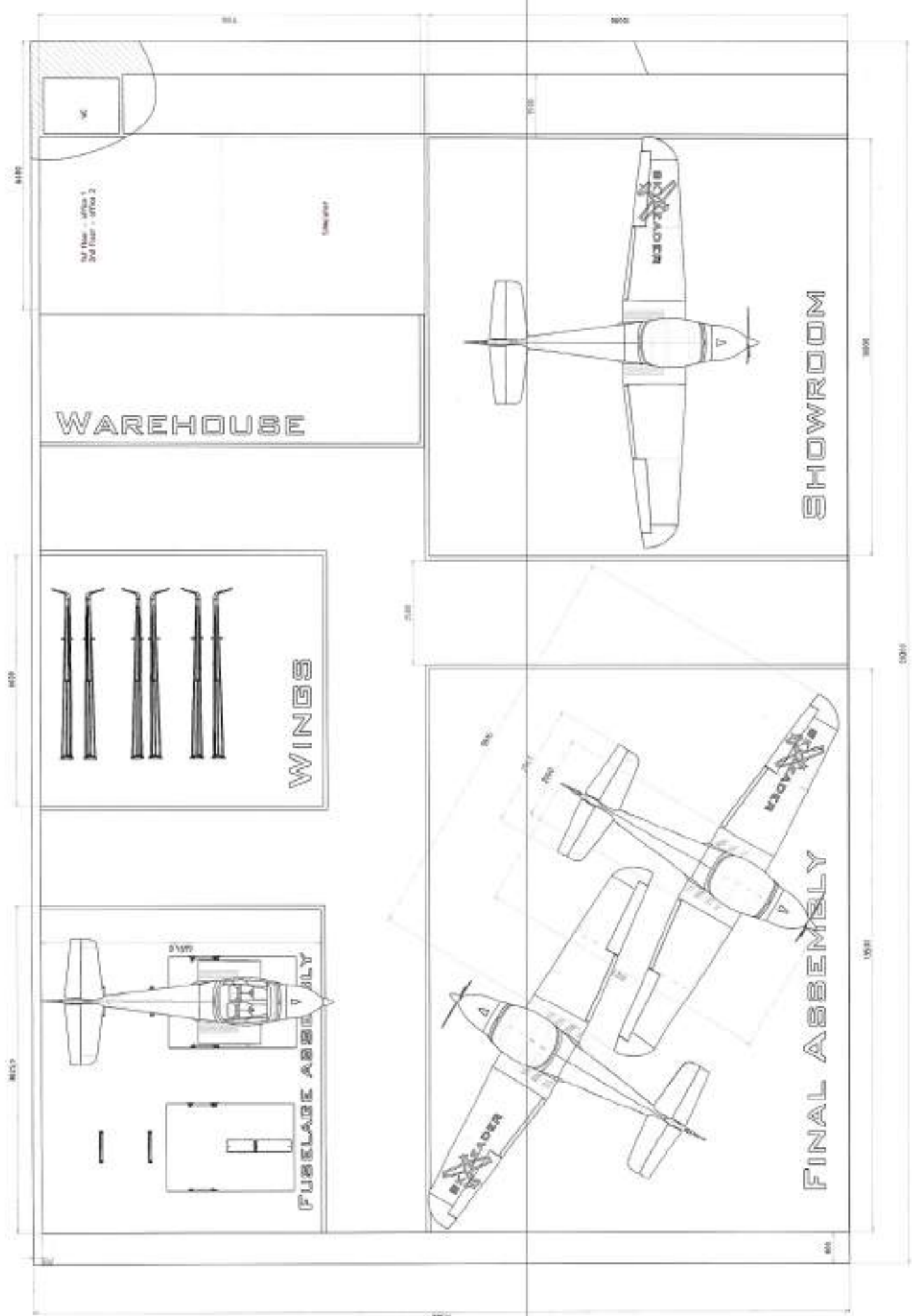




DETAIL

MOROGORO AIRPORT DEVELOPMENT
PHASE I.





WAREHOUSE

SHOWROOM

WINGS

FINAL ASSEMBLY

FINAL ASSEMBLY

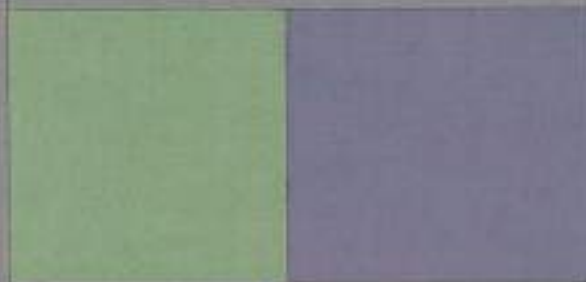
1000

1000

1000

1000

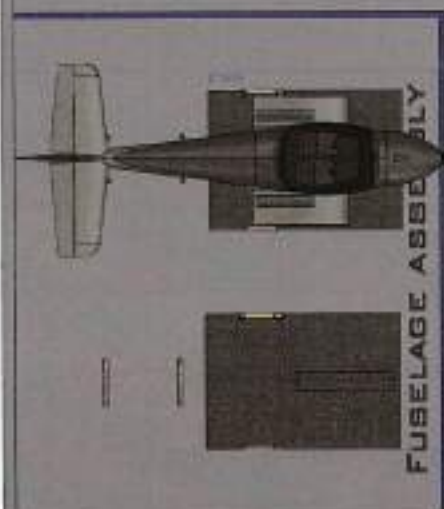
1000



WAREHOUSE



WINGS



FUSELAGE ASSEMBLY



SHOWROOM



FINAL ASSEMBLY

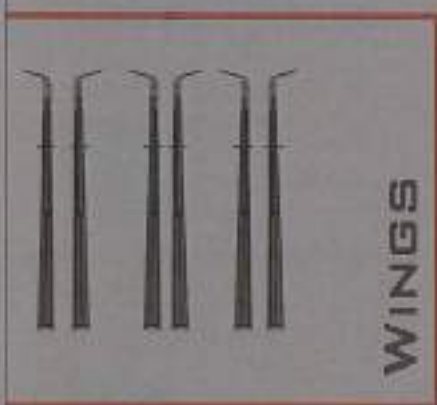
1000

1000

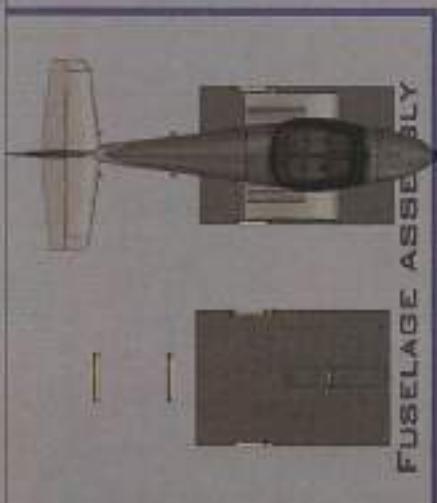
1000

1000

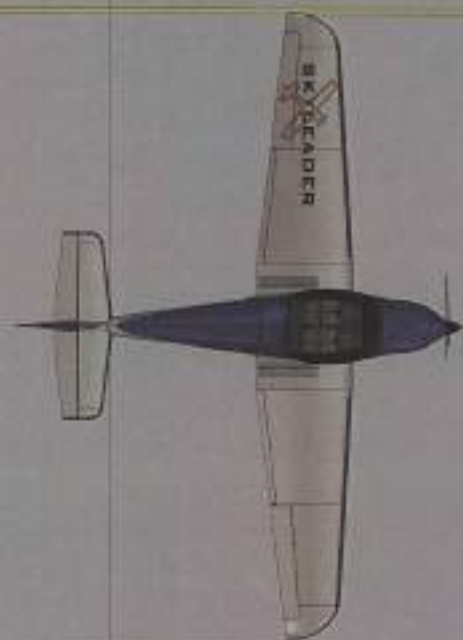
WAREHOUSE



WINGS



FUSELAGE ASSEMBLY



SHOWROOM



FINAL ASSEMBLY

